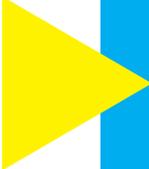




STRENGTH

STABILITY

FLEXIBILITY



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BOARD OF DIRECTORS

Mr. Kapil Kapoor	<i>Chairman</i>
Mr. Arun Duggal	<i>Independent Director</i>
Mr. Saurabh Srivastava	<i>Independent Director</i>
Ms. Bala Deshpande	<i>Independent Director</i>
Mr. Ashish Gupta	<i>Independent Director</i>
Dr. Naresh Gupta	<i>Independent Director</i>
Mr. Sandeep Murthy	<i>Nominee Director</i>
Mr. Sanjeev Bikhchandani	<i>Managing Director & Chief Executive Officer</i>
Mr. Hitesh Oberoi	<i>Director & Chief Operating Officer</i>
Mr. Ambarish Raghuvanshi	<i>Director & Chief Financial Officer</i>

COMPANY SECRETARY

Mr. Amit Gupta

AUDITORS

Price Waterhouse, Chartered Accountants, Gurgaon - 122 002

BANKERS

ICICI Bank Limited
HDFC Bank Limited
State Bank of India
Punjab National Bank
Canara Bank.
Bank of Baroda
Oriental Bank of Commerce

REGISTERED OFFICE

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

CORPORATE OFFICE

A-88, Sector-2, Noida - 201 301
Uttar Pradesh, India

TO ITS CREDIT,
INFO EDGE HAS
SHOWN GREAT
RESILIENCE, AND
EVEN MANAGED
TO REGISTER
MODERATE
GROWTH BOTH
IN REVENUES AND
PROFITS.

2008-09 HAS TAUGHT ME AND THE SENIOR MANAGEMENT
THE NEED TO CALIBRATE OUR BUSINESS MODELS TO
DEAL WITH DOWNTURNS, WHILE KEEPING ALL ENGINES
RUNNING TO ACCELERATE ON THE UPTURN.





Dear Shareholders,

As 'new age' entrepreneurs, the single most important lesson that we learnt in 2008-09, was not to take growth for granted. In the last five years, the Indian economy had grown at a compound annual growth rate (CAGR) of over 8.5%. And, most companies focused on making the best of this stupendous growth. Info Edge was no exception.

In those five years, driven primarily by the phenomenal growth of naukri.com, Info Edge registered:

- ▶ **A CAGR in net sales of over 84%**
increasing from Rs. 196.51 million in 2003-04 to Rs. 2,189.39 million in 2007-08.
- ▶ **A CAGR in EBIDTA of over 106%**
rising from Rs. 47.7 million in 2003-04 to Rs. 842.04 million in 2007-08.
- ▶ **A CAGR in PAT of over 119%**
growing from Rs. 24.36 million in 2003-04 to Rs. 554.87 million in 2007-08.
- ▶ **EPS increasing** from Rs. 1.18 in 2003-04 to Rs. 20.33 in 2007-08.

Things changed in 2008-09. After record levels of inflation in the first quarter, global economic growth reduced dramatically in the third quarter of 2008-09. Much of this has been a fallout of the international financial crisis. World output growth has reduced from 5.2% in 2007 to 3.2% in 2008 and is estimated to be negative 1.3% in 2009. Taking a cue from the global economy, India's GDP growth also reduced from 9% in 2007-08 to 6.7% in 2008-09.

Naturally, with a sharp reduction in growth, there was a slowdown in hiring activities across sectors. Our recruitment business was affected. Real estate listings, too, saw a dramatic collapse in India — which made things difficult for our property search business. This was the worst year that we have seen in the history of your Company.

However, to its credit, Info Edge has shown great resilience, and even managed to register moderate growth both in revenues and profits.

The key results on a consolidated basis are:

- ▶ **Net sales increased by 12.3%** from Rs. 2,189.39 million in 2007-08 to Rs. 2,457.99 million in 2008-09.
- ▶ **Earnings before depreciation, interest, tax and amortisation (EBIDTA) grew by 1.6%** to Rs. 644.85 million.
- ▶ **Profit after tax (PAT, after minority interest and profits from associate companies) increased by 2.8%** to Rs.570.28 million in 2008-09.

Over the last five years, the team has been pushing Info Edge to deliver higher and higher growth year after year. The fundamental belief was that opportunities in our markets were going to keep on increasing. 2008-09 has made us introspect on this belief. Our optimism on India's longer term growth opportunities remain undiminished. But 2008-09 has taught us the need to calibrate our business models to deal with downturns, while keeping all engines running to accelerate on the upturn. It has been a great learning doing this task — of how to conserve in lean times without sacrificing the strategic opportunities for longer term growth.

THE FUNDAMENTALS OF OUR BUSINESSES ARE STRONG AND WE HAVE WORKED ON OUR PRODUCTS AND PROCESSES TO FURTHER STRENGTHEN THEM FOR THE NEXT ROUND OF ACCELERATED GROWTH.

OUR BELIEF IN THE LONG TERM PROSPECTS OF INFO EDGE IS FURTHER ESTABLISHED BY THE FACT THAT IN 2008-09, WE DIVERSIFIED OUR BUSINESS PORTFOLIO AND MADE INVESTMENTS IN ANOTHER BUSINESS SEGMENT — THE EDUCATIONS CLASSIFIED PORTAL SHIKSHA.COM.

There were three broad areas where we have refocused our energies.

- ▶ **First**, across businesses, we have reoriented our sales processes for optimal resource utilisation, including using tele-calling more effectively. While for some businesses this has meant reduction in promotional activities and stress on more cost efficient selling, for others it has meant increased training for better communication of our value proposition.
- ▶ **Second**, based on our customer insights, we have revamped our websites. With the use of improved algorithms and analysis, we have improved the customer experience across different portals. There has been a concerted effort at improving the quality of traffic and content on our websites.
- ▶ **Third**, our business is now focusing on penetrating deeper into markets. We are emphasising on making clients use more and more of our services, so that with increased usage they get used to our interfaces and navigation. The stress here is on increasing our market share and attracting clients away from competitors.

By revisiting our business models and emphasising on internal processes and cost management in 2008-09, we believe Info Edge has emerged as an even stronger company.

We operate in a nascent business. While the online classifieds business space in India has seen increased activity, it is far from realising its full potential. Moreover, most players do not have the managerial or financial bandwidth to sustain their businesses in adverse markets. We have reasons to believe that the downturn of 2008-09 affected our competition much worse than us. With the strength of our debt-free balance sheet and skill and commitment of our people, we are determined to fulfil our long term growth aspirations.

Even under adverse market conditions, all our businesses continued to increase their customer base. Here are some facts:

- ▶ **The number of résumés in naukri.com's database increased by 31%** to around 17 million at the end of 2008-09; the number of résumés added daily increased by 17% to 14,000; and the number of corporate customers increased by 5% to approximately 34,000
- ▶ **Profile listings on jeevansathi.com increased** from 2.14 million at the end of 2007-08 to 2.9 million at the end of 2008-09
- ▶ **Property listings on 99acres.com grew** from 200,000 at the end of 2007-08 to 248,000 at the end of 2008-09; and the number of paid transactions rose from 7,500 in 2007-08 to 16,600 in 2008-09

The fundamentals of our businesses are strong and, during 2008-09, we have worked on our products and processes to further strengthen them. This has helped prepare your Company for the next round of accelerated growth. We also believe that cash including liquid invest-

ment on our balance sheet of over Rs 3200 million offers us a strategic advantage over our competitors.

Our belief in the long term prospects of Info Edge is further established by the fact that in 2008-09, we diversified our business portfolio and made investments in another business segment — the education classified portal shiksha.com. Since its launch in May 2008, we have continued to invest in developing this business. It is in an incubation phase where stress is on product development and creating brand awareness.

In 2008-09, Info Edge made strategic investments in Applect Learning Systems Private Limited, which operates the kindergarten to Class 12 (K-12) assessment based learning portal called www.meritnation.com; and Etechaces Marketing & Consulting Private Limited, which operates the insurance sales portal, www.policybazaar.com.

Today, Info Edge is an entity with several different businesses operating within it. Many of these businesses have different organisation structures and business models. Some are operated through step down subsidiaries or associate companies. In an entrepreneurially driven company like Info Edge, these structures are strategically important. However, this also requires the Company to have a strong foundation of corporate governance systems in place that protects investor interests. Info Edge has laid considerable emphasis on this aspect, and let me share with you a few things that we have done.

- ▶ The role of the Chairman is separated from that of the CEO
- ▶ Half the Board is independent, even though we have a non-executive Chairman
- ▶ Balance sheet and cash flow statements are disclosed every quarter even though these are not mandatory
- ▶ Internal audit is performed by an external firm
- ▶ The Audit Committee comprises only independent Directors

The global economic conditions are far from good. We expect that it will be some time before the large economies of USA and EU recover. Growth in India will also be lower than in the past. Given that naukri.com accounts for over 80% of our business, in the near future, Info Edge will grow at a lower rate than what we witnessed in the last five years.

Having said so, we also believe that with India even growing at over 6.5% to 7%, there will be several opportunities in the market for Info Edge. Besides, some of our businesses like shiksha.com and jeevansathi.com are largely insulated from economic developments. Several of our businesses are in the incubation phase and we need to focus on their execution processes.

2008-09 has been a learning experience. We have looked within and we believe much of our future will be determined by how we ideate; how we innovate; and how we execute. We have confidence that we can excel in all these fronts.

We would like to take this opportunity to thank you for your continued support. Our businesses continue to have huge growth opportunities. With the dedication of our employees and your encouragement, Info Edge will make the best of these opportunities.

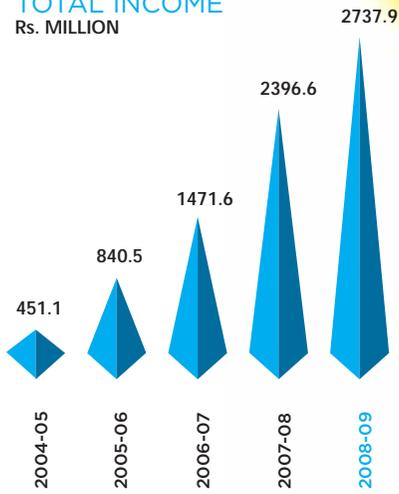
Regards
Sanjeev Bhikchandani



STRONG TOP-LINE GROWTH

TOTAL INCOME GREW AT A COMPOUND ANNUAL RATE OF 57% BETWEEN 2004-05 AND 2008-09

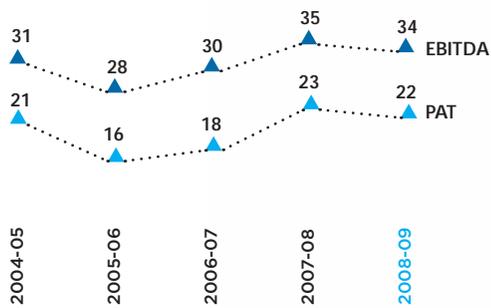
TOTAL INCOME Rs. MILLION



MAINTAINED GOOD MARGINS

AVERAGE EBITDA MARGIN OVER 30% AND AVERAGE PAT MARGIN OVER 20%

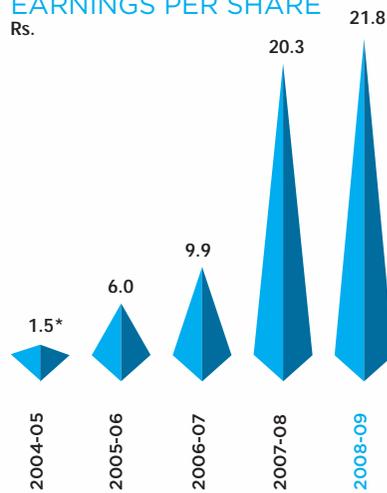
MARGINS (RATIO TO NET SALES) %



GOOD RETURNS TO SHAREHOLDERS

EPS HAS GROWN OVER 14 TIMES BETWEEN 2004-05 AND 2008-09

EARNINGS PER SHARE Rs.



* before accounting for exceptional items

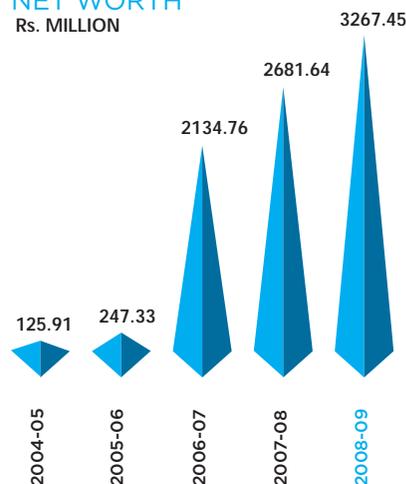


Info Edge has always focused on creating markets, maintaining good margins and increasing profits. The emphasis has been on generating healthy cash flows which are in turn invested into new business platforms within its business space. Over the last five years, the Company witnessed exponential growth across most financial parameters. Info Edge sees itself as a leader and trendsetter who is in effect playing a pioneering role in developing the online classifieds industry in India.

BUILDING UP RESERVES

NET WORTH HAS INCREASED SIGNIFICANTLY. THIS INCLUDES THE SIGNIFICANT GROWTH THROUGH THE IPO IN 2006-07

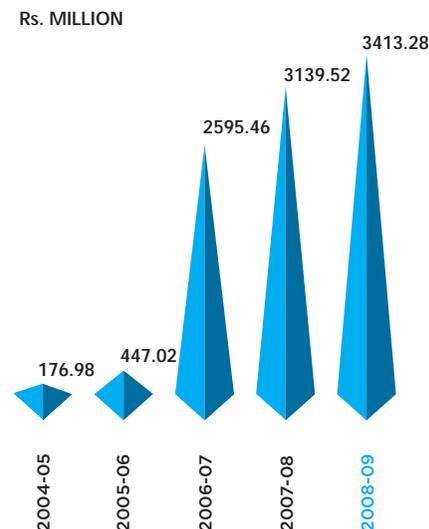
NET WORTH Rs. MILLION



HIGHER LIQUID ASSETS

CASH, BANK BALANCES AND LIQUID INVESTMENTS INCREASED AT A CAGR OF OVER 109.8% BETWEEN 2004-05 AND 2008-09

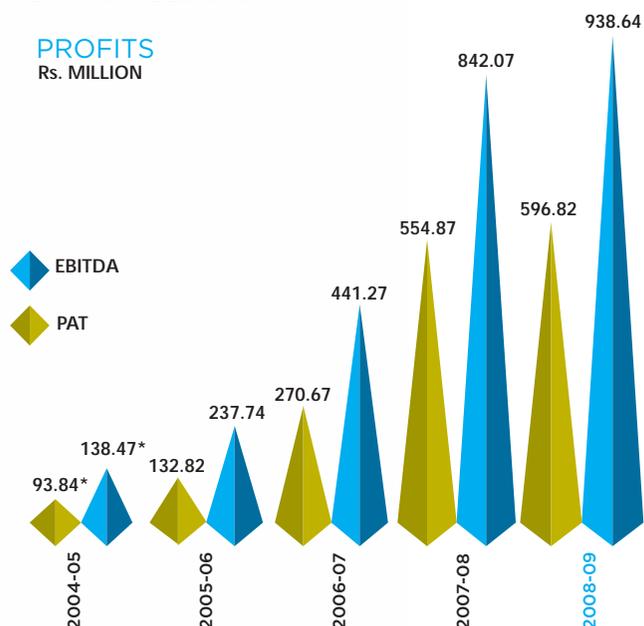
CASH, BANK BALANCES & INVESTMENTS Rs. MILLION



HEALTHY PROFITS

EBIDTA GREW AT A COMPOUND ANNUAL RATE OF 61.4% BETWEEN 2004-05 AND 2008-09. PAT GREW AT A COMPOUND ANNUAL RATE OF 58.8% BETWEEN 2004-05 AND 2008-09

PROFITS Rs. MILLION



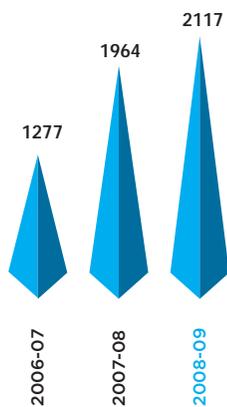
* before accounting for exceptional items

CORE BUSINESS RECRUITMENT SOLUTIONS

Launched in March 1997, naukri.com has been the backbone of Info Edge's business. Not only has it provided the Company with necessary skill-sets to diversify and develop other online businesses in India, but it has also helped create the Company's financial resource base, which is used to fuel the development of new business domains for the next round of accelerated growth.

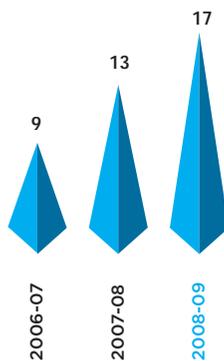
RECRUITMENT SOLUTIONS REVENUES

Rs. MILLION

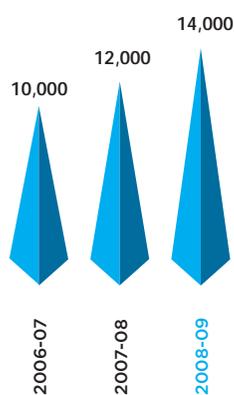


INDIA'S NO.1 JOB PORTAL
AMONGST 20 MOST
POPULAR WEBSITES IN
INDIA (Alexa.com)

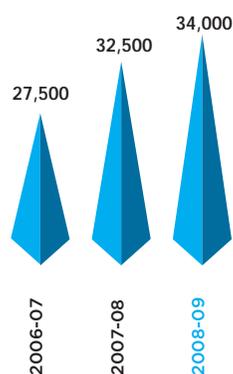
RESUMES NEAREST MILLION



AVERAGE RESUMES ADDED DAILY



UNIQUE CUSTOMERS



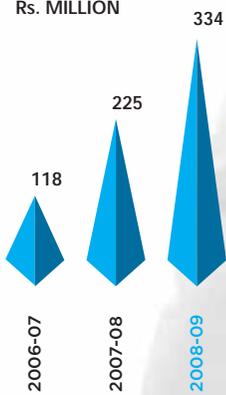
The two primary businesses amongst the other verticals – jeevansathi.com and 99acres.com – are still in the development and investment phase. However, their contribution to the total revenues of Info Edge has been increasing significantly over the last 3 years.



OTHER VERTICALS MATRIMONIAL AND PROPERTY SEARCH

OTHER VERTICALS REVENUES

Rs. MILLION



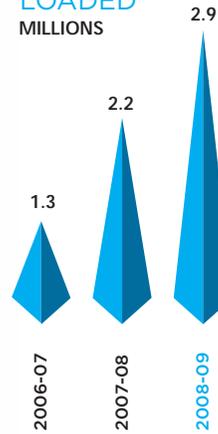
Jeevansathi.com

We Match Better

RANKED NO.3 AMONGST
MATRIMONIAL WEBSITES IN
INDIA. AMONGST TOP 100
MOST POPULAR WEBSITES
IN INDIA (Alexa.com)

PROFILES EVER LOADED

MILLIONS

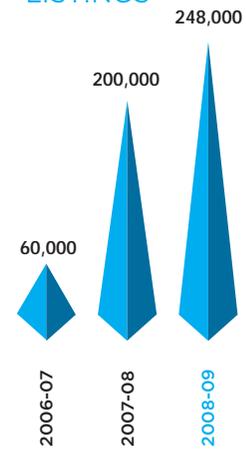


99acres.com

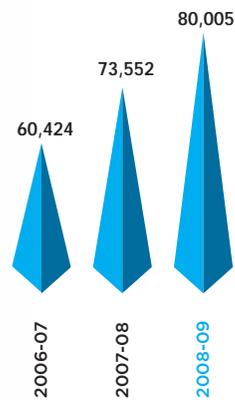
Buy. Rent. Sell

LEADING WEBSITE IN THE
EMERGING PROPERTY
SEARCH DOMAIN IN INDIA
(Alexa.com)

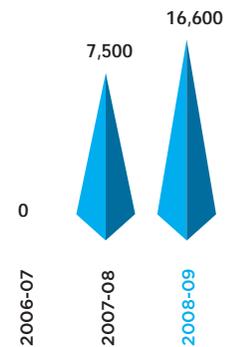
LISTINGS



UNIQUE PAID CUSTOMERS

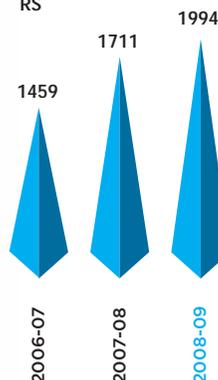


PAID TRANSACTIONS



AVERAGE REALISATION

RS



MDNA STARTS ON THE NXT
SPREAD

INFO EDGE
IS TODAY A
PORTFOLIO OF
DIFFERENT
BUSINESSES
THAT ARE
KNITTED
TOGETHER BY
THE COMMON
PRIMARY
REVENUE
GENERATING
CONCEPT OF
'ONLINE
CLASSIFIEDS'

SUCH A BUSINESS MODEL
SERIOUSLY RELIES ON
THE SPIRIT OF ENTERPRISE AND
INNOVATION AT EVERY STAGE
OF THE EXECUTION PROCESSES



Driven by the vision of 'creating world class platforms that transform lives', Info Edge (India) Limited ('Info Edge' or 'the Company') is one of India's leading companies in the internet content based business. In fact, it is India's premier on-line classifieds company with a dominant presence in online recruitment, matrimonial, real estate and educational classifieds and related services in India.

The business is managed through five main divisions. These are:

- ▶ **The online recruitment classified division**, which operates primarily through the portal www.naukri.com;
- ▶ **The online matrimonial classified division**, which operates through the portal www.jeevansathi.com;
- ▶ **The online real estate classified division**, which operates through the portal www.99acres.com;
- ▶ **The offline executive search division**, which operates through the Quadrangle division and the portal www.quadranglesearch.com; and
- ▶ **The online educational classified division**, which operates through the portal www.shiksha.com.

These divisions are supported by several other businesses that focus on particular segments within the division's business domain. These include the web portal - www.naukrigulf.com that caters to the Middle-East job markets; the career counselling and guidance site - www.asknaukri.com; the professional networking site - www.brijj.com; the real estate brokerage business - www.allcheckdeals.com which is now operated through a subsidiary; and the fresher hiring site - www.firstnaukri.com.

In addition to these specific business verticals, Info Edge also undertakes strategic investments in companies and start-up ventures. In 2007-08 the Company had made commitments to invest in Studypalaces Inc, USA. In 2008-09, it increased its investments by committing to take a stake in Apptek Learning Systems (Pvt.) Limited, which operates the kindergarden to class12 (K-12) www.meritnation.com, an assessment based learning portal; and Etechaces Marketing & Consulting Private Limited, which operates the insurance sales portal www.policybazaar.com.

Info Edge develops community networks primarily on the world-wide web that cater to specific societal needs. To begin with it focused on employment. The Company pioneered the concept of on-line recruitment in India through naukri.com. It successfully built a platform that brought together a large group of recruiters and job-seekers and revolutionised the hiring processes in

India. However, it took the business time to grow. And, like with most new businesses, the online recruitment business had to go through all the different stages of evolution including conceptualisation, incubation, development, accelerated growth and stabilisation. Having laid the foundation, the Company leveraged its 'early bird' advantage and built on the experience gained at each stage of development to grow naukri.com at a very rapid rate and attain leadership status in India. In December 2008, Info Edge launched *Naukri Jobspeak* an index of jobs based on job listings on Naukri.com.

In more ways than one, naukri.com has been the backbone of Info Edge's business. Not only has it provided the Company with necessary skill-sets to diversify and develop other online businesses in India, but it has also helped create the Company's financial resource base, which is used to fuel the development of new business domains for the next round of accelerated growth. And, Info Edge has left no stone unturned in its endeavour to secure long term growth. It has diversified to developing online communities in matrimonial search, property search and education advisory.

Info Edge is today a portfolio of different businesses that are knitted together by the common primary revenue generating concept of 'online classifieds'. Each of the respective businesses in the Company's portfolio is at a different stage of evolution. Also, the individual businesses have their own set of opportunities and challenges. As a result, they have different gestation periods, risk-return profiles, execution paths and inflection points. It may also be the case that some businesses do not take off as planned. However, the returns from the successes of the ones that attain accelerated growth offset such setbacks. In essence, this is what determines the success of the concept of portfolio based investments in new business. Such a business model seriously relies on the spirit of enterprise and innovation at every stage of the execution processes.

As of today, among the principal business divisions, naukri.com has attained significant growth and continues to generate high returns. 99acres.com and jeevansathi.com are in a consolidation phase. They are progressing

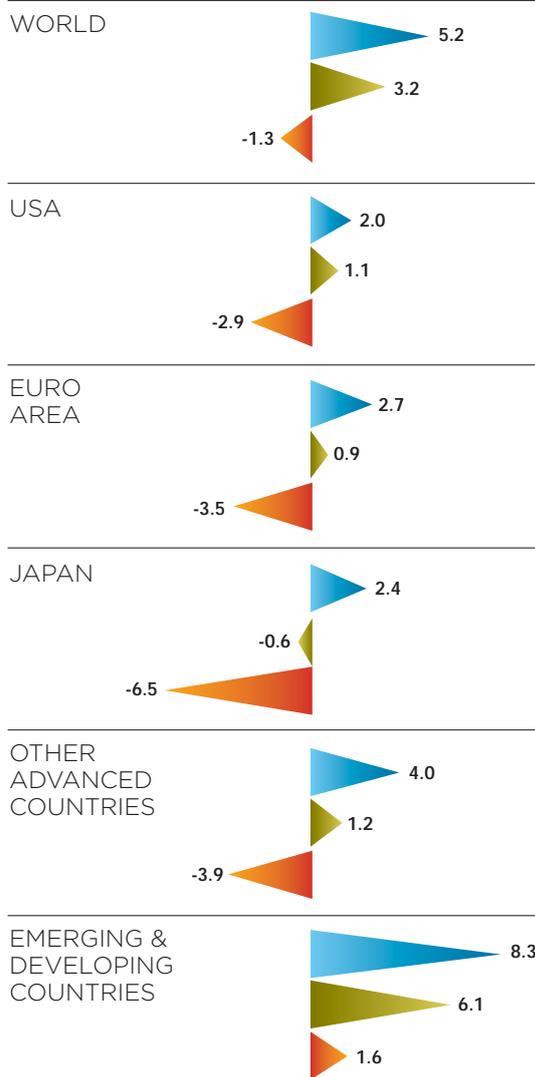
towards healthy top-line growth and closing in on breaking even in terms of profits. Shiksha.com was launched in 2008-09 and is in the startup or incubation phase. Many of the other investments made in associate companies have been done to support these primary business verticals.

BUSINESS ENVIRONMENT

Info Edge remains a technology driven company, relying primarily on the internet as the medium of service delivery. However, much of its businesses are geared to satisfying Indian customers and is largely affected by developments in the Indian economy.

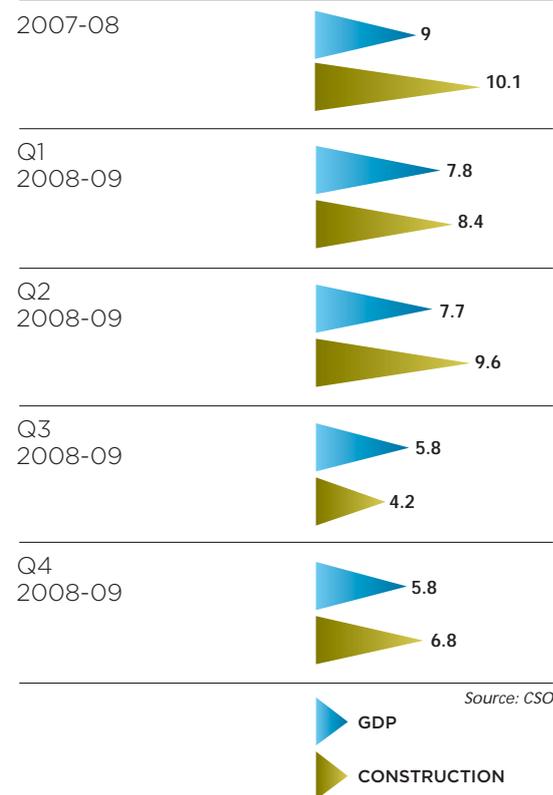
From a global perspective, as a fall-out of the sub-prime crisis, several large financial institutions either folded up or severely curtailed their operations. This significantly affected employment opportunities and recruitments were virtually frozen internationally, especially in the financial sector. The period September-December 2008 was one of severe liquidity crunch. Sentiments and consumer confidence were at an all time low, and growth in the real economy came to a virtual standstill. As **Chart A** shows, world output reduced from 5.2% in 2007 to 1.1% in 2008 an estimated to be (-)1.3% in 2009. The US and the Euro Zone have been in recession since the second half of 2008-09 and even the emerging economies witnessed a slowdown in growth.

A. SHRINKING GDP (%)



This slowdown, particularly in the large advanced economies, has affected employment generation globally. Several multinational enterprises have even initiated programmes for reducing their workforce across their global operations. To add to this, with severe stress on margins, several businesses have cut-back on non-core expenditures like spend on Information Technology (IT) and Business Process Outsourcing (BPO). Consequently, the export oriented Indian IT services sector has been hit hard. Thus, companies that were earlier dominant in the Indian recruitment space have significantly curtailed their activities. As a result, naukri.com was faced by a slump in activity, especially the recruitment of the IT and BPO companies.

B. REAL ECONOMY GROWTH - INDIA (%)



Even the domestic economy was affected adversely. With international financial institutions having to write down profits and de-leverage their balance sheet, emerging economies like India witnessed stress in the financial system in the second half of 2008. This led to a serious credit crunch in India. Soon the real economy, particularly in the industrial sector, witnessed a slowdown.

As **Chart B** shows, after five years of strong growth, India's GDP growth started slowing down from Q3, 2008-09. The real estate sector, too, has been hit hard. There has been a sharp correction and slump in demand. This is reflected in the fall in growth of construction activities from 10.1% in 2007-08 to 6.8% in Q4, 2008-09.

Naturally, both naukri.com and 99acres.com have

Source: IMF and The Economist

INFO EDGE HAS INTERNALISED THE FACT THAT IT HAS TO OPERATE IN DIFFERENT ECONOMIC CONDITIONS, AND THAT IT SHOULD HAVE SYSTEMS IN PLACE TO OVERCOME ECONOMIC DOWNTURNS, JUST AS THESE SHOULD HELP LEVERAGE GROWTH OPPORTUNITIES DURING ECONOMIC BOOMS.



witnessed significant demand constraints during 2008-09, especially in the second half.

Info Edge has internalised the fact that it has to operate in different economic conditions, and that it should have systems in place to overcome economic downturns, just as these should help leverage growth opportunities during economic booms. For the established businesses, there has been a conscious change in focus from pushing sales to reducing cost of sales, streamlining processes and systems, controlling overheads and focusing on improving customer experience. These measures have not only helped the Company in steering through the economic slowdown, but also in marginally increasing the 2008-09 profits vis-a-vis 2007-08. The company has undertaken implementation of an ERP namely Microsoft Navision to provide a strong backbone for future growth.

FINANCIAL REVIEW

Apart from the parent company, Info Edge (India) Limited has five subsidiaries. These are: Naukri Internet Services Private Limited and Jeevansathi Internet Services Private Limited, (which own internet domain names and related trademarks); Allcheckdeals India Private Limited (which provides brokerage services for the Indian real estate sector); Info Edge (India) Mauritius Limited (for making overseas investments); and Info Edge USA Inc. In addition to these, there are also associated companies in which Info Edge has made strategic investments. The consolidated financial results given in **Table 1** take into account the performance of the stand-alone Company, its subsidiaries and associated companies.

The Company, in spite of a difficult environment, managed to grow its top line albeit at a lower rate compared to earlier years. This reduction in growth rate was due to pressure on sales realization which in turn is attributable to two reasons. First, given the economic slow down, customers have moved from higher value subscriptions to lower value subscriptions. Second, some customers bought lower volumes while in some cases discounts had to be increased in a depressed market.

1 ABRIDGED CONSOLIDATED PROFIT AND LOSS ACCOUNT (RS MILLION)		
	2008-09	2007-08
NET SALES	2,457.99	2,189.39
Network and other charges	90.41	60.53
Employee costs	933.88	746.28
Advertising and promotion cost	433.20	481.24
Other expenditure	355.65	266.88
TOTAL OPERATING EXPENDITURE	1,813.14	1,554.93
OPERATING EBIDTA	644.85	634.46
Interest	0.37	0.39
Depreciation/Amortisation	71.15	55.1
EBT	573.33	578.56
Other income	279.24	207.25
PBT	852.57	785.81
Tax	270.37	231.33
PAT	582.20	554.48
Share in loss of Associate Companies	11.92	0.0
PAT after minority interests and share in loss of Associate Companies	570.28	554.48

The operating EBIDTA margin (EBIDTA/ Net Sales) declined from 29% in 2007-08 to 26.6% in 2008-09. This was mainly due to continued investments in other verticals e.g. Shiksha.com which has a gestation period before it generates adequate revenues. However, in a relatively more established business, like recruitment solutions EBIDTA margin grew from 41.6% in 2007-08 to 43.5% in 2008-09. Within this Naukri.com's EBIDTA margin grew from 44.3% in 2007-08 to 46.7% in 2008-09.

WHILE REVENUE PER CUSTOMER MAY HAVE REDUCED ACROSS THE BUSINESS DOMAINS, INFO EDGE MANAGED TO RETAIN AND EVEN GROW ITS CUSTOMER BASE.



BOX 1: PERFORMANCE HIGHLIGHTS

- ▶ **Net sales** increased by 12.27% from Rs. 2,189.39 million in 2007-08 to Rs. 2,457.99 million in 2008-09
- ▶ **Earnings before depreciation, interest, tax and amortisation (EBIDTA)** increased by 1.64% to Rs. 644.85 million.
- ▶ **Profit before tax (PBT)** increased by 8.50% from Rs. 785.81 million in 2007-08 to Rs. 852.57 million in 2008-09.
- ▶ **Profit after tax (PAT)** & after minority interest and loss from associate companies, increased by 2.85% to Rs. 570.28 million in 2008-09. This includes the losses from associate companies which are in development stage. Discounting for these losses, which were not accounted for in 2007-08, PAT increased by 5% to Rs.582.20 million.
- ▶ **Basic and diluted earnings per share (EPS)** increased marginally from Rs.20.31 in 2007-08 to Rs.20.89 in 2008-09

The Company did respond to the changed market environment. While the results of overhead management did not percolate much into the financial performance of 2008-09 because much of it happened only in the last quarter, the Company succeeded in significantly reducing its advertising and promotion costs — which came down from 29.9% in 2007-08 to 25.3% in 2008-09. These initiatives helped the Company maintain its EBIDTA at 2007-08 levels. PAT has increased in 2008-09, although, the growth is moderate.

With a total debt exposure below Rs.1 crore, Info Edge continues to be almost a debt free Company. And it maintains a healthy cash position. As of 31 March 2009, the cash and bank balances with the Company were Rs. 3,220.96 million deployed conservatively mostly in bank fixed deposits. This balance sheet strength will help the Company in overcoming the market slowdown and gain market share to propel future growth.

BUSINESS MODEL

Info Edge embodies a 'new age' business. The Company operates in the online media space, which is still at an embryonic stage in India. It is driven by a young workforce, having an average of 26 years. It primarily caters to the rapidly growing upwardly mobile young population in India.

Being primarily an online media company, Info Edge has three broad areas from where it generates revenues. These are:

- ▶ **ONLINE ADVERTISING**, where the focus is on creating websites that generate enough traffic and quality

or quantity of eyeballs to warrant a good price for companies or organisations to advertise in. This is a market which partly competes directly with other media like print.

▶ **SHARING OF DATABASES OR PROTECTED INFORMATION**

These are revenue streams that flow after the registration or subscription by online visitors. This is a product which does not exist in other media.

▶ **VALUE ADDED SERVICES PROVIDED ON THE BASIC PLATFORM**

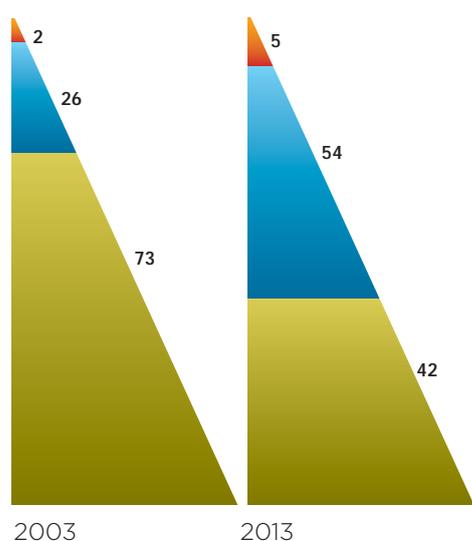
Examples include résumé development or CV push services offered by naukri.com. These services are pursued once a critical level of expertise is attained in a business space. For many of these services, an off-line approach is also pursued. These type of services evolve over a period of time and are pursued actively to realise their revenue potential.

While Info Edge gears its present business practices to meet the challenges of the prevalent economic slowdown, the Company remains committed to its longer term growth aspirations. Accordingly, it has continued with its investments in the businesses that are at a development stage.

Essentially, there are two key macro factors that will determine the fortunes of Info Edge's long term business goals. These are:

- ▶ *The growth in the 'upwardly mobile' urban population in India:* Despite the current economic slowdown, the long term growth and demographic trends remain intact. According to the National Council for Applied Research (NCAER), within the growing urban population, the proportion of people with aspiration lifestyles and income levels — Info Edge's target market segment — is expected to increase manifold. As Chart C shows, their percentage in urban population is expected to increase from 26% in 2003 to 54% in 2013.

C. ESTIMATION OF URBAN POPULATION, ACCORDING TO INCOME PROFILES, (%)



Source: NCAER

- ▶ **RICH:** US\$ 4,675 PA
- ▶ **ASPIRERS:** US\$ 975 - US\$ 4,675 PA
- ▶ **STRIVERS:** >US\$ 975 PA

- ▶ *Internet usage in the country:* Among the upwardly mobile urban population, Info Edge's business focuses on what is classified as regular internet users. The Juxtconsult 'India Online Survey 2009', which analyses net usage behaviour and preferences had the following observations:

- Regular users (defined as people who use the internet at least once in a month) increased 10% to reach 38.5 million in 2008. Of this, 33 million were urban users
- Daily internet users increased by 28% from 25 million in 2007 to 32 million in 2008
- 80% online Indian are in the 'prime' of their life (19-35 years)
- 75% of them belong to the 'consuming' and 'aspiring' class (almost half of them belong to SEC 'A' and 'B')

These results show that, while internet penetration in India is less than comparable economies, the quality of India's internet user base is improving with an increase in regular and daily users. It is also important to note that much of this regular internet user base falls in Info Edge's target age and income profile.

Thus, Info Edge is playing a leading role in a rapidly growing market. To continuously leverage this growth potential, there are two critical back-end factors that matter. These are:

▶ **Continuous emphasis on innovation and customisation of products and services.**

The Company regularly enhances the utility and features of the existing products and services to meet the changing needs of customers. It also develops suites of new products and services that better meet the requirements of its diverse users. Cutting edge technology and top-of-the-line algorithms are used to provide customers with a world class online experience.

▶ **Continuous focus on customer behaviour and preferences.**

There are often intricate nuances in the behaviour of different members of the virtual communities that Info- Edge creates. It is imperative to keep gathering customer insights and understand trends in behavioural patterns. These become critical inputs in enhancing the functionalities of the portals.

In 2008-09, Info Edge increased its focus on these back-end initiatives. The stress is on making the websites functionally more useful and user friendly for the customers. What is more important is not to merely generate traffic but to increase the traffic of customers who matter. As an example, an issue that has been uniformly taken up across the portals is to reduce spam on the Company's websites. Spam spoils the reputation of a portal and increases the navigation time for customers. Info Edge is continuously identifying all such issues and working on solutions.

BUSINESS SEGMENTS

As of today, the company has four business segments: recruitment services, matrimonial services, real estate services and education services. Based on the Juxtconsult 'India Online Survey 2009', two of Info Edge four segments — job search and matrimonial search — are

part of the top 10 online activities undertaken by Indians (see Table 2).

2 PROPORTION OF PEOPLE UNDERTAKING DIFFERENT ONLINE ACTIVITIES			
Rank	Activity	% Undertaking	% Change from 2008
1	Job search	72.0	1.0
2	Instant messaging/chatting	68.0	-2.0
3	Check general news	63.0	-0.3
4	Dating/Friendship	56.0	6.0
5	Check sports (other than cricket)	53.0	-4.0
6	Check cricket content/score	53.0	3.0
7	English info search engine	50.0	1.0
8	Matrimonial search	50.0	0.5
9	Listen/stream music online	49.0	0.6
10	Download music	48.0	-6.0

(Source: Juxtconsult - " India Online Survey 2009)

Recruitment solutions under naukri.com have been the Company's primary business over the last decade. By accounting for 86.3% in net sales, the recruitment solutions business continues to be the largest segment in Info Edge's business portfolio. However, it is important to note that with net sales from other verticals (mainly jeevansathi.com and 99acres.com) increasing by 49% to Rs.33.5 crore in 2008-09, the share of these business in the Company's net sales increased from 10.3% in 2007-08 to 13.6% in 2008-09.

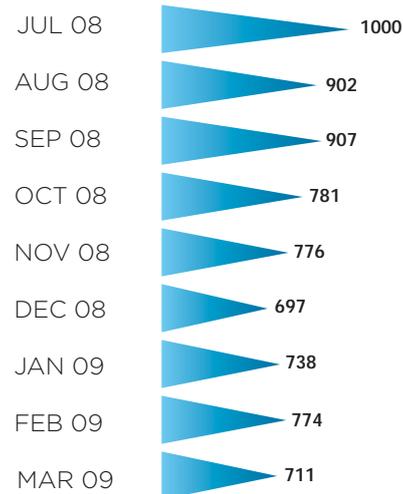
RECRUITMENT

The recruitment services business segment comprises the following portals:

- ▶ **naukri.com:** This is the Company's flagship brand and India's largest online jobsite
- ▶ **quadrangle.com:** This is primarily an off-line headhunting business that derives revenues from successfully placing a person with a company
- ▶ **naukrigulf.com:** This is a jobsite that focuses on the middle-eastern market
- ▶ **Asknaukri.com:** This is a repository of career related questions and answers that acts like a career guidance site
- ▶ **Brijj.com:** This is a professional networking site
- ▶ **Firstnaukri.com:** Launched in January 2009, this site focuses on fresher hiring in India

All the different businesses in this segment were affected by the slowdown in economic activity. Chart D plots the Jobspeak index, which is based on job listings on naukri.com. The index, which was at 1,000 in July 2008 fell to 697 in December 2008. Since then, it has stabilised around 710. Much of this reduction in hiring has happened in the sectors such as banking and insurance, IT services and infrastructure. As mentioned earlier, the IT sector has been hit particularly hard and its share in naukri.com's revenues declined from 29.7% in 2007-08 to 26.1% in 2008-09. This remains a cause of concern.

D. THE JOBSPEAK INDEX



(Source: Naukri JobSpeak)

Naukri.com is the major revenue generator in this business segment. There are two primary revenue streams. These are:

- ▶ payments for job listings and employer branding and visibility, and
 - ▶ payments from recruiters for resume database access.
- In addition, revenues are also generated from other added services like fees for job seeker services; Google Ad Sense; advertising on the website other than for jobs; fees from mobile CV management services; and fees for résumé short listing and screening.

All these revenues are clubbed under two heads based on the end-customer: naukri Recruitment Solutions and naukri Candidate Services. Revenues from naukri Candidate Services increased by 31% in 2008-09; while those from naukri Recruitment Solutions grew by 6.6%.

Naukri.com continues to be India's No.1 job site, enjoying over 50% share of page views across the top three job sites. It continues to leverage its first mover advantage by building an extensive database of résumés and corporate clients who are patrons of naukri.com. The large database of job seekers, the comprehensive nature of the client list and our matching solutions form a self-generating cycle that propels business growth on a sustainable basis.

It is a virtuous cycle. High quality corporate clientele ensures that naukri.com is the portal of choice for a large number of prospective job seekers. The portal makes sure that the applicants come in contact with the appropriate recruiters, and increases the probability of a successful fitment. Equally, the presence of a large number of job seekers ensures that companies continue to use naukri.com as a source of tapping talent. This model also allows us to consolidate operations through a large number of repeat transactions and referrals for from our comprehensive database. Here are some facts:

- ▶ Number of résumés in naukri.com's database increased by 31% — from around 13 million at the end of 2007-08 to around 17 million at the end of 2008-09
- ▶ Number of résumés added daily increased by 17% — from 12,000 in 2007-08 to 14,000 in 2008-09

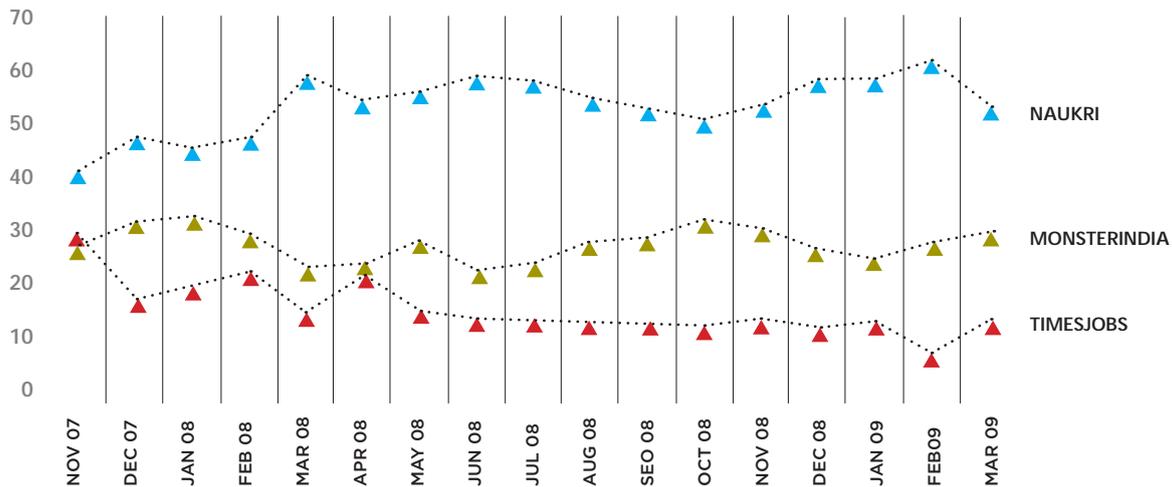
- ▶ **Number of corporate customers** (corporates and placement consultants) grew by 5% — from around 32,500 in 2007-08 to approximately 34,000 in 2008-09

The dominance of naukri.com is also reflected in its leadership position in terms of share in traffic share among the leading Indian online job-sites. **Chart E** below shows the traffic share based on data from comscore.com. It shows that while naukri.com has got over 50% share for most of the year, compared to between 40-50% in 2007-08, the nearest competitor has got around 30%.

HIGH QUALITY CORPORATE CLIENTELE ENSURES THAT NAUKRI.COM IS THE PORTAL OF CHOICE FOR A LARGE NUMBER OF PROSPECTIVE JOB SEEKERS.

E. WEBSITE TRAFFIC DATA (% TRAFFIC SHARE)

(Source: comscore.com)



Quadrangle offers off-line placement services to middle and senior management, with revenues based on a success fee model. It complements the growing online recruitment business. Given the market slowdown, Quadrangle's revenues declined by 6% during 2008-09.

The slowdown in hiring activities in India has been moderate when compared to the sharp fall in the Middle-East. Consequently, naukrigulf.com has had a difficult year, and expansion plans are being pursued in a calibrated manner. However, the Company has extended its presence by opening an office in Riyadh, Saudi Arabia.

Brijj.com, the professional networking site, is still at a nascent stage of development in terms of revenues. However, it is building its business potential by registering members, which is in excess of 1.8 million by the end of 2008-09 and growing at the rate of 2,000 a day. Here, the focus remains on improving engagement and getting visitors to the site to network.

To overcome the effects of the market slowdown, the Company has continued to:

- ▶ Focus on investments in technology
- ▶ Undertake product innovations
- ▶ Give emphasis to promoting telesales and improved efficiencies of the sales system
- ▶ Lay stress on gaining market share

Consequently, even in this depressed market, it has actually increased its EBIDTA margin in the recruitment division. The details of the segments financial performance is given in **Box 2**.

BOX 2: RECRUITMENT SEGMENT PERFORMANCE HIGHLIGHTS

- ▶ **Net sales from recruitment** increased by 8% — from Rs.1964.3 million in 2007-08 to Rs.2116.5 million in 2008-09
- ▶ **EBIDTA from recruitment** increased by 13% — from Rs.817.2 million in 2007-08 to Rs.920.4 million in 2008-09
- ▶ **EBIDTA margin** increased from 41.6% in 2007-08 to 43.5% in 2008-09
- ▶ **EBIDTA margin in naukri.com** grew from 44.3 % in 2007-08 to 46.7% 2008-09

Recruitment continues to be an active opportunity in India. While the economy has slowed down, it is still expected to grow at 6.5% to 7% for the next couple of years. Info Edge believes that the worst is over and slowdown in hiring activities has bottomed out. While it will take some time for it gain significant momentum, the market will continue to provide opportunities for the Company to grow profitably.

MATRIMONIALS

Aggregating and sharing data for arranging marriages is an old concept in India. Earlier it was done at the local temple or by a specialised agent. Then came the concept of matrimonial pages in newspapers. And, finally the concept graduated to the virtual space — initially with a focus on the NRI community.

Online matrimonial advertising has a distinct advantage over its nearest competitor, the newspapers. First, there is the advantage of much larger storage space. Second, is its larger global reach. Third, it has faster speed of communication and fourth, it is interactive and allows images etc. Consequently, internet is rapidly becoming the vehicle of matrimonial search. This is also been driven by swift urbanisation and breakdown of traditional networks.

With over 300 million people estimated to get married in the next 30 years in India, matrimonial services is a fast growing market in India. However, it is also highly segmented — relying on local, religious, regional, linguistic and caste-based factors. Success in this market will be determined by the service provider's ability to provide tailor made solutions that meet the specific requirements of each of the different segments in the market.

jeevansathi.com has adopted a model that focuses on penetrating specific market segments. Currently its primary markets are the Hindi-heartland and Maharashtra.

The portal believes in subtle product differentiation that will enhance its target customer's experience in using the website. In essence, jeevasathi.com remains discovery-led, preference mapped and constantly data-updated so that it can meet the specific requirements of its consumers. All these elements have been incorporated in the complete site revamp undertaken in 2008-09. Investments continue to be made to help build the brand and grow the business.

The online business is being supplemented by 14 offline centres called 'Jeevansathi Match Points'. These centres provide hand-holding services to customers who are not internet savvy, helping them to utilise jeevansathi.com online services. As of today, these centres are a pilot. The success of which is being reassessed for future course of action. The highlights of the segmental performance are given in [Box 3](#).

BOX 3: MATRIMONIAL SEGMENT PERFORMANCE HIGHLIGHTS

- ▶ **Net sales** from matrimonial segment increased by 31% to Rs.170.1 million in 2008-09
- ▶ **EBIDTA** was a loss in 2008-09 — Rs.46.9 million. The business is in the investment phase and is expected to break even by the end of 2009-10
- ▶ **Profile listings** increased from 2.14 million at the end of 2007-08 to 2.9 million at the end of 2008-09

WITH OVER 300 MILLION PEOPLE ESTIMATED TO GET MARRIED IN THE NEXT 30 YEARS IN INDIA, MATRIMONIAL SERVICES IS A FAST GROWING MARKET

This is a business that is largely insulated from economic developments and success will depend on the company's ability to increase market share by continuing to invest in a focused manner to grow its share in its market segments.

REAL ESTATE

The real estate segment comprises two portals. These are:

- ▶ **99acres.com:** the property based online classified business with a focus on the Indian market
- ▶ **Allcheckdeals.com:** the property broking business with a success based revenue model

99acres.com generates revenues from property listings, builder or broker branding and visibility including page links and banners, international listings and others like buyer database access. The performance of 99acres.com is given in [Box 4](#).

BOX 4: 99ACRES.COM PERFORMANCE HIGHLIGHTS

- ▶ **Net Sales** from 99acres.com increased by 54% to Rs.139 million in 2008-09
- ▶ **EBIDTA** loss decreased from Rs.108.5 million in 2007-08 to Rs.95.3 million in 2008-09
- ▶ **Property listings** grew from around 200,000 at the end of 2007-08 to 248,000 at the end of 2008-09
- ▶ **Number of paid transactions** rose from around 7,500 in 2007-08 to 16,600 in 2008-09

Given the significant slowdown in the real estate sector in 2008-09, Info Edge had to align its business to the new market realities. 99acres.com has reoriented its sales force and laid emphasis on developing selling skills. The Company has had to increase efforts in marketing its value proposition to the final customers. While internet is a more cost effective medium for developers to promote their projects, especially in depressed markets, the developer / agent / broker community in India still does not fully understand internet as a sales channel. Therefore, they are often reluctant to spend on online activities. The sales team at 99acres.com is being trained and developed to rise to this challenge and promote this platform more systematically to the developers.

Several changes were made to the website during 2008-09 and a revamped version was launched recently. The revamped site has laid emphasis on an upgraded search algorithm that helps customers by improving the quality of their search results, which includes spam filtering. The focus now is on quality of the community participating on the site rather than the quantity.

Info Edge launched allcheckdeals.com in November 2007 with a view to tap into the large brokerage market. The objective is to promote real estate deals among buyers who believe in fair transaction practices and prefer a full check payment. allcheckdeals.com closed 645 deals in 2008-09.

Activities in the real estate space are expected to remain

subdued. While there are some new projects being launched especially in the low cost housing space, in the medium term this market is expected to remain weak. In this period, Info Edge intends to increase its market penetration and improve its product offerings.

EDUCATION

As a sector, education is increasing rapidly in India, especially in terms of private sector participation. Estimates suggest that the sector in India is already valued at US\$40 billion and it is growing at double digits. The spend by education institutes on advertising is estimated at around Rs.2,000 crore to Rs.2,500 crore, but much of this is in print media. The online education advertising spend is expected to be only around Rs.40 crore.

In order to tap and grow this market, Info Edge launched shiksha.com in May 2008. This business has the opportunity to grow in a space that is fairly insulated from economic downturns.

There are significant challenges in developing an online classifieds business in education. First, unlike Info Edge's other businesses, shiksha.com cannot have a listing based approach. The website has to have information that is distinct and not available elsewhere — including detailed description course content, quality and hostel infrastructure. Essentially, the site is designed to act as a trusted guide or advisor to students in their endeavour to chalk out a career path with a focus on higher education.

In shiksha.com, the Company is working on developing the site and improving the product. The sales team is in place; the response to listings on the site is improving and the feedback is getting better. The agenda is to improve the site, and to ensure current clients are satisfied so that it build brand value and generate repeat business.

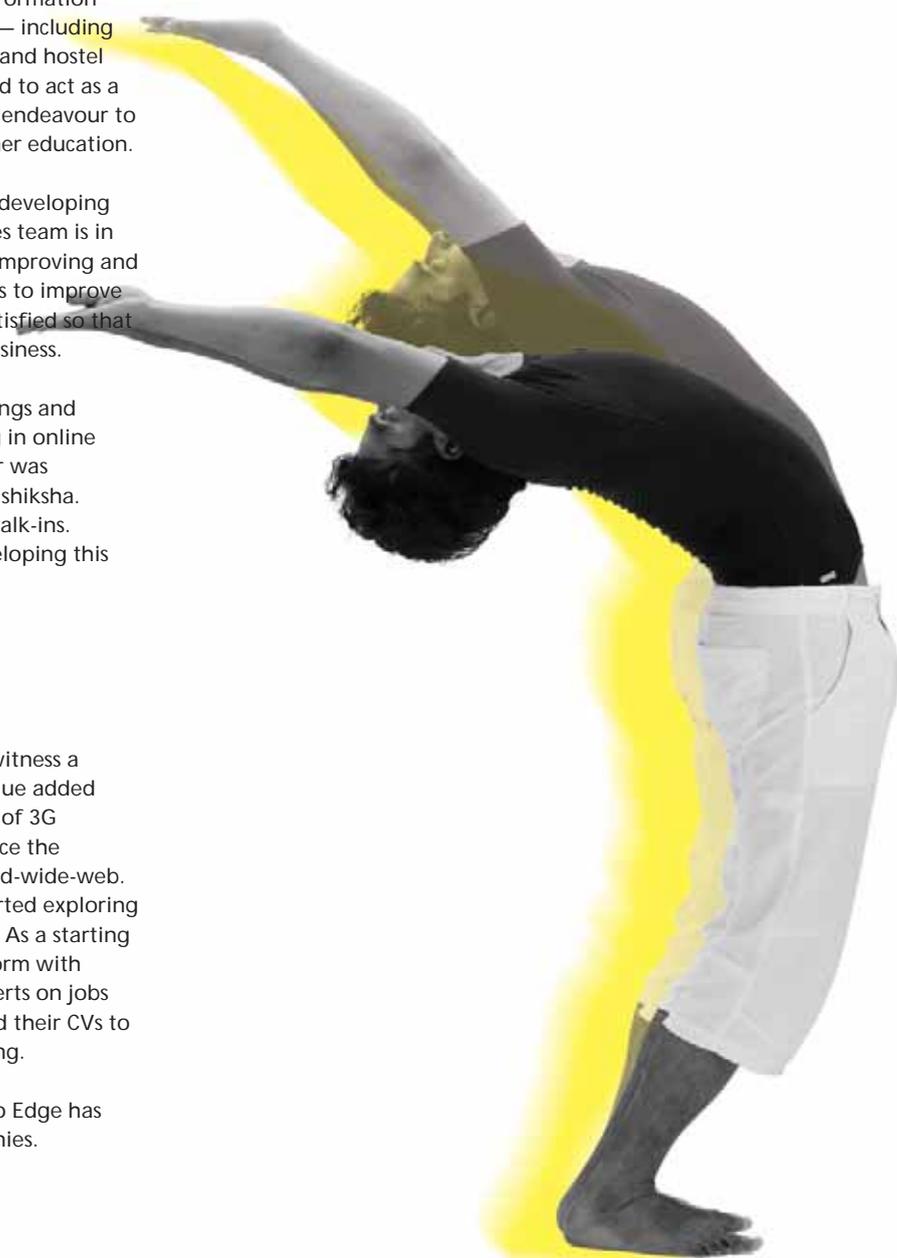
Already, shiksha.com has around 85,000 listings and offices in 15 cities. The Company is investing in online marketing of shiksha.com. An education fair was organised in April 2008 in Delhi to promote shiksha.com, and there were approximately 5,000 walk-ins. The Company will continue to invest in developing this business.

NEW BUSINESSES

Info Edge recognises that the internet will witness a significant change with the increasing of value added services on mobile phones. With the advent of 3G services, mobiles have the potential to replace the computer as the mode of accessing the world-wide-web. With this in mind, Info Edge has actively started exploring and extending its platforms to this medium. As a starting step, it has integrated the naukri.com platform with mobile connectivity where customers get alerts on jobs on their mobiles and have the ability to send their CVs to prospective recruiters using mobile messaging.

As a part of getting into new initiatives, Info Edge has made investments in three associate companies.

WITH THE ADVENT OF 3G SERVICES, MOBILES HAVE THE POTENTIAL TO REPLACE THE COMPUTER AS THE MODE OF ACCESSING THE WORLD-WIDE-WEB. WITH THIS IN MIND, INFO EDGE HAS ACTIVELY STARTED EXPLORING AND EXTENDING ITS PLATFORMS TO THIS MEDIUM



- ▶ It has committed to invest Rs.65 million in tranches for a 40% stake in Applect Learning Systems Private Limited. Of this, Rs.29.6 million has been invested as on 31 March 2009. Applect has launched a site called meritnation.com, which is delivering assessment based learning solutions for standard 6 to 12 students as also solutions for CBSE curriculum. It has started getting traction, and proposes to expand to other curriculums. The site was initially free and has gone paid since April 2009.
- ▶ It has also committed to invest Rs.200 million in tranches for a 49% stake in Etechaces Marketing & Consulting Private Limited. It has invested Rs. 50 million as on 31 March 2009. Its website Policybazaar.com helps customers understand their insurance needs and select insurance schemes that best suit their requirements. Revenues are generated primarily from lead generation and also fulfilment of sales.
- ▶ It also has a minority stake in StudyPlaces Inc. USA running an online education information site - studyplaces.com.

SUPPORT SERVICES

HUMAN RESOURCES (HR)

People continue to be the Company's most treasured asset. Therefore, despite being in a tough business environment, the Company did not lay-off any employee. There has been natural attrition, which has decreased employee strength from an all time high of 1,800 in the middle of 2008 to 1,676 by the end of March 2009. While there have been no pay cuts, the performance based variable component, like sales incentive and bonus payments, have reduced purely due to lower growth. As a result of both these factors, employee cost relative to sales has trended downwards.

The Company has actively followed a policy of HR rationalisation, based on the principle, "Use Internal Resources First". The concept of internal job postings has been institutionalised — which has helped reallocate staff surpluses in some departments to meet deficits in others. For example, the entire shiksha.com platform has been developed and launched by a taskforce comprising primarily of internally recruited candidates. Similarly a part of the sales team at naukri.com has been moved to the telesales model and considerable training imparted for the same.

The Company continued to focus on training during 2008-09 — particularly regarding product sales and the managerial development of young professionals in Info Edge. In addition, a new Human Resource Information System (HRIS) module is being implemented to improve HR processes and enhance employee connectivity. Performance evaluation standards have also been raised.

TECHNOLOGY

Info Edge's websites are hosted by Verio Inc., a service provider located in the US. It has 65 high speed servers in the US which are exclusively dedicated to hosting naukri.com and its related applications. There are also backup servers in the US. In addition, there are locally

hosted servers to run backend operations at Noida. The Company is in the process of rolling out a disaster recovery system.

The technology team continues to actively work on refining algorithms that enhance the customer experience of all the Company's websites. In naukri.com there have been upgrades done to the job search function. This has improved the quality of search results, and started immediately firing job alerts to customers on loading of a new job opportunity. Both the jeevansathi.com and the 99acres.com websites have been significantly revamped.

The Company has successfully integrated the naukri.com portal with Google Chat, where Google Talk can be used to search for jobs. Also, the express CV concept has been executed, where jobseekers can directly send their CVs to recruiters through a SMS.

Info Edge has initiated the process of rolling out a new ERP solution. The process mapping exercise is over, and the Company will go live on this system in the middle of 2009-10.

In order to cut costs on hardware resource and bandwidth, the Company is focusing on optimising technology spends. This involves the concept of virtualisation of servers to reduce overall costs.

INTERNAL CONTROLS AND THEIR ADEQUACY

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

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

CAUTIONARY STATEMENT

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

**COMPANY'S
PHILOSOPHY
ON CORPORATE
GOVERNANCE**

Good Corporate Governance practice lies 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 the Company's philosophy on Corporate Governance.

The Company believes that the management is the trustee of all investors' capital and is obligated to maximize shareholders value over the long term, while preserving the interests of all its stakeholders, such as employees, customers, business partners / vendors and the society at large. It is committed to high levels of ethics and integrity in all its business dealings, that avoids all conflicts of interest. In order to conduct business with these principles, Info Edge creates simple corporate structures based on business needs and maintains a high degree of transparency through regular disclosures and a focus on adequate control systems.

This chapter, along with the chapter on additional shareholders information is not only the Company's disclosure on compliance with the mandatory requirements on corporate governance stipulated in Clause 49 of the Listing Agreement with NSE & BSE, but also reflects the true spirit in which these practices are followed at Info Edge.

**BOARD OF
DIRECTORS**

SELECTION OF THE BOARD The Board is responsible for selecting members to fill Board vacancies and nominating candidates for election by the Shareholders at the Annual General Meeting.

Board membership criteria: The Board reviews the appropriate skills and characteristics required of Board members and for making recommendations to the Members in the General Meeting. The Board considers the mix of education, skills, experience, character, commitment, and background, all in the context of the requirements of the Board at that point in time.

COMPOSITION OF THE BOARD As on March 31, 2009 the Company's Board comprises 10 directors, of which three are Whole-time Directors, five are independent Directors, one is a non-executive Director and one is a nominee Director. The Chairman of the Board is a non-executive, non-promoter Director.

Even though the clause 49 states that if the Chairman is a non-executive, non promoter Director, one-third of the Board should be independent, Info Edge believes in the value of an independent Board and 50 per cent of its Board members are independent Directors.

There is segregation between the position of the CEO and the Chairman.

NUMBER OF BOARD MEETINGS The Board of Directors met 4 times during the year on April 30, 2008, July 24, 2008, October 24, 2008 and January 22, 2009. The maximum gap between any two meetings was less than 4 months.



1 COMPOSITION OF THE BOARD OF DIRECTORS AS ON MARCH 31, 2009

Name of Director	Position	No. of meetings held in 2008-09	No. of meetings attended in 2008-09	Whether attended last AGM on 24/07/2008	No. of outside Directorships of public companies	No. of Committee Memberships	No. of Chairmanships of Committees
Mr. Kapil Kapoor	Non- Executive Chairman	4	3	No	1	-	1
Mr. Sanjeev Bikhchandani	Managing Director and Chief Executive Officer	4	4	Yes	-	-	-
Mr. Hitesh Oberoi	Whole Time Director and Chief Operating Officer	4	4	Yes	-	-	-
Mr. Ambarish Raghuvanshi	Whole Time Director and Chief Financial Officer	4	4	Yes	-	1	-
Mr. Arun Duggal	Non-executive, Independent Director	4	4	Yes	8	2	3
Mr. Ashish Gupta	Non-executive, Independent Director	4	4	Yes	-	1	-
Mr. Saurabh Srivastava	Non-executive, Independent Director	4	3	No	-	1	-
Ms. Bala Deshpande	Non-executive, Independent Director	4	1	No	2	2	-
Dr. Naresh Gupta	Non-executive, Independent Director	4	3	Yes	-	1	-
Mr. Sandeep Murthy	Non-executive, Nominee Director	4	4	Yes	1	-	-

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

- Apart from receiving sitting fee, commission and stock options, do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the Director.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or an executives during the preceding three years of the:
 - Statutory audit firm or the internal audit firm that is associated with the company
 - Legal firm(s) and consulting firm(s) that have a material association with the company
 - Are not material suppliers, service providers or customers or lessors or lessees of the company, which may affect independence of the Director
- Are not substantial shareholders of the company i.e. do not own two percent or more of the block of voting shares
- Are not less than 21 years of age.

As mandated by the Clause 49, none of the Directors are members of more than ten Board level committees nor are they Chairman of more than five committees in which they are members.

Policy to regulate external commitments of Whole-time Directors: The Company has a specific policy to regulate the acceptance of Board or Advisory positions in external organizations by Whole-time Directors and any investment made by them in their personal capacity in any external organization, which is in a private business that would require time involvement or result in conflict of interest.

The Whole –time Directors require prior approval to accept any external Board position as well as to make strategic investment beyond a specified limit. The policy defines the maximum time the whole-time directors can devote to external engagements, maximum limit for strategic investments etc. The policy also prohibits

the Whole-time Directors to accept board/ advisory positions in any external organization where they have made personal investments.

INFORMATION SUPPLIED TO THE BOARD The Board has complete access to all information with the company. All the information stipulated under clause 49 is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or are tabled with the permission of the Chair in the course of the Board meeting. There is a structured manner in which agenda items are created and materials are distributed for Board meetings

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

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

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

REMUNERATION PAID TO DIRECTORS

2 DETAILS OF REMUNERATION PAID TO DIRECTORS FOR 2008-09						(RS. THOUSAND)
Name of the Director	Sitting Fees	Salary	Reimbursements	Bonus	Commission and others	Total
Mr. Kapil Kapoor	60	-	-	-	-	60
Mr. Sanjeev Bikhchandani	-	8,116	668	2,360	-	11,144
Mr. Hitesh Oberoi	-	8,184	303	3,700	-	12,187
Mr. Ambarish Raghuvanshi	-	5,956	245	2,120	-	8,321
Mr. Arun Duggal	130	-	-	-	500	630
Mr. Ashish Gupta	120	-	-	-	500	620
Mr. Saurabh Srivastava	80	-	-	-	500	580
Ms. Bala Deshpande	20	-	-	-	500	520
Dr. Naresh Gupta	90	-	-	-	500	590
Mr. Sandeep Murthy	-	-	-	-	-	-

During 2008-09, the Company did not advance any loans to any of its Directors except advance for travel or other purposes to discharge their official duties in the normal course of business.

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

CODE OF CONDUCT "The Company's" Board has laid down a code of conduct for all Board members and senior management of the company. The code of conduct is available on the website of the company - www.infoedge.in. All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

RISK MANAGEMENT The Company has an effective risk management procedure in place. The Audit Committee periodically evaluates and discusses the Risk assessment and mitigation mechanism in their meetings.

COMMITTEES OF THE BOARD The Company has three Board level Committees – Audit Committee, Compensation Committee, and Investors Grievance Committee.

Each Committee has been assigned scope of responsibilities, duties, and authorities, which is reviewed by the Board from time to time to determine the appropriateness of the purpose for which the Committee was formed and the changing business environment. Committee composition shall conform to applicable laws and regulations. Minutes of all the Committee meetings are placed for information in the subsequent Board meeting.

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

A. Audit Committee As on 31 March 2009, the Audit Committee comprises 4 members all of whom are independent Directors. The members are Mr. Arun Duggal, Mr. Saurabh Srivastava, Dr. Naresh Gupta, and Mr. Ashish Gupta. **While not mandated by clause 49, to ensure complete independence in the constitution of the Audit Committee, Mr Hitesh Oberoi – whole-time Director – resigned from the Committee on January 22, 2009.** The time gap between any two meetings was less than four months. During the financial year ended 31st March, 2009, five Audit Committee meetings were held on April 30, 2008, July 24, 2008, October 24, 2008, January 22, 2009 and March 20, 2009. The details of the Audit Committee are given in Table 3.

3 ATTENDANCE RECORD OF COMPANY'S AUDIT COMMITTEE

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
Mr. Arun Duggal	Chairman of the Committee	Independent	5	5
Mr. Saurabh Srivastava	Member	Independent	5	3
Mr. Hitesh Oberoi*	Member	Whole-time Director	4	4
Mr. Ashish Gupta	Member	Independent	5	4
Dr. Naresh Gupta	Member	Independent	5	3

Note: * Resigned from the Committee on January 22, 2009

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

All members of the Audit Committee have accounting and financial management knowledge. 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. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on July 24, 2008 to answer shareholder queries.

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

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

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

Info Edge's Audit Committee carries out all the functions & duties stipulated under clause 49 of the listing agreement.

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

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

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

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

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

During 2008-09, the Audit Committee undertook certain specific initiatives. This includes the following:

- Initiation of the ERP implementation project and monitoring its progress every quarter;
- Creation of back-up certification system for CEO and CFO certificate in terms of Clause-49 of the Listing Agreement
- Initiating and monitoring the quarterly disclosures of related party transactions.
- Monitoring financial investments and revision of financial investment policy to suit the changing business environment
- Made suggestions on internal verification system for effective ESOP management and administration
- Held exclusive discussions with Internal and Statutory Auditors
- Reviewed the Insider Trading Code and its compliance
- Approved hedging policy for managing foreign exchange risk

B. COMPENSATION COMMITTEE As of March 31, 2009, the Compensation Committee comprises of Mr. Kapil Kapoor, Mr. Saurabh Srivastava and Ms. Bala Deshpande, Directors. The Compensation Committee held three meetings during 2008-09 on April 30, 2008, October 24, 2008, and January 22, 2009. Table 4 gives the details.

4 ATTENDANCE DETAILS OF COMPANY'S REMUNERATION COMMITTEE

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
Mr. Kapil Kapoor	Chairman of the Committee	Non-Executive	3	3
Mr. Saurabh Srivastava	Member	Independent	3	3
Ms. Bala Deshpande	Member	Independent	3	1

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

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

REMUNERATION POLICY The remuneration paid to the non-executive Directors of the company is decided by the Board of Directors on the recommendations of the Compensation Committee. The remuneration policy is in consonance with the existing industry practice. As per the shareholders' approval obtained at the Extra-ordinary General Meeting of the Company held on 14th July 2006, the commission is paid at the rate not exceeding one per cent of the net profits per annum of the company, calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956.

1. NON-EXECUTIVE DIRECTORS

The non-executive Directors are paid sitting fees for attending the meetings of the Board of Directors within the ceilings prescribed by the Central Government.

2. INDEPENDENT DIRECTORS

Independent Directors are paid sitting fees for attending the meetings of the Board of Directors & Committees and commission as percentage of net profits within the ceilings prescribed by the Central Government and Companies Act, 1956. The Company has also granted stock options to the Directors, the details of which are given in Table 5.

5 DETAILS OF STOCK OPTIONS GRANTED TO DIRECTORS

S. No.	Name	Status	No. of Options Granted	No. Options Vested	No. of Options Exercised	No. of Options outstanding
1	Mr. Arun Duggal	Independent Director	10,000	3,000	Nil	10,000
2	Mr. Ashish Gupta	Independent Director	10,000	3,000	Nil	10,000
3	Mr. Saurabh Srivastava	Independent Director	10,000	3,000	Nil	10,000
4	Dr. Naresh Gupta	Independent Director	10,000	3,000	Nil	10,000
	Total		40,000	12,000	Nil	40,000

C. SHAREHOLDERS/INVESTOR GRIEVANCE COMMITTEE The Shareholders/Investor Grievance Committee consists of Mr. Kapil Kapoor, Mr. Ambarish Raghuvanshi and Ms. Bala Deshpande. The Committee met three times in the year under review on April 30, 2008, October 24, 2008 and January 22, 2009. Since the matters of shares transfers and demat requests are quite frequent, the Committee had passed some resolutions relating thereto through circulation. Table 6 gives the details of meetings of the Committee.

6 ATTENDANCE DETAILS OF COMPANY'S SHAREHOLDERS/INVESTOR GRIEVANCE

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
Mr. Kapil Kapoor	Chairman of the Committee	Non-Executive	3	3
Mr. Ambarish Raghuvanshi	Member	Whole-time	3	3
Ms. Bala Deshpande	Member	Independent	3	1

Mr. Amit Gupta, Company Secretary is the Compliance Officer of the Company.

The Committee supervises the systems of redressal of Investor Grievances and ensures cordial investor relations. The scope and functions of the Committee also includes approval of transfer and transmission of shares and other matters like consolidation of certificates, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares in stipulated time period. Minutes of its meetings and resolutions passed by the Committee through circulation are placed at the Board Meetings for information.

Details of queries and grievances received and attended by the company during the year 2008-09 are given in Table 7.

7 STATUS OF COMPLAINTS RECEIVED AND ATTENDED TO DURING 2008-09

Pending as on as 1 April 2008	Received during the year	Answered during the year	Pending as on as 31 March 2009
Nil	5	5	Nil

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

Under this definition, the company does not have a 'material non-listed Indian subsidiary'.

Shares and convertible instruments held by the non-executive Directors

Details of the shares held by the non-executive Directors as on March 31, 2009

8 DETAILS OF THE SHARES HELD BY THE NON-EXECUTIVE DIRECTORS

S. No.	Name	No. of Shares	Percentage to total Paid-up Capital
1	Mr. Kapil Kapoor	1,206,380	4.42
2	Ms. Bala Deshpande	36,080	0.13
3	Mr. Arun Duggal	20,000	0.07
4	Mr. Ashish Gupta	21,703	0.08
5	Mr. Sandeep Murthy	53,000	0.19

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

DISCLOSURES ON RELATED PARTY TRANSACTIONS Details of materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. are present under in Note No -13 in Schedule- 18 to Annual Accounts of the Annual Report.

DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 (the 'Act') and the relevant provisions of the Act.

DETAILS OF NON-COMPLIANCE BY THE COMPANY "The Company" has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES In compliance with the SEBI regulation on prevention of insider trading, the company has instituted a comprehensive code of conduct for its management and staff. During the year, the Company revised its Code for prevention of insider trading owing to changes in the SEBI Insider Trading Guidelines and also revised its list of insiders. The code lays down

guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of company, and cautioning them of the consequences of violations.

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

SHAREHOLDERS REAPPOINTMENT/APPOINTMENT OF DIRECTORS As per the requirements of Section 256 of the Companies Act, two-third of the Board shall consist of retiring directors out of which one third shall retire at every annual general meeting. Accordingly, Mr. Kapil Kapoor, Ms. Bala Deshpande and Mr. Ambarish Raghuvanshi shall retire and shall seek re-appointment in the ensuing Annual General Meeting of the Company.

The relevant information pertaining to Directors seeking appointment and re-appointment is given separately in the Notice for the ensuing Annual General Meeting.

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

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

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

9 PUBLICATIONS OF THE FINANCIAL RESULTS DURING 2008-09				
Quarter/Annual	Date of Board Meeting to approve the result	Date of Publication	English News Paper	Hindi Newspaper
Q1 FY 2009	July 24, 2008	July 25, 2008	Business Standard	Business Standard (Hindi)
Q2 FY 2009	October 24, 2008	October 25, 2008	Business Standard	Business Standard (Hindi)
Q3 FY 2009	January 22, 2009	January 23, 2009	The Financial Express	Jansatta
Q4 & Annual FY 2009	April 30, 2009	May 1, 2009	The Financial Express	Jansatta

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

GENERAL BODY MEETINGS

10 DETAILS OF LAST 3 ANNUAL GENERAL MEETINGS				
Meeting	Date	Time	Venue	No. of Special Resolutions Passed
11 th AGM	June 12, 2006	3.00 PM	Gymkhana Club, Safdarjung Road, New Delhi	1
12 th AGM	July 27, 2007	4.30 PM	FICCI Auditorium, New Delhi	Nil
13 th AGM	July 24, 2008	4.30 PM	FICCI Auditorium, New Delhi	1

The following Special Resolutions were taken up in the last three AGMs, and were passed with requisite majority.

S. No.	Financial Year to which AGM pertains	Date of Annual General Meeting	Issue	Type of resolution
1	2005-06	June 12, 2006	Preferential Allotment of shares upto 1% of the total paid-up equity to Independent and Nominee Directors under Section 81 (1A) of Companies Act, 1956	Special Resolution
2	2006-07	July 27, 2007	No Special Resolution Passed	N.A.
3	2007-08	July 24, 2008	Appointment of Ms. Surabhi Bikhchandani, wife of Mr. Sanjeev Bikhchandani to a place of profit under Section 314 (1B) of the Companies Act, 1956	Special Resolution

POSTAL BALLOT During the last financial year, the Company did not pass any resolution through postal ballot.

COMPLIANCE MANDATORY REQUIREMENTS

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

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

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

WHISTLE BLOWER POLICY The Company has a whistle blower policy to provide opportunity to associates to represent, in good faith, to the Audit Committee in case they observe unethical and improper practices or any other wrongful conduct in the Company and to prevent managerial personnel from taking any adverse vindictive personnel action against those associates. The policy was is has been implemented with effect from January 22, 2008. Any associate who observes any unethical & improper practices may disclose it as soon as possible to the Business Head/ Head- Human Resources/ Managing Director/ Audit Committee. The Company has provided a dedicated email id – auditcommittee@naukri.com for reporting of complaints. The Head of Human Resource is the Compliance Officer for effective implementation of the policy. During the year no person was denied access to the Audit Committee and there was no case reported under the policy.

ANNUAL GENERAL MEETING

Date: July 23, 2009

Time: 4.30 PM

Venue: FICCI Auditorium, Tansen Marg, New Delhi-110001

FINANCIAL CALENDAR

Financial year: 1 April to 31 March

For the year ended 31 March 2009, results were announced for:

- First quarter- on July 24, 2008
- Half yearly- on October 24, 2008
- Third quarter- on January 22, 2009
- Fourth quarter and annual- on April 30, 2009

For the year ending 31 March 2010, results will be announced by

- First quarter- on or before July 31, 2009
- Half yearly - on or before October 31, 2009
- Third quarter- on or before January 31, 2010
- Fourth quarter and annual - on or before June 30, 2010

BOOK CLOSURE

The dates of book closure are from July 17, 2009 to July 23, 2009, inclusive of both days.

DIVIDEND PAYMENT

Dividend of Re. 0.75 per equity share will be paid on or after July 28, 2009, subject to approval by the shareholders at the ensuing Annual General Meeting.

STOCK MARKET DATA

At present, the equity shares of the company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The annual listing fees for the financial year 2009-10 to BSE and NSE has been paid.

1 COMPANY'S STOCK EXCHANGE CODES

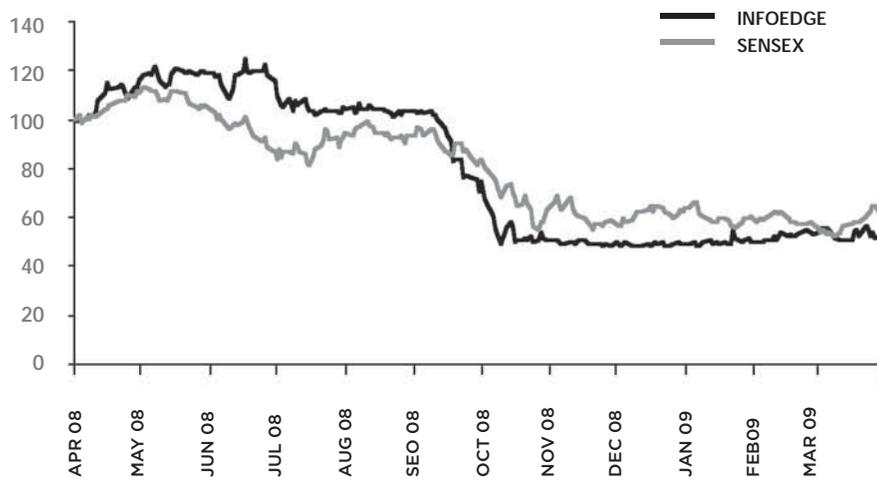
Name of the Stock Exchange	Stock Code
The National Stock Exchange of India Ltd	Naukri
Bombay Stock Exchange Ltd	532777

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

2 HIGH, LOWS AND VOLUMES OF COMPANY'S SHARES FOR 2008-09 AT BSE AND NSE

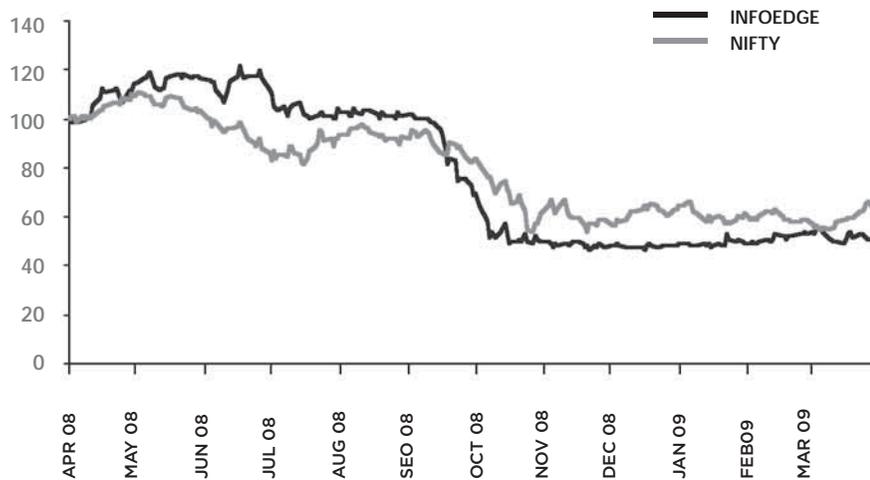
	BSE			NSE		
	High	Low	Volume	High	Low	Volume
Apr-08	995.00	767.00	137515	999.10	840.00	189163
May-08	1061.00	884.30	32193	1129.10	929.00	402272
Jun-08	1040.00	815.30	41308	1110.95	865.00	229730
Jul-08	964.95	785.00	19069	999.00	840.00	117600
Aug-08	900.00	790.00	77058	950.00	835.00	84340
Sep-08	884.50	570.05	70151	878.80	565.10	269330
Oct-08	624.00	391.00	563311	599.90	395.00	696741
Nov-08	439.90	390.00	87875	445.00	376.20	309068
Dec-08	433.60	392.95	156173	437.00	390.00	247888
Jan-09	478.60	400.00	18636	466.60	400.00	154766
Feb-09	480.00	400.10	7484	499.95	410.00	97799
Mar-09	479.95	411.50	605527	513.95	410.00	70096

CHART A: INFO EDGE'S SHARE PERFORMANCE VERSUS BSE SENSEX



Note: Share price of Info Edge and BSE Sensex have been indexed to 100 on 1 April 2008

CHART B: INFO EDGE'S SHARE PERFORMANCE VERSUS NSE NIFTY



Note: Share price of Info Edge and NSE NIFTY have been indexed to 100 on 1 April 2008

DISTRIBUTION OF SHAREHOLDING

Table 3 and 4 lists the distribution of the shareholding of the equity shares of the company by size and by ownership class as on March 31, 2009.

3 SHAREHOLDING PATTERN BY SIZE				
NUMBER OF SHARES	NO.OF SHAREHOLDERS	% OF SHAREHOLDERS	Amount in Rs.	% OF SHARES
UPTO 2500	10,721	97.38	2627230	0.95
2501- 5000	113	1.03	441720	0.16
5001-10000	55	0.50	435010	0.16
10001-20000	34	0.31	506690	0.19
20001-30000	12	0.11	297520	0.11
30001-40000	6	0.05	204970	0.08
40001-50000	7	0.06	321130	0.12
50001-100000	10	0.09	683530	0.25
100001 and above	52	0.47	267434760	97.98
Total	11,010	100.000	272,952,560	100.000

4 SHAREHOLDING PATTERN BY OWNERSHIP

	As at 31 March 31, 2009			As at 31 March 2008		
	No. of Shareholders	No. of Shares	% of Shareholding	No. of Shareholders	No. of Shares	% of Total Shareholding
A. PROMOTERS HOLDING						
Indian Promoters	5	14,779,406	54.15	4	14,904,406	54.6
B. NON-PROMOTERS HOLDING						
a) Foreign Institutional Investors (FIIs)	32	6,965,059	25.52	43	6,235,830	22.84
b) Mutual Funds & UTI	6	486,708	1.78	7	691,442	2.53
c) Private Corporate Bodies	216	52,685	0.19	326	165,801	0.62
d) Indian Public- Individuals	10632	3071782	11.26	11570	3,326,822	12.19
e) NRIs/OCBs/FCs	99	1,323,758	4.85	105	1,330,201	4.87
f) Clearing Member	19	1,697	0.00	64	8,363	0.03
g) Trusts	1	614,161	2.25	1	632,391	2.32
Grand Total	11010	27,295,256	100	12120	27,295,256	100

5 STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY "PROMOTER & PROMOTER GROUP" (AS ON 31 MARCH 2009)

Sr. No.	Name of the shareholder	Number of shares	% of Total Shareholding
1	Sanjeev Bikhchandani	11,801,323	43.24
2	Hitesh Oberoi	1,949,391	7.14
3	Ambarish Raghuvanshi	655,084	2.40
4	Surabhi Motihar Bikhchandani	373,508	1.37
5	Sanjeev Bikhchandani & Hitesh Oberoi holding on behalf of Endeavour Holding Trust	100	0.00
	TOTAL	14,779,406	54.15

The Company has received confirmations from the Promoters that none of their holding in the Company is under pledge as on March 31, 2009.

6 STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY "PUBLIC AND HOLDING MORE THAN 1% OF THE TOTAL NUMBER OF SHARES" (AS ON MARCH 31, 2009)

Sr. No.	Name of the shareholder	Number of shares	% of Total Shareholding
1	Norges Bank A/C Government Petroleum Fund	311,201	1.14
2	T. Rowe Price Associates. Inc A/C T. Rowe Price Media And Telecommunications Fund, Inc	340,338	1.25
3	Fidelity Investments International A/C Fidelity Korea - India Equity Investment Trust - Mother	385,904	1.41
4	T Rowe Price International Inc A/C T Rowe Price International Discovery Fund	410,746	1.50
5	Sherpalo Mauritius Llc	557,913	2.04
6	Murugan Capital	557,916	2.04
7	Matthews India Fund	566,727	2.08
8	Sanjeev Bikhchandani, Hitesh Oberoi & Ambarish Raghuvanshi Holding On Behalf Of Info Edge Employees Stock Option Plan Trust	614,161	2.25
9	Citigroup Global Markets Mauritius Private Ltd	975,815	3.58
10	Anil Lall	1,024,358	3.75
11	Equinox Partners Lp	1,198,600	4.39
12	Kapil Kapoor	1,206,380	4.42
13	Fid Funds (Mauritius) Limited	1,425,070	5.22
	TOTAL	9,575,129	35.08

DE-MATERLISATION OF SHARES

As on March 31, 2009, over 99% shares of the company were held in de-materialised form.

OUTSTANDING GDRS/ADRS/WARRANTS

No GDRs/ ADRs/Warrants have been issued by the company as on March 31, 2009.

DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS

The company offered 5,323,851 equity shares of Rs 10 each to the public through an Initial Public Offering (IPO) in FY 2006-07. The IPO was sold to Indian investors and on a restricted basis to foreign investors as a "Regulation S and Rule 144A (of the Securities Act of United States) compliant" offering. The IPO of the Company was extremely well received by the investor community and was over subscribed by about 53 times. The Company's stock has been listed on Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) on November 21, 2006.

Prior to IPO, the Company had also made preferential allotment of 135,203 equity shares of Rs 10 each to Independent/ Nominee Directors.

REGISTRAR AND TRANSFER AGENT

The Registrar & Share Transfer Agent deals with all shareholders communications regarding change of address, transfer of shares, change of mandate, demat of shares, non-receipt of dividend etc. The address of the Registrar & Share Transfer Agent is as under: -

Name and Address of Registrar and Share Transfer Agent	LINK INTIME INDIA PRIVATE LIMITED, A-40, 2ND FLOOR, NEAR BATRA BANQUET HALL, NARAINA INDUSTRIAL AREA, PHASE-II NEW DELHI 110028
Tel no.	011-41410592, 93,94
Fax no.	011-41410591
E-mail id	delhi@linkintime.co.in
Website	www.linkintime.co.in

SHARE TRANSFER SYSTEM

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

COMPANY'S OFFICE ADDRESSES

Registered Office Info Edge (India) Limited, GF-12 A, 94, Meghdoot, Nehru Place, New Delhi- 110019 Tel No.: - 011-26463894 E-Mail ID: - investors@naukri.com	Corporate Office Info Edge (India) Limited, A-88, Sector-2, Noida-201301. Tel No's: - 0120-3082000 Fax No: - 0120-3082095 E-Mail ID: - investors@naukri.com
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PLANT LOCATIONS

The Company has 60 offices as on 31st March, 2009 spread in 40 cities across India apart from two offices in Dubai, 1 office in Bahrain and 1 office in Riyadh. The addresses of these offices are available on our corporate website.

ADDRESS FOR CORRESPONDENCE

Info Edge (India) Limited,
A-88, Sector-2, Noida-201301.
Tel No's: - 0120-3082000
Fax No: - 0120-3082095
E-Mail ID: - investors@naukri.com

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

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

- a. We have reviewed financial statements for the year ended March 31, 2009 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 in violation 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.

Place: Noida

Date : April 30, 2009

Sanjeev Bikhchandani
Chief Executive Officer

Ambarish Raghuvanshi
Chief Financial Officer

CEO'S DECLARATION TO COMPLIANCE OF CODE OF ETHICS

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

I confirm that the Company has in respect of financial year ended March 31, 2009 received from the Members of the Board & Senior Management team of the Company a declaration of the compliance with the Code of Ethics as applicable to them.

Place: Noida

Date : June 11, 2009

Sanjeev Bikhchandani
Managing Director & Chief Executive Officer

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Info Edge India Limited

We have examined the compliance of conditions of Corporate Governance by Info Edge India Limited, for the year ended March 31, 2009, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

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

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

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

Place: Gurgaon

Date: June 26, 2009

Kaushik Dutta
Membership No: F - 88540
Partner
For and on behalf of
Price Waterhouse
Chartered Accountants

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Directors' Report together with the audited accounts for the year ended March 31, 2009.

FINANCIAL RESULTS (RS MILLION)		
PARTICULARS	2008-09	2007-08
Revenue		
Net sales	2,451.66	2,189.39
Other income	286.30	207.25
Total Income	2,737.96	2,396.64
Expenditure		
Advertising and Promotion Cost	433.20	481.24
Administration and Other expenses	324.92	255.75
Personnel expenses	933.88	746.28
Network and other charges	90.41	60.53
Finance and other charges	17.26	11.19
Depreciation	71.10	55.51
Total expenditure	1870.77	1,610.50
Net profit before tax	867.19	786.14
Tax	270.33	231.27
Net Profit after Tax	596.86	554.87

FINANCIAL REVIEW

Net Sales increased by 11.98% from Rs.2,189.39 million in 2007-08 to Rs.2,451.66 million in 2008-09. Other income increased by 38.14% to Rs.286.30 million in 2008-09, primarily due to sale of investments in mutual funds. Consequently, Total income increased by 14.24% from Rs.2,396.64 million in 2007-08 to Rs.2,737.96 million in 2008-09.

Total expenditure increased by 16.16% from Rs. 1,610.50 million in 2007-08 to Rs. 1,870.77 million in 2008-09. There was a conscious effort to optimize advertisement and promotion expenditure. In fact, advertising and promotion costs decreased by 9.98% from Rs. 481.24 million in 2007-08 to Rs. 433.20 million in 2008-09.

Profit before tax increased by 10.31% from Rs. 786.14 million in 2007-08 to Rs. 867.19 million in 2008-09 and Profit after tax increased by 7.57 % to Rs. 596.86 million in 2008-09.

DIVIDEND

Your Directors are pleased to recommended dividend at the rate of Re. 0.75 per share for 2008-09, subject to the approval of the shareholders. The proposed dividend together with corporate dividend tax would mean an outflow of Rs. 23.95 million.

TRANSFER TO RESERVE

Since your company is not paying dividend exceeding 10% of the paid-up capital, the Companies (Transfer of

Profits to Reserves) Rules, 1975 is not applicable.

OPERATIONS REVIEW

In terms of revenue, our primary business remains online recruitment classifieds and related services through naukri.com, naukrigulf.com and quadrangle business divisions. Revenues from the recruitment solutions business increased by 7.75% from Rs.1,964.26 million in 2007-08 to Rs.2,116.47 million in 2008-09. This business generated around 86.33% of the company's net sales in 2008-09. We also provide matrimonial and property related classifieds and related services through our jeevansathi.com and 99acres.com divisions respectively. With revenues from these other verticals increasing by 48.89%, their combined contribution to the company's net sales increased to 13.67% in 2008-09. During 2008-09, the Company diversified its business base by entering the online education classifieds business by launching shiksha.com

Detailed analysis of the performance of the Company and its businesses, including initiatives in the area of Human Resources, Information Technology, has been presented in the section on Management Discussion and Analysis of this Annual Report

FUTURE OUTLOOK

We are optimistic about the long term prospects of the company. There is immense potential in the businesses and the growing upwardly mobile urban population in India offers several opportunities to build our businesses. In the near term, we believe that the global economy will remain depressed and growth in India will be slower than what was witnessed in the recent past. However, there will continue to be opportunities and we are witnessing an increase in our market share vis-à-vis our competitors. Today, we are in a consolidation phase. We are working on cost management, productivity improvements and product quality enhancements to be well prepared to leverage the upturn in the economy as and when it comes.

SUBSIDIARY COMPANIES

As of March 31, 2009, the Company had the following five subsidiary companies –

- Naukri Internet Services Private Limited.
- Jeevansathi Internet Services Private Limited.
- Allcheckdeals India Pvt Limited
- Info Edge (India) Mauritius Limited
- Info Edge USA Inc.

PARTICULARS OF EMPLOYEES

In a difficult business environment in 2008-09, we have not undertaken any layoffs. Most of the workforce reduction has been due to natural attrition. The focus this year has been on improving the productivity of our people through a structured process of rationalization. We have had several instances where vacancies have been filled up by internal staff. Employee costs have been managed primarily by incorporating a variable pay systems where extra expenditure is not incurred if performance targets are not met.

The particulars of employees required under Section 217 (2A) of the Companies Act, 1956 and the rules there under, are required to be annexed to this Report as Annexure. However, pursuant to the provisions

of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report and Accounts are being sent to all the shareholders of the Company without the above information. Any shareholder interested in obtaining such particulars may write to the Company.

EMPLOYEES STOCK OPTION PLAN (ESOP)

We had adopted ESOP schemes to include our employees in wealth sharing and in having a more retention oriented compensation program. As the Company was a private limited unlisted company, therefore SEBI ESOP Guidelines were not applicable to our old ESOP scheme (ESOP 2003) under which the first round of options were granted in August 2004. However, with the listing of Company's shares in November 2006, the Company introduced a new SEBI compliant ESOP scheme (ESOP 2007), which was approved by passing a special resolution in the Extra-ordinary General Meeting (EGM) held on March 26, 2007.

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

A certificate from M/s. Price Waterhouse, Chartered Accountants, Statutory Auditors, with regards to the implementation of the Company Employees' Stock Option Schemes, would be placed before the shareholders in the Annual General Meeting.

CORPORATE GOVERNANCE

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

PUBLIC DEPOSITS AND LIQUIDITY

We continue to be almost debt-free, and believe we maintain sufficient cash to meet our strategic objectives. During 2008-09, your Company has not accepted any deposits or raised any fresh equity from the public.

ENERGY CONSERVATION, TECHNOLOGY ADOPTION AND FOREIGN EXCHANGE FLOWS

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

(RS MILLION)

PARTICULARS	2008-09	2007-08
Foreign Exchange Earnings		
Sales	290.44	215.56
<i>Total Inflow</i>	290.44	215.56
Foreign Exchange Outgo		
Travel	0.58	1.91
Expenses on server, etc	58.47	36.62
Advertisement, Promotion and Marketing	4.44	16.53
Foreign Branch Expenses	26.17	15.00
Others	10.04	7.16
<i>Total Outflow</i>	99.70	77.22
Net Foreign Exchange Flow	190.74	138.34

LISTING OF SHARES

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

DIRECTORS

As per the requirements of Section 256 of the Companies two-third of the Board shall consist of retiring directors out of which one third shall retire at every annual general meeting.

Accordingly, Mr. Kapil Kapoor, Ms. Bala Deshpande and Mr. Ambarish Raghuvanshi shall retire and shall seek re-appointment in the ensuing Annual General Meeting of the Company.

INTERNAL CONTROL SYSTEMS

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

The Company has undertaken to implementation of an ERP solution namely Microsoft Navision which is expected to provide better control and strong support to our growth plans.

AUDITORS

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

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the year;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- they have prepared the annual accounts on a going concern basis.

NOTES TO ACCOUNTS

The observation of auditors and notes on accounts are self explanatory.

ACKNOWLEDGMENTS

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

For and on behalf of the Board of Directors

Date : June 26, 2009

Place: Hongkong

Kapil Kapoor

Chairman

ANNEXURE -I

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

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

1. Conservation of energy

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

- i) Regular Monitoring of Temperature inside the buildings and controlling the Air-conditioning System
- ii) Rationalization of usage of electrical equipments - air-conditioning system, office illumination, beverage dispensers, desktops.
- iii) Facility audit to incorporate correct air-conditioning / DG ratings, usage of auto phase corrector.
- iv) Replacement of halogens to CFL illumination.
- v) Signage timings rationalization.
- vi) Planned Preventive Maintenance (PMP) schedule put in place for electro-mechanical equipments.

2. Research and Development (R&D)

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

a. R&D initiative

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

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

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

c. Future plan of action

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

d. Expenditure on R&D for the year ended March 31, 2009

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

ANNEXURE -II

Information regarding the Employee Stock Option Schemes

ESOP 2003- Under the scheme, the first round of options were granted in August 2004. The Company made last grant under the scheme on 26 September 2006 and has now discontinued the scheme for any fresh grants. However, options already granted before that date continue to vest and be exercised.

Being a Pre-IPO scheme, the SEBI (ESOP & ESPS) Guidelines, 1999 were not applicable to this scheme.

Sr No.	Nature of Disclosure	ESOP 2003
1	Total Options granted	7,461,201
2	Total number of options vested	7,238,303
3	Total number of options exercised*	6,983,907
4	Total number of Equity Shares arising as a result of exercise of options*	842,666
5	Total number of options lapsed/forfeited	133,038
6	Money realized by exercise of options	Rs. 7,931,977
7	Total number of options in force as at 31 March 2009	344,251

* Number of option exercised & number of Equity shares issued thereof is different due to consolidation of equity shares (from Re. 1 per share to Rs. 10 per share) and bonus allotments.

ESOP 2007- This scheme was adopted Post-IPO in March 2007. The Company made first grant of options under the New SEBI compliant ESOP scheme ("ESOP 2007") on May 31, 2007. During the year the terms of options under the new scheme have not been varied. The new ESOP scheme has been approved in-principle by both NSE and BSE.

Sr No.	Nature of Disclosure	ESOP 2007
1	Total Options granted	692,042
2	Total number of options vested	86,101
3	Total number of options exercised	2,230
4	Total number of Equity Shares arising as a result of exercise of options	2,230
5	Total number of options lapsed/forfeited	129,173
6	Money realized by exercise of options	Rs. 713,600
7	Total number of options in force as at 31 March 2009	560,639

Exercise price

During the year, fresh ESOP Grants were made under ESOP 2007 at the following prices

No. of Options Granted	Exercise Price
292,200	948
15200	994
11000	853
2000	871
8500	405

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

1	Grant to Directors	NIL						
2	Any other employee who received a grant in any one year of option amounting to 5% or more of option granted during that year	<table border="0"> <tr> <td>Name & Designation</td> <td>No. of Options</td> </tr> <tr> <td>Vibhore Sharma</td> <td>20,000</td> </tr> <tr> <td>SVP (Tech & Product)</td> <td></td> </tr> </table>	Name & Designation	No. of Options	Vibhore Sharma	20,000	SVP (Tech & Product)	
Name & Designation	No. of Options							
Vibhore Sharma	20,000							
SVP (Tech & Product)								
3	Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	N.A.						

1	Earning Per share (EPS)	Rs. 21.87
2	Method of calculation of employee compensation cost	The Company has calculated the employee compensation cost using the intrinsic value of stock options.
3	Difference, if any, between employee compensation cost (calculated using the intrinsic value of stock options) and the employee compensation cost (calculated on the fair value of the options)	Rs 108,038 Thousand
4	The impact of this difference on profits and on EPS of the Company	Profit would have been lower by Rs 108,038 Thousand and the EPS would be Rs 17.91.
5a	Weighted-average exercise prices of options whose exercise price – i) either equals market price; or ii) exceeds market price ; or iii) is less than the market price of the stock	Nil 994.00 929.46
5b	Weighted average fair values of options whose exercise price – i) either equals market price; or ii) exceeds market price ; or iii) is less than the market price of the stock	Nil 558.71 544.97
6	Description of method & significant assumptions used during the year to estimate value of options including the following weighted-average information: (i) risk-free interest rate; (ii) expected life (in years); (iii) expected volatility (iv) expected dividends (v) the price of the underlying share in the market at the time of option grant.	7.87% 6.46 46.97% 0.10% 950.61
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.

Auditors' Report

TO THE MEMBERS OF INFO EDGE (INDIA) LIMITED

1. We have audited the attached Balance Sheet of Info Edge (India) Limited, as at March 31, 2009, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') 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 further report that:
 - (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.
 - (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
 - (ii) The Company does not maintain any inventory, accordingly clauses (ii)(a) to (ii)(c) of Para 4 of Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable to the Company for the current year.
 - (iii) The company has neither taken nor granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly clauses (iii)(b), (iii)(c), (iii)(d), (iii)(f) and (iii)(g) of Para 4 of Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable to the Company for the current year.
 - (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
 - (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
 - (b) In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative market prices, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 - (vi) The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
 - (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
 - (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
 - (ix) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, 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 income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
 - (x) The company has no accumulated losses as at March 31, 2009 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
 - (xi) According to the records of the company examined by us and the information and explanation given to us, the company has

INFO EDGE (INDIA) LIMITED

not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.

- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the company.
- (xiv) In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) The company has not obtained any term loans.
- (xvii) On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year
- (xix) The Company has neither issued any debentures during the year, nor are there any debentures outstanding at the year end.
- (xx) The management has disclosed the end use of money raised by public issue (Refer Note 18 on Schedule 17) and the same has been verified by us.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management

4. Further to our comments in paragraph 3 above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
- (e) On the basis of written representations received from the directors and taken on record by the Board of Directors at the meeting held on April 30, 2009, none of the directors is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2009;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Kaushik Dutta
Membership No. F - 88540
Partner

Place: Gurgaon
Date: April 30, 2009

For and on behalf of
Price Waterhouse
Chartered Accountants

BALANCE SHEET AS AT MARCH 31, 2009

Particulars	Schedule	As at		As at	
		(Rs.'000)	March 31, 2009 (Rs.'000)	(Rs.'000)	March 31, 2008 (Rs.'000)
SOURCES OF FUNDS					
SHAREHOLDERS FUNDS					
Capital	1		272,953		272,953
Stock Options Outstanding Account	2		28,330		17,584
Reserves and Surplus	3		2,966,176		2,391,102
LOAN FUNDS					
Secured Loans	4		2,972		4,420
			3,270,431		2,686,059
APPLICATION OF FUNDS					
FIXED ASSETS	5				
Gross Block		527,079		473,674	
Less : Depreciation		225,602		155,534	
Net Block		301,477		318,140	
Capital Advances		82,942	384,419	63,397	381,537
DEFERRED TAX ASSETS	6		19,096		11,293
INVESTMENTS	7		195,202		2,653,825
ADVANCE RECOVERABLE FROM ESOP TRUST (Refer Note 13 & 14 on Schedule 18)			16,250		13,335
CURRENT ASSETS, LOANS AND ADVANCES					
Sundry Debtors	8	38,072		35,618	
Cash and Bank Balances	9	3,218,084		484,538	
Loans and Advances and Other Current Assets	10	165,606		126,463	
		3,421,762		646,619	
LESS : CURRENT LIABILITIES AND PROVISIONS	11				
Current liabilities		705,419		975,780	
Provisions		60,879		44,770	
		766,298		1,020,550	
NET CURRENT ASSETS			2,655,464		(373,931)
			3,270,431		2,686,059

SIGNIFICANT ACCOUNTING POLICIES

17

NOTES TO ACCOUNTS

18

This is the Balance Sheet referred to in our report of even date. The schedules referred to above form an integral part of these accounts.

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors

Sanjeev Bikhchandani
Managing Director

Ambarish Raghuvanshi
Director & CFO

Place: Noida
Date: April 30, 2009

Amit Gupta
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Particulars	Schedule	Year ended	
		March 31, 2009	March 31, 2008
		(Rs.'000)	(Rs.'000)
INCOME			
Sales (Refer Note 5 on Schedule 17)		2,451,660	2,189,390
Other Income	12	286,300	207,251
		2,737,960	2,396,641
EXPENDITURE			
Advertising and Promotion cost		433,204	481,244
Administration and Other expenses	13	324,924	255,750
Personnel expenses	14	933,880	746,278
Network and Other charges	15	90,408	60,531
Finance and Bank Charges	16	17,255	11,194
Depreciation	5	71,104	55,504
		1,870,775	1,610,501
Net Profit before Tax		867,185	786,140
Tax Expense			
- Current Tax (including for earlier years)		269,074	228,094
- Deferred Tax	6	(7,803)	(4,569)
- Fringe Benefit Tax		9,055	7,747
Net Profit after Tax		596,859	554,868
Balance brought forward		784,468	253,550
Transfer from Stock Options Outstanding Account		2,165	3,225
Appropriations			
Proposed dividend		20,471	20,471
Dividend Tax		3,479	3,479
Transfer to General Reserve (Employee Stock Options Outstanding Account)		2,165	3,225
Balance carried to the balance sheet		1,357,377	784,468
Earnings Per Share - Basic and Diluted		21.87	20.33
(Refer Note 11 on Schedule 18)			
SIGNIFICANT ACCOUNTING POLICIES	17		
NOTES TO ACCOUNTS	18		

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

The schedules referred to above form an integral part of these accounts.

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors

Sanjeev Bikhchandani
Managing Director

Ambarish Raghuvanshi
Director & CFO

Place: Noida
Date: April 30, 2009

Amit Gupta
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Particulars	For the year ended March 31, 2009 (Rs.'000)	For the year ended March 31, 2008 (Rs.'000)
A. Cash flow from operating activities:		
Net profit before tax	867,185	786,140
Adjustments for:		
Depreciation	71,104	55,504
Interest Expense	354	394
Interest Income	(132,857)	(33,727)
Interest received on income tax refund	-	(2,191)
Dividend Income from Mutual Funds	(60,205)	(144,245)
(Profit)/Loss on Fixed Assets sold (net)	(39)	(191)
(Profit)/Loss on sale of Investments (net)	(83,267)	(14,271)
Provision for Bad & Doubtful Debts	5,500	6,325
Liability no longer required written back	(1,020)	(12,137)
Provision for Gratuity & Leave Encashment	13,595	6,468
TDS on revenue receipts	(122,049)	(119,546)
Employee Stock Option Scheme Compensation Expense	12,958	18,915
Operating profit before working capital changes	571,259	547,438
Adjustments for changes in working capital :		
- (INCREASE)/DECREASE in Sundry Debtors	(7,954)	(19,364)
- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	9,598	(37,990)
- INCREASE/(DECREASE) in Current Liabilities and Provisions	(258,390)	314,611
Cash generated from operating activities	314,513	804,695
- Taxes (Paid) / Received (Net of TDS)	(118,544)	(99,951)
Net cash from operating activities	195,969	704,744
B. Cash flow from Investing activities:		
Purchase of fixed assets	(85,692)	(326,241)
Proceeds from Sale of fixed assets	806	1,780
Proceeds from Sale of Investments	5,639,440	9,769,914
Purchase of Investments	(2,997,679)	(10,209,178)
Interest Received (Revenue)	46,130	25,667
Interest received on income tax refund	-	2,191
Dividend Received	60,205	144,245
Amount Paid on Acquisition	(99,870)	(19,995)
Net cash used in investing activities	2,563,340	(611,617)
C. Cash flow from financing activities:		
Proceeds from long term borrowings (Net)	(1,448)	591
Interest Paid	(365)	(389)
Dividend Paid	(20,471)	(20,471)
Dividend Tax Paid	(3,479)	(3,479)
Net cash used in financing activities	(25,763)	(23,748)
Net Increase/(Decrease) in Cash & Cash Equivalents	2,733,546	69,379
Opening Balance of Cash and cash equivalents	484,538	415,159
Closing Balance of Cash and cash equivalents	3,218,084	484,538
Cash and cash equivalents comprise		
Cash in hand	2,072	2,326
Balance with Scheduled Banks		
-in current accounts (Refer note 2 and 3 below)	70,160	131,753
-in fixed deposits	3,130,198	347,532
Balance with Other Banks		
-in current accounts	15,654	2,927
Total	3,218,084	484,538

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.
- Balance with scheduled bank in current account includes Rs 122 Thousand (previous year 209 Thousand) in respect of unpaid application money due for refund, which is not available for use by the company.
- Balance with scheduled bank in current account includes Rs 33 Thousand (previous year 21 Thousand) in respect of unclaimed dividend, which is not available for use by the company.
- Figures in brackets indicate cash outflow.

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

For and on behalf of the Board of Directors

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

Sanjeev Bikhchandani
Managing Director

Ambarish Raghuvanshi
Director & CFO

Place: Noida
Date: April 30, 2009

Amit Gupta
Company Secretary

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	(Rs.'000)	As at	(Rs.'000)	As at
		March 31, 2009		March 31, 2008
	(Rs.'000)	(Rs.'000)	(Rs.'000)	(Rs.'000)
SCHEDULE 1				
CAPITAL				
AUTHORISED CAPITAL				
40,000 Thousand Equity Shares of Rs.10/- each (Previous year - 40,000 Thousand Equity Shares of Rs. 10/- each)		400,000		400,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL				
27,295 Thousand Equity Shares of Rs. 10/- each fully paid up (Previous year - 27,295 Thousand Equity Shares of Rs. 10/- each fully paid up)		272,953		272,953
[Of the above, 21,705 Thousand Equity Shares of Rs.10/- each (Previous year 21,705 Thousand Equity Shares of Rs.10 each) were allotted as fully paid up by way of bonus shares out of Securities Premium, General Reserve and Profit & Loss Account]				
		272,953		272,953
SCHEDULE 2				
STOCK OPTIONS OUTSTANDING ACCOUNT				
(Refer Note 11 on Schedule 17 and Note 14 on Schedule 18)				
Opening Balance	17,584		4,851	
Add: Transfer during the year	12,958		18,915	
Less: Adjusted against advance given to Info Edge Employees Stock Option Trust	47		2,957	
Less: Transfer to Profit & Loss Account	2,165	28,330	3,225	17,584
		28,330		17,584
SCHEDULE 3				
RESERVES AND SURPLUS				
Securities Premium Account		1,583,026		1,583,026
Profit & Loss Account				
Opening Balance	784,468		253,550	
Add: Transfer from Profit & loss Account	572,909	1,357,377	530,918	784,468
General Reserve				
Opening Balance	23,608		20,383	
Add: Transfer from Profit and Loss Account (Stock Options Outstanding Account)	2,165	25,773	3,225	23,608
		2,966,176		2,391,102
SCHEDULE 4				
SECURED LOANS				
Deferred payment liability (Refer Note 6 on Schedule 18) (Secured by way of hypothecation of vehicles) [Payable within one year Rs 1,911 Thousand (Previous year Rs. 2,324 Thousand)]		2,972		4,420
		2,972		4,420

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE 5

FIXED ASSETS (Refer Note 2,3 and 8 on Schedule 17)

(Rs.'000)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2008	Additions during the year	Deletions during the year	As at March 31, 2009	Up to April 1, 2008	Depreciation/Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2009	As at March 31, 2009	As at March 31, 2008
OWN ASSETS										
Intangible Assets										
Goodwill	265	-	-	265	236	29	-	265	-	29
Operating and Marketing Rights	27,560	-	-	27,560	19,556	5,512	-	25,068	2,492	8,004
Tangible Assets										
Leasehold Land	202,457	-	-	202,457	218	3,190	-	3,408	199,049	202,239
Leasehold Improvements	54,978	16,138	739	70,377	23,877	13,145	668	36,354	34,023	31,101
Computers and Software	117,351	22,658	83	139,926	67,729	32,216	24	99,921	40,005	49,622
Plant and Machinery	12,442	3,421	-	15,863	8,216	2,076	-	10,292	5,571	4,226
Furniture and Fixtures	17,314	2,268	-	19,582	12,788	2,693	-	15,481	4,101	4,526
Office Equipment	29,350	8,689	34	38,005	17,884	9,308	8	27,184	10,821	11,466
Vehicles	733	-	-	733	533	92	-	625	108	200
Leased Assets										
Vehicles	11,224	2,034	947	12,311	4,497	2,843	336	7,004	5,307	6,727
Total	473,674	55,208	1,803	527,079	155,534	71,104	1,036	225,602	301,477	318,140
Capital Advances*	-	-	-	-	-	-	-	-	82,942	63,397
Previous period	203,567	273,689	3,582	473,674	102,023	55,504	1,993	155,534	318,140	

* Refer Note 2 on Schedule 18

Particulars	(Rs.'000)	As at March 31, 2009 (Rs.'000)	(Rs.'000)	As at March 31, 2008 (Rs.'000)
SCHEDULE 6				
DEFERRED TAX ASSET/ (LIABILITY)				
(Refer Note 9 on Schedule 17 and Note 3 on Schedule 18)				
Deferred Tax Asset / (Liability)				
- Opening Balance		11,293		6,724
- Adjustment for the current year		7,803		4,569
		19,096		11,293
SCHEDULE 7				
INVESTMENTS				
(Refer Note 6 on Schedule 17 and Note 7 on Schedule 18)				
Non Trade (Unquoted)				
Long term				
Investments in Subsidiary Companies		40,478		20,195
Other Investments				
- Long Term (Unquoted)				
- Debt Mutual Funds		-		1,536,961
- Equity Shares of associate companies and others		79,587		-
- Short Term (Unquoted)				
- Debt Mutual Funds		75,137		1,096,669
		195,202		2,653,825

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	(Rs.'000)	As at	(Rs.'000)	As at
		March 31, 2009		March 31, 2008
		(Rs.'000)		(Rs.'000)
SCHEDULE 8				
SUNDRY DEBTORS				
(Unsecured, considered good unless specifically indicated)				
Debts outstanding for a period exceeding six months				
Considered doubtful	2,042		388	
Less: Provision for Doubtful Debts	2,042	-	388	-
Other Debts				
Considered good *		38,072		35,618
Considered doubtful	3,458		5,937	
Less: Provision for Doubtful Debts	3,458	-	5,937	-
		38,072		35,618
[* includes due from Subsidiary Company Rs 7,699 Thousand (Previous Year NIL)]				
SCHEDULE 9				
CASH AND BANK BALANCES				
Cash in hand		2,072		2,326
Bank Balances with scheduled banks: (Refer Note 22 on Schedule 18)				
-in Current Accounts		70,005		131,523
-in Fixed Deposit Accounts*		3,130,198		347,532
Bank Balances with other banks: (Refer Note 22 on Schedule 18)				
-in Current Accounts		15,654		2,927
Unpaid Application Money received by the company for allotment of securities and due for refund **		122		209
Unclaimed Dividend **		33		21
* includes Rs 64,789 Thousand (Previous Year 60,032 Thousand) as margin money with bank				
** (Not available for use by the company)				
		3,218,084		484,538
SCHEDULE 10				
LOANS AND ADVANCES AND OTHER CURRENT ASSETS				
(Unsecured, considered good)				
Advance to Subsidiary Company		2,001		844
Advance to Associate Company		13		-
Advance recoverable in cash or in kind or for value to be received*		39,661		70,340
Balance with Service Tax Authorities		83		-
Security Deposits		60,546		43,683
Advance Tax	-		435,295	
Less: Provision for Tax	-	-	426,956	8,339
Advance Tax - Fringe Benefits	29,686		19,524	
Less: Provision for Tax - Fringe Benefits	28,685	1,001	18,309	1,215
Interest Accrued on Fixed Deposits		62,301		2,042
		165,606		126,463
* Includes Rs 221 Thousand (Previous year Rs 57 Thousand) outstanding with directors				
Maximum amount outstanding during the year Rs 2,238 Thousand (Previous year Rs 3,381 Thousand)				

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at		As at	
	(Rs.'000)	March 31, 2009 (Rs.'000)	(Rs.'000)	March 31, 2008 (Rs.'000)
SCHEDULE 11				
CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors (Refer Note 4 on Schedule 18)				
- total outstanding dues of micro and small enterprises	-		-	
- total outstanding dues of creditors other than micro and small enterprises	157,019	157,019	255,085	255,085
Credit Bank Balance (Cash credit facility from bank)		-		31,222
Amount Due to Subsidiary Company		58		-
Deferred Sales Revenue (Refer Note 5 on Schedule 17)		494,925		628,070
Accrued Bonus		33,044		37,795
Unpaid Application Money received by the company for allotment of securities and due for refund *		122		209
Unclaimed Dividend *		33		21
Other liabilities		20,204		23,353
Interest accrued but not due on loans		14		25
		705,419		975,780
* Will be credited to Investor Education and Protection Fund as and when due				
PROVISIONS				
Employee benefits (Refer Note 7 on Schedule 17 and Note 21 on Schedule 18)		34,415		20,820
Provision for Tax	696,030			
Less: Advance Tax	693,516	2,514		-
Proposed Dividend		20,471		20,471
Dividend Tax		3,479		3,479
		60,879		44,770

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Particulars	(Rs.'000)	Year ended	(Rs.'000)	Year ended
		March 31, 2009		March 31, 2008
		(Rs.'000)		(Rs.'000)
SCHEDULE 12				
OTHER INCOME				
Interest Received/Receivable				
- On Fixed Deposits	132,857		31,915	
[Tax deducted at source Rs.26,468 Thousand (Previous year Rs. 6,912 Thousand)]				
- On Vendor Advance	-		1,812	
[Tax deducted at source Rs. NIL (Previous year Rs. 411 Thousand)]		132,857		33,727
Dividend Income from Mutual Funds		60,205		144,245
Profit on sale of Investment (net)		83,267		14,271
Profit on sale of Fixed Assets (net)		39		191
Provision no longer required written back		1,020		12,137
Interest received on Income Tax Refund		-		2,191
Miscellaneous Income		8,912		489
		286,300		207,251
SCHEDULE 13				
ADMINISTRATION AND OTHER EXPENSES				
Electricity and Water		25,414		18,327
Rent (Refer Note 5 on Schedule 18)		108,821		68,599
Repairs and Maintenance (Building)		13,849		11,240
Repairs and Maintenance (Machinery)		8,742		6,338
Legal and Professional Charges		19,100		18,894
Rates & Taxes		45		1,861
Insurance		7,901		5,660
Communication expenses		40,651		36,577
Travel & Conveyance		46,893		40,910
Provision for Doubtful Debts		5,500		6,325
Miscellaneous expenses		48,008		41,019
		324,924		255,750
SCHEDULE 14				
PERSONNEL EXPENSES				
(Refer Note 7 on Schedule 17 and Note 21 on Schedule 18)				
Salaries,Wages and Bonus		726,147		536,500
Contributions to Provident and other funds		34,401		22,724
Sales Incentives and Commissions		88,562		105,498
Staff Welfare and Benefits		44,157		32,029
Employee Stock Option Scheme Compensation		12,958		18,915
(Refer Note 11 on Schedule 17 and Note 14 on Schedule 18)				
Other Employee Expenses		27,655		30,612
		933,880		746,278

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Particulars	(Rs.'000)	Year ended	(Rs.'000)	Year ended
		March 31, 2009		March 31, 2008
SCHEDULE 15				
NETWORK AND OTHER CHARGES				
Internet and Server Charges		85,457		56,070
Others		4,951		4,461
		90,408		60,531
SCHEDULE 16				
FINANCE AND BANK CHARGES				
Interest on fixed loans		354		394
Bank Charges		16,901		10,800
		17,255		11,194

SCHEDULES TO THE ACCOUNTS**Schedule 17****SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Preparation of Financial Statements**

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 (the 'Act') and the relevant provisions of the Act.

2. Fixed Assets

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

Intangible assets are stated at their cost of acquisition.

3. Depreciation

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

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

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

Assets costing less than Rs.5,000 are fully depreciated in the year of acquisition.

The goodwill arising on the acquisition of Quadrangle is being written off over a period of 8 years.

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

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

4. Foreign Currency Transactions

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

5. Revenue Recognition

The Company earns revenue significantly from the following sources viz.

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

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

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

SCHEDULES TO THE ACCOUNTS

6. Investments

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

7. Employee Benefits (Refer Note 21 on Schedule 18 to Accounts)

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

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

Termination benefits are recognized as an expense immediately.

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

8. Leased Assets

i) Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.

ii) Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Profit and Loss Account on a straight line basis over the lease term.

9. Taxes on Income

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

10. Earnings Per Share (EPS)

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

11. Employee Stock Option Based Compensation

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

12. Provisions and Contingencies

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

SCHEDULES TO THE ACCOUNTS

Schedule 18

NOTES TO ACCOUNTS

- The Company was converted to a public limited company and its name was changed to Info Edge (India) Limited with effect from April 27, 2006.
- As on March 31, 2009 there is an advance of Rs 82,942 Thousand (Previous Year 63,397 Thousand) outstanding against capital account contracts. This primarily includes the following:
 - Rs. 62,286 Thousand (Previous year Rs. 60,780 Thousand) relating to the project for construction of office building on owned land which remains outstanding as the project has currently been deferred in view of recent economic developments. The management expects to resume this project in the near future (appropriate permissions for extending the time limit for construction have been taken from the local development authority).
 - Rs. 18,926 Thousand (Previous year NIL) relating to ERP implementation project with an estimated value of contract of Rs. 25,000 Thousand (gross) remaining to be executed on capital account.
 - Rs. 1,730 Thousand (Previous year 2,617 Thousand) advanced against multiple contracts with total estimated value of contracts of Rs. 2,658 Thousand (gross) (Previous year 3,000 Thousand) remaining to be executed on capital account.

3. Deferred Taxes

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

Deferred Tax Asset/(Liability)	As at March 31, 2009 Amount (Rs.'000)	As at March 31, 2008 Amount (Rs.'000)
Provision for Leave Encashment	5,989	5,285
Provision for Doubtful Debts	1,870	2,414
Depreciation	10,573	4,233
Others	664	(639)
Net Deferred Tax Asset/ (Liability)	19,096	11,293

- Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2009.
- Operating Leases where the company is a lessee:

The company has entered into lease transactions mainly for leasing of office premises for periods between 1 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Profit & Loss Account amount to Rs 111,329 Thousand (included in Schedule 13 – Administration and Other Expenses Rs. 108,821 Thousand and in Schedule 14 – Personnel Expenses Rs 2,508 Thousand [(Previous Year Rs. 69,279 Thousand) (included in Schedule 13 – Administration and Other Expenses Rs. 68,599 Thousand and in Schedule 14 – Personnel Expenses Rs 680 Thousand)]).

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

Finance Lease Liabilities- minimum lease payments:

Particulars	As at March 31, 2009 Amount (Rs.'000)	As at March 31, 2008 Amount (Rs.'000)
Not later than 1 year	2,113	2,626
Later than 1 year and not later than 5 years	1,135	2,225
Total minimum lease payments	3,248	4,851
Less: Future finance charges on finance leases	276	431
Present value of finance lease liabilities	2,972	4,420
Representing lease liabilities:		
-Current	1,911	2,324
-Non current	1,061	2,096
	2,972	4,420
The present value of finance lease liabilities may be analyzed as follows:		
Not later than 1 year	1,911	2,324
Later than 1 year and not later than 5 years	1,061	2,096
	2,972	4,420

SCHEDULES TO THE ACCOUNTS

7. (A). Detail of Investments as per Schedule 7 are provided below:

Details of Non Trade (Unquoted) Investments in Subsidiary Companies		Amount (Rs.'000)	
Name of the Subsidiary	As at March 31, 2009	As at March 31, 2008	
9,998 (Previous year – 9,998) shares of Naukri Internet Services Pvt. Ltd. Of Rs. 10/- each fully paid up. (two shares are held by the nominees of the company)	100	100	
9,800 (Previous year – 9,800) shares of Jeevansathi Internet Services Pvt. Ltd. Of Rs. 10/- each fully paid up. (two hundred shares are held by the nominees of the company)	100	100	
1,000,001(Previous year – 500,001) shares of Info Edge (India) Mauritius Limited of USD 1/- each fully paid up*	40,178	19,995	
9,999(Previous year – NIL) shares of Allcheckdeals India Pvt. Ltd. of Rs. 10/- each fully paid up. (One share is held by Naukri Internet Services Pvt Ltd)	100	-	
Info Edge USA Inc.**	-	-	
TOTAL	40,478	20,195	

* Investment Company in Mauritius holding investment in US Company.

** By virtue of control over composition of the Board of Directors.

Detail of Other Investment in Long Term Unquoted Mutual Funds		Amount (Rs.'000)	
Name of the Mutual Fund	As at March 31, 2009	As at March 31, 2008	
NIL (Previous year 10,000,000) Units of Rs. 10/- each in HDFC FMP 18M November 2007 (VI)- Wholesale Plan Growth	-	100,000	
NIL (Previous year 8,250,000) Units of Rs. 10/- each in HDFC FMP 15M February 2008 (VII)- Wholesale Plan Growth	-	82,500	
NIL (Previous year 5,000,000) Units of Rs. 10/- each in HDFC FMP 18M January 2008 (VII)- Wholesale Plan Growth	-	50,000	
NIL (Previous year 10,008,113) Units of Rs. 10/- each in B857G Birla FTP- Inst-Series X- Growth	-	100,081	
NIL (Previous year 10,904,833) Units of Rs. 10/- each in B896IG Birla Fixed Term Plan Instl Series AL Growth	-	109,048	
NIL (Previous year 10,000,000) Units of Rs. 10/- each in B895IG Birla Fixed Term Plan Instl Series AK Growth	-	100,000	
NIL (Previous year 5,000,000) Units of Rs. 10 each in DWS Fixed Term Fund- Series 41- Institutional Growth	-	50,000	
NIL (Previous year - 60,055) units of Rs. 1000/- each in DSP Merrill Lynch Fixed Term Plan Series 3 F- Institutional Growth	-	60,055	
NIL (Previous year - 11,376,945) units of Rs. 10/- each in DSPML Fixed Term Plan 15 M Series 2- Instl Growth	-	113,769	
NIL (Previous year 10,000,000) Units of Rs. 10/- each in OF211G HSBC FIXED TERM SERIES 21 Inst -GROWTH	-	100,000	
NIL (Previous year - 5,000,000) units of Rs. 10/- each in HSBC Fixed Term Series 36 Inst Growth	-	50,000	
NIL (Previous year - 5,160,295) units of Rs. 10/- each in HSBC Fixed Term Series 32 Inst Growth	-	52,066	
NIL (Previous year - 5,000,000) units of Rs. 10/- each in HSBC Fixed Term Series 33 Inst Growth	-	50,000	
NIL (Previous year - 16,405,850) units of Rs. 10/- each in HSBC Fixed Term Series 44 Inst Growth	-	164,059	
NIL (Previous year 2,001,492) Units of Rs. 10/- each in Tata Fixed Horizon Fund Series 13 Scheme B- IG Growth	-	20,015	
NIL (Previous year 1,086,230) Units of Rs. 10/- each in Tata Fixed Horizon Fund Series 14 Scheme B- IG Growth	-	10,862	
NIL (Previous year 6,081,320) Units of Rs. 10/- each in M188IG ABN AMRO FTP S8 Yearly Plan D- Inst Growth	-	60,813	
NIL (Previous year 6,259,272) Units of Rs. 10/- each in UTI Fixed Term Income Fund IV-III (08-14 Months)- Institutional Plan	-	62,593	
NIL (Previous year 10,000,000) units of Rs. 10/- each in Templeton Fixed Horizon Fund Series VII- Plan A-Institutional Growth	-	100,000	
NIL (Previous year 5,000,000) units of Rs. 10/- each in Kotak FMP 17M Series 1 Institutional - Growth	-	50,000	
NIL (Previous year 5,109,989) units of Rs. 10/- each in Kotak FMP 14M Series 3 Institutional Growth	-	51,100	
SUB TOTAL (A)	-	1,536,961	

SCHEDULES TO THE ACCOUNTS

Details of Other Investment in Long Term Unquoted Equity Shares		Amount (Rs.'000)	
Equity Shares (Unquoted)	As at March 31, 2009	As at March 31, 2008	
3,581 (Previous year - NIL) shares of Applect Learning Systems Pvt. Ltd. of Rs 10/- each fully paid up. (Including share premium of Rs. 8,254.47/- per share).	29,595	-	
2,987 (Previous year - NIL) shares of eTechAces Marketing and Consulting Pvt. Ltd. of Rs 10/- each fully paid up. (Including share premium of Rs. 16,726.40/- per share).	49,992	-	
45,000 (Previous year - 45,000) shares of Only Research Pvt. Ltd. of Rs. 10/- each fully paid up. (Net carrying value Rs 1/-)	-	-	
SUB TOTAL (B)	79,587	-	
TOTAL of (A) + (B)	79,587	1,536,961	

Detail of Other Investment in Short Term Unquoted Mutual Funds		Amount (Rs.'000)	
Name of the Debt Mutual Fund	As at March 31, 2009	As at March 31, 2008	
20,000 (Previous Year NIL) Units of Rs 1000/- each in DSP Blackrock Money Manager Fund- Institutional Plan- Daily Dividend	20,019	-	
1,995,772 (Previous Year NIL) Units of Rs 10/- each in HDFC Cash Management Fund-Treasury Advantage Plan - Wholesale-Daily Dividend	200,21	-	
556,205 (Previous Year NIL) Units of Rs 10/- each in G66 IDFC Liquidity Manager Daily Dividend	5,569	-	
2,932,171 (Previous Year NIL) Units of Rs. 10/- each in GFBD IDFC Money Manager Fund - Treasury Plan - Inst Plan B Daily Dividend	29,528	-	
NIL (Previous year 10,248,216) Units of Rs. 10/- each in ICICI Prudential Interval Fund Quarterly Interval Plan 1 Retail Dividend Reinvest	-	102,482	
NIL (Previous year 3,364,651) Units of Rs. 10/- each in ICICI Prudential 28Q Flexible Income Plan Dividend-Daily Reinvest	-	35,576	
NIL (Previous year 51,79,832) Units of Rs. 10/- each in HDFC Quarterly Interval Fund- Plan C Wholesale Dividend	-	51,847	
NIL (Previous year 1,501,105) Units of Rs. 10/- each in B874D Birla BSL Interval Income Fund- INSTL-Quarterly-Series 2- Dividend-Payout	-	15,011	
NIL (Previous year 3411) Units of Rs. 10 each in DWS Insta Cash Plus Fund- Institutional Plan-Daily Dividend Option	-	34	
NIL (Previous year 9,655,050) Units of Rs. 10 each in DWS Money Plus Fund Institutional Plan Daily Dividend Option	-	96,630	
NIL (Previous year - 20) units of Rs. 1000/- each in DSPML Cash Plus- Institutional- Daily Dividend	-	20	
NIL (Previous year - 75,930) units of Rs. 1000/- each in DSP Merrill Lynch Liquid Plus Instl Plan- Daily Dividend	-	75,959	
NIL (Previous year - 2,156,242) units of Rs. 10/- each in HSBC Liquid Plus Inst Plus Daily Dividend	-	21,590	
NIL (Previous year - 1,170,149) units of Rs. 10/- each in HSBC Liquid Plus Inst Daily Dividend	-	11,716	
NIL (Previous year 9,362,663) Units of Rs. 10/- each in TFLD Tata Floater Fund Daily Dividend	-	93,960	
NIL (Previous year 8,338,296) Units of Rs. 10/- in G50 Grindlays Floating Rate fund LT Inst Plan B Daily Dividend	-	83,402	
NIL (Previous year 6,083,553) Units of Rs. 10/- each in Principal Income Fund Short Term Plan Instl Plan Dividend Reinvestment Weekly	-	66,055	
NIL (Previous year 5,011,825) Units of Rs. 10/- each in Principal Fixed Maturity Plan (FMP-42) 460 Days - Series IV- Feb 08	-	50,118	
NIL (Previous year 7,379,226) Units of Rs. 10/- each in M17DD ABN AMRO Money Plus Institutional Plan Daily Dividend	-	73,792	
NIL (Previous year 5,207,972) units of Rs. 10/- each in S361 Sundaram BNP Paribas Interval fund Qly Plan C Inst Div	-	52,082	
NIL (Previous year 5,913,728) units of Rs. 10/- each in Templeton Floating rate Income Fund Long Term Plan Super Instl	-	59,022	
NIL (Previous year 104,387) units of Rs. 1000/- each in Templeton India Short Term Income Plan Institutional	-	105,596	
NIL (Previous year 5,000,000) units of Rs. 10/- each in I365 ING Fixed Maturity Fund-34 Inst Dividend	-	50,000	
NIL (Previous year 2,588,763) units of Rs. 10/- each in AIG India Treasury Plus Fund Institutional Daily Dividend	-	25,889	
NIL (Previous year 2,588,687) units of Rs. 10/- each in JPPDI JPMORGAN India Liquid Plus Fund - Dividend Plan reinvest	-	25,888	
TOTAL	75,137	1,096,669	

SCHEDULES TO THE ACCOUNTS

(B) Investments purchased, reinvested and sold on various dates within the financial year are as follows:

Amount (Rs.'000)

			Financial Year 2008-09	
Particulars	Units (Nos)	Purchased/ Reinvested	Units (Nos)	Sale/ Redemption
Debt based Mutual Funds	236,830,014	2,997,679	469,963,966	5,639,440

			Financial Year 2007-08	
Particulars	Units (Nos)	Purchased/ Reinvested	Units (Nos)	Sale/ Redemption
Debt based Mutual Funds	846,187,808	10,209,178	810,979,426	9,769,914

8. Expenditure in Foreign Currency (on cash basis)

Particulars	Year ended March 31, 2009 Amount (Rs'000)	Year ended March 31, 2008 Amount (Rs'000)
Server Charges	58,474	36,616
Advertising, Promotion & Marketing Expenses	4,445	16,528
Travel Expenses	582	1,909
Foreign Branch Expenses	26,167	14,996
Others	10,036	7,164
Total	99,704	77,213

9. Earnings in Foreign Exchange (on cash basis)

Particulars	Year ended March 31, 2009 Amount (Rs'000)	Year ended March 31, 2008 Amount (Rs'000)
Sales	290,440	215,564
Total	290,440	215,564

10. Auditor's Remuneration

Particulars	Year ended March 31, 2009 Amount (Rs'000)	Year ended March 31, 2008 Amount (Rs'000)
As Auditors	1,900	1,900
As Tax Auditors	100	100
Certification	215	31
Out of Pocket Expenses & Service Tax	208	438
Total	2,423	2,469

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

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Profit attributable to Equity Shareholders (Rs.'000)	596,859	554,868
Weighted average number of Equity Shares outstanding during the year (Nos.)	27,295,256	27,295,256
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	21.87	20.33

12. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

13. (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2009:

Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Private Limited (NISPL)

Info Edge (India) Mauritius Limited (IEIML)

Allcheckdeals India Pvt. Ltd. (ACDIPL)

Info Edge USA Inc.

SCHEDULES TO THE ACCOUNTS

Associates

eTechAces Marketing & Consulting Pvt. Ltd. (EMCPL)

Applect Learning Systems Pvt. Ltd. (ALSPL)

Key Management Personnel (KMP) & Relatives

Mr. Sanjeev Bikhchandani

Ms. Surabhi Bikhchandani (Spouse of Mr. Sanjeev Bikhchandani)

Mr. Sushil Bikhchandani (Brother of Mr. Sanjeev Bikhchandani)

Mr. Hitesh Oberoi

Ms. Rimy Oberoi (Spouse of Mr. Hitesh Oberoi)

Mr. Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

Minik Enterprises (Proprietorship concern of Mr. Sushil Bikhchandani)

Oyster Learning (Proprietorship concern of Ms. Rimy Oberoi)

Independent Directors- Non Executive

Mr. Arun Duggal

Mr. Ashish Gupta

Ms. Bala Deshpande

Mr. Naresh Gupta

Mr. Saurabh Srivastava

Non-Executive Directors

Mr. Sandeep Murthy

Mr. Kapil Kapoor

B) Details of transactions with related party for the year ended March 31, 2009 in the ordinary course of business:

Amount (Rs.'000)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	License Fee Paid: JISPL NISPL	200	-	-	-	-	-	200
	Rs 100 Rs 100							
2	Remuneration Paid: Sanjeev Bikhchandani Hitesh Oberoi Ambarish Raghuvanshi Surabhi Bikhchandani	-	-	31,914	-	-	-	31,914
	Rs 11,144 Rs 12,187 Rs 8,321 Rs 262							
3	Advances Given for business purposes (net): Sanjeev Bikhchandani Hitesh Oberoi Ambarish Raghuvanshi NISPL JISPL IEIML ACDIPL	1,298	-	801	-	-	-	2,099
	Rs 502 Rs 50 Rs 249 Rs 42 Rs 31 Rs 245 Rs 980							
4	Receipt of services: Minik Enterprises Oyster Learning	-	-	-	-	-	59,824	59,824
	Rs 59,382 Rs 442							
5	Dividend Paid: Sanjeev Bikhchandani Hitesh Oberoi Ambarish Raghuvanshi Surabhi Bikhchandani Arun Duggal Ashish Gupta Bala Deshpande Kapil Kapoor Saurabh Srivastava Sandeep Murthy	-	-	11,084	71	945	-	12,100
	Rs 8,851 Rs 1,462 Rs 491 Rs 280 Rs 15 Rs 16 Rs 27 Rs 905 Rs 13 Rs 40							
6	Services Rendered: ACDIPL EMCPL ALSPL	6,826	92	-	-	-	-	6,918
	Rs 6,826 Rs 78 Rs 14							

SCHEDULES TO THE ACCOUNTS

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non-Executive Directors	Enterprises over which KMP & Relatives have significant influence	Amount (Rs.'000)	
									Total
7	Reimbursements: Receivable from ACDIPL Rs 873	873	-	-	-	-	-	-	873
8	Investment in shares: EMCPL Rs 49,992 ALSPL Rs 29,595 IEIML Rs 20,183 ACDIPL Rs 100	20,283	79,587	-	-	-	-	-	99,870
9	Sitting Fees paid: Arun Duggal Rs 130 Ashish Gupta Rs 120 Bala Deshpande Rs 20 Kapil Kapoor Rs 60 Naresh Gupta Rs 90 Saurabh Srivastava Rs 80	-	-	-	440	60	-	-	500
10	Commission paid: Arun Duggal Rs 500 Ashish Gupta Rs 500 Naresh Gupta Rs 500 Saurabh Srivastava Rs 500	-	-	-	2,000	-	-	-	2,000

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

- (a) Dividend paid Rs. 468 Thousand
(b) Taxes paid Rs. 2,915 Thousand

2. Amount due from Info Edge Employee Stock Option Trust as on March 31, 2009 is Rs. 16,250 Thousand.

C) Amount due to/from related parties as at March 31, 2009

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Associate Companies	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Amount (Rs.'000)	
							Total
	Debit balances						
1	Outstanding Advances/Receivables	9,699	13	385	-	-	10,097
2	Maximum amount outstanding during the year	9,736	13	2,238	-	-	11,987
	Credit balances						
1	Outstanding Payable	58	-	164	70	-	292

13. (2) Related Party Transactions for the year ended March 31, 2008

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2008:

Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)
Naukri Internet Services Private Limited(NISPL)
Info Edge (India) Mauritius Limited (IEIML)

Key Management Personnel (KMP) & Relatives

Mr. Sanjeev Bikhchandani
Ms. Surabhi Bikhchandani (Spouse of Mr. Sanjeev Bikhchandani)
Mr. Sushil Bikhchandani (Brother of Mr. Sanjeev Bikhchandani)
Mr. Hitesh Oberoi
Ms. Rimy Oberoi (Spouse of Mr. Hitesh Oberoi)
Mr. Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

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

SCHEDULES TO THE ACCOUNTS

Independent Directors- Non Executive

Mr. Arun Duggal
 Mr. Ashish Gupta
 Ms. Bala Deshpande
 Mr. Naresh Gupta
 Mr. Saurabh Srivastava

Non-Executive Directors

Mr. Sandeep Murthy
 Mr. Kapil Kapoor

B) Details of transactions with related party for the year ended March 31, 2008 in the ordinary course of business:

Amount (Rs.'000)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	KMP & Relatives	Independent Directors- Non Executive	Non executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	License Fee Paid: JISPL Rs 100 NISPL Rs 100	200	-	-	-	-	200
2	Remuneration Paid: Sanjeev Bikhchandani Rs 11,961 Hitesh Oberoi Rs 13,515 Ambarish Raghuvanshi Rs 9,107	-	34,583	-	-	-	34,583
3	Advances Given for business purposes: Sanjeev Bikhchandani Rs 228 Hitesh Oberoi Rs 84 Ambarish Raghuvanshi Rs 221	-	533	-	-	-	533
4	Receipt of services: Minik Enterprises Rs 37,299 Oyster Learning Rs 436	-	-	-	-	37,735	37,735
5	Dividend Paid: Sanjeev Bikhchandani Rs 8,851 Hitesh Oberoi Rs 1,556 Ambarish Raghuvanshi Rs 491 Surabhi Bikhchandani Rs 280 Arun Duggal Rs 15 Ashish Gupta Rs 37 Bala Deshpande Rs 27 Saurabh Srivastava Rs 13 Kapil Kapoor Rs 905 Sandeep Murthy Rs 40	-	11,178	92	945	-	12,215
6	Sitting Fees Paid: Arun Duggal Rs 80 Ashish Gupta Rs 50 Kapil Kapoor Rs 60 Naresh Gupta Rs 30 Saurabh Srivastava Rs 140	-	-	300	60	-	360
7	Commission paid: Arun Duggal Rs 500 Ashish Gupta Rs 500 Saurabh Srivastava Rs 500	-	-	1,500	-	-	1,500
8	Investment in Shares: IEIML Rs 19,995	19,995	-	-	-	-	19,995

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

- (a) Dividend paid Rs. 479 Thousand
 (b) Amount adjusted against advance due from the trust Rs. 2,957 Thousand

2. Amount due from Info Edge Employee Stock Option Trust as on March 31, 2008 is Rs. 13,335 Thousand.

SCHEDULES TO THE ACCOUNTS

C) Amount due to/from related parties as at March 31, 2008

Amount (Rs.'000)

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances	844	335	-	1,179
2	Maximum amount outstanding during the year	1,044	3,381	-	4,425
	Credit balances				
1	Outstanding Payable	-	278	-	278

14. Employee Stock Option Scheme 2007

The company has set up a trust to administer the ESOP scheme under which options have been granted to employees. Under this scheme the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31st 2009 have a vesting period of maximum of 4.5 years from the date of grant.

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

Particulars	2008-09		2007-08	
	Number	Weighted Average Price (Rs.)	Number	Weighted Average Price (Rs.)
Options outstanding at beginning of year	699,254	464.40	424,059	253.96
Add:				
Options granted	328,900	932.45	363,142	708.66
Less:				
Options exercised	17,215	203.86	7,170	235.50
Options forfeited	106,049	722.46	80,777	477.93
Options outstanding at the end of year	904,890	609.24	699,254	464.40
Option exercisable at the end of year	338,267	378.35	112,435	234.30

The options outstanding at the end of year had exercise prices in the range of Rs. 10/- to Rs. 1200/- (Previous Year Rs. 10/- to Rs. 1462/-) and a weighted average remaining contractual life of 9 years (Previous Year 9 years).

Exercise Amount Range (Rs.)	Options outstanding as at March 31, 2009	Options outstanding as at March 31, 2008
10-300	344,251	384,422
301-600	91,689	93,832
601-900	168,750	198,000
901-1200	300,200	18,000
1201-1500	-	5,000
Grand Total	904,890	699,254

In accordance with the above mentioned ESOP Scheme, Rs. 12,958 Thousand (Previous Year Rs 18,915 Thousand) has been charged to the Profit and Loss Account in relation to the options vested during the year ended March 31, 2009 as Employee Stock Option Scheme Compensation.

15. (A) In respect of options vested during the year, had the fair value method been used, the profit for the year would be lower by Rs 108,038 Thousand (Previous year 73,265 Thousand) and the EPS would be Rs 17.91 (Previous year 17.64).

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

Employee Stock Option Scheme 2007	2008-09	2007-08
Weighted average fair value of the options at the grant dates	558.00	524.73
Dividend Yield (%)	0.10%	0.12%
Risk free rate	7.87%	7.73%
Expected life (years)	6.46	6.06
Expected volatility	46.97%	49.02%
Weighted average share price	950.61	829.80

SCHEDULES TO THE ACCOUNTS

Since the stock was listed in November 2006, the historical stock data for computing the volatility over the expected life of options is not sufficient, therefore the historical volatility of similar companies has been considered.

16. The Company has received legal notices of claims/lawsuits filed against it relating to infringement of Intellectual Property Rights (IPR) in relation to the business activities carried on by it. In the opinion of the management, no material liability is likely to arise on account of such claims/law suits.
17. The company is primarily in the business of internet based service delivery. The other activities of the company comprise placement search services and real estate broking services. The segment revenues, results and assets of the other activities do not constitute reportable segment under Accounting Standard 17 on Segment Reporting and accordingly no disclosure is required.
18. The Company had raised Rs 1,703,632 Thousand through Initial Public Offer of Shares (IPO) in the month of November, 2006 by issuance of 5,323,851 equity shares of Rs. 10/- each at a premium of Rs. 310/- per share. The utilisation out of such gross proceeds till March 31, 2009 is as given below. The balance amount of IPO proceeds remains invested in debt based mutual funds and fixed deposits in banks.

Particulars	As at March 31, 2009	As at March 31, 2008
	Amount (Rs.'000)	Amount (Rs.'000)
Amount raised through IPO	1,703,632	1,703,632
Utilisation of funds:		
Purchase of Land	202,457	202,457
Acquisition /Strategic Alliances	119,829	20,047
Issue related expenses	103,873	103,873
Diversification into new businesses & markets	42,833	-
Development of new businesses & product enhancement	48,639	-
Total Utilisation	517,631	326,377
Balance amount available for utilisation	1,186,001	1,377,255

19. As at March 31, 2009 the company had Rs 122 Thousand (Previous Year Rs. 209 Thousand) outstanding with ICICI bank towards unpaid application money received by the company for allotment of securities and due for refund. This amount is not available for use by the company and will be credited to Investor Education & Protection Fund as and when due.
20. The aggregate managerial remuneration under section 198 of the Companies Act, 1956 to the Directors including Managing Director is:

Particulars	Amount (Rs.'000)	
	Year ended March 31, 2009	Year ended March 31, 2008
Whole Time Directors (including Managing Director)		
Salary	22,256	22,173
Reimbursements	1,216	910
Bonus	8,180	11,500
Total Remuneration (A)	31,652	34,583
Non Whole Time Directors:		
Commission	2,500	2,208
Sitting Fee	500	360
Total Remuneration (B)	3,000	2,568
Total Managerial Remuneration Paid/Payable (A+B)	34,652	37,151

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

SCHEDULES TO THE ACCOUNTS

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

Particulars	Amount (Rs.'000)	
	Year ended March 31, 2009	Year ended March 31, 2008
Net Profit before tax	867,185	786,140
Add: Depreciation as per accounts	71,104	55,504
Add: Wholetime Director's Remuneration	31,652	34,583
Add: Directors sitting Fee	500	360
Add: Commission to Non Whole time Directors	2,500	2,208
Add: Provision for Bad Debts	5,500	6,325
Less: Depreciation as per Section 350 of the Companies Act, 1956	71,104	55,504
Less: Profit on sale of fixed assets (net)	39	191
Less: Profit on sale of Investment (net)	83,267	14,271
Net Profit for the year under section 349	824,031	815,154
Maximum amount payable to Non whole time Directors (restricted to 1%)	8,240	8,152
Maximum amount payable to Whole time Directors (restricted to 10%)	82,403	81,515
Maximum Amount payable to Directors	90,643	89,667

21. Employee Benefits

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

A. Defined Contribution Plans

Amount (Rs.'000)

a) Provident Fund

During the year, the Company has recognised the following amounts in the Profit and Loss Account -

Employers' Contribution to Provident Fund *	17,879
---	--------

B. State Plans

Amount (Rs.'000)

a) Employers' Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Profit and Loss Account -

Employers' Contribution to Employee State Insurance *	358
---	-----

*Included in Contributions to Provident and Other Funds under Personnel Expenses (Refer Schedule 14)

C. Defined Benefit Plans

a) Contribution to Gratuity Funds - Life Insurance Corporation of India

b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	Employee's Gratuity Fund
Discount Rate (per annum)	7.60%	7.60%
Rate of increase in Compensation levels	15.0% in first 4 years, 10.0% in next 5 years, & 7% thereafter	15% in first 4 years, 10% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	-	7.50%
Expected Average remaining working lives of employees (years)	-	13.09

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of Obligation as at April 1, 2008	22,419
Interest Cost	2,588
Past Service Cost	Nil
Current Service Cost	8,880
Curtailement Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Benefits paid	(1,191)
Actuarial (gain)/ loss on obligations	6,367
Present Value of Obligation as at March 31, 2009	39,063

SCHEDULES TO THE ACCOUNTS

(B) Changes in the Fair value of Plan Assets	Employee's Gratuity Fund Amount (Rs.'000)
Fair Value of Plan Assets at the April 1, 2008	13,858
Expected Return on Plan Assets	1,163
Actuarial Gains and Losses	545
Contributions	7,893
Benefits Paid	(1,191)
Fair Value of Plan Assets at March 31, 2009	22,268

(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of funded Obligation as at March 31, 2009	(39,063)
Fair Value of Plan Assets as at the end of the period	22,268
Funded Status	
Present Value of unfunded Obligation as at March 31, 2009	Nil
Unrecognized Actuarial (gains) / losses	Nil
Unfunded Net Asset / (Liability) Recognized in Balance Sheet*	(16,795)
*included in Employee Benefits (Refer Schedule 11)	

(D) Expense recognized in the Profit and Loss Account	Employee's Gratuity Fund Amount (Rs.'000)
Current Service Cost	8,880
Past Service Cost	Nil
Interest Cost	2,588
Expected Return on Plan Assets	(1,163)
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Net actuarial (gain)/ loss recognized in the period	5,822
Total Expenses recognized in the Profit & Loss Account**	16,127
**Included in Contribution to Provident and Other Funds under Personnel Cost (Refer Schedule 14)	

In respect of leave encashment/compensated absence the present value of obligation is Rs. 17,620* thousand as at March 31, 2009. The expense recognized in the profit & loss account is Rs 18,773** thousand.

*included in Employee Benefits (Refer Schedule 11)

**Included in Staff Welfare and Benefits under Personnel Cost (Refer Schedule 14)

21. (B) Employee Benefits for the previous financial year 2007-08:-

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

A. Defined Contribution Plans	Amount (Rs.'000)
a) Provident Fund	
During the year, the Company has recognised the following amounts in the Profit and Loss Account -	
Employers' Contribution to Provident Fund *	14,789

B. State Plans	Amount (Rs.'000)
a) Employers' Contribution to Employee State Insurance	
During the year, the Company has recognised the following amounts in the Profit and Loss Account -	
Employers' Contribution to Employee State Insurance *	323

*Included in Contributions to Provident and Other Funds under Personnel Expenses (Refer Schedule 14)

C. Defined Benefit Plans
a) Contribution to Gratuity Funds – Life Insurance Corporation of India
b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	Employee's Gratuity Fund
Discount Rate (per annum)	8.50%	8.50%
Rate of increase in Compensation levels	15.0% in first 4 years, 10.0% in next 5 years, & 7% thereafter	15% in first 4 years, 10% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	-	7.50%
Expected Average remaining working lives of employees (years)	-	11.47

SCHEDULES TO THE ACCOUNTS

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of Obligation as at April 1, 2007	14,138
Interest Cost	1,155
Past Service Cost	Nil
Current Service Cost	6,236
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Benefits paid	(266)
Actuarial (gain)/ loss on obligations	1,156
Present Value of Obligation as at March 31, 2008	22,419
(B) Changes in the Fair value of Plan Assets	Employee's Gratuity Fund Amount (Rs.'000)
Fair Value of Plan Assets at the April 1, 2007	7,622
Expected Return on Plan Assets	718
Actuarial Gains and Losses	223
Contributions	5,561
Benefits Paid	(266)
Fair Value of Plan Assets at March 31, 2008	13,858
(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of funded Obligation as at March 31, 2008	(22,419)
Fair Value of Plan Assets as at the end of the period	13,858
Funded Status	
Present Value of unfunded Obligation as at March 31, 2008	Nil
Unrecognized Actuarial (gains) / losses	Nil
Unfunded Net Asset / (Liability) Recognized in Balance Sheet*	(8,561)
*included in Employee Benefits (Refer Schedule 11)	
(D) Expense recognised in the Profit and Loss Account	Employee's Gratuity Fund Amount (Rs.'000)
Current Service Cost	6,236
Past Service Cost	Nil
Interest Cost	1,155
Expected Return on Plan Assets	(718)
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Net actuarial (gain)/ loss recognized in the period	933
Total Expenses recognized in the Profit & Loss Account**	7,606
**Included in Contribution to Provident and Other Funds under Personnel Cost (Refer Schedule 14)	

In respect of leave encashment/compensated absence the present value of obligation is Rs. 12,259* thousand as at March 31, 2008. The expense recognized in the profit & loss account is Rs 12,789** thousand.

*included in Employee Benefits (Refer Schedule 11)

**Included in Staff Welfare and Benefits under Personnel Cost (Refer Schedule 14)

continued to next page

SCHEDULES TO THE ACCOUNTS

22. Details of Bank Balances:

A. Bank Balances with scheduled Banks:

-In Current Accounts

Balance with Banks in India	As at March 31, 2009 Amount (Rs.'000)	As at March 31, 2008 Amount (Rs.'000)
ICICI Bank Ltd	69,478	116,549
Punjab National Bank	212	-
State Bank of India	108	-
HSBC Bank	101	2,658
HDFC Bank Ltd	56	12,286
HDFC Bank (erstwhile Bank of Punjab Ltd.)	30	30
State Bank of Hyderabad	11	-
Canara Bank	9	-
Total	70,005	131,523

-In Fixed deposit accounts

Fixed Deposit in India	As at March 31, 2009 Amount (Rs.'000)	As at March 31, 2008 Amount (Rs.'000)
State Bank of India	683,000	-
Punjab National Bank	651,001	-
HDFC Bank Ltd	614,345	-
Canara Bank	592,800	-
ICICI Bank Ltd	455,881	344,076
State Bank of Hyderabad	129,300	-
HSBC Bank	3,871	3,456
Total	3,130,198	347,532

B. Bank Balances with other banks:

-In Current Accounts

Particulars	F.Y. 2008-09		F.Y. 2007-08	
	As at March 31, 2009 Amount (Rs.'000)	Maximum Amount outstanding during the year Amount (Rs.'000)	As at March 31, 2008 Amount (Rs.'000)	Maximum Amount outstanding during the year Amount (Rs.'000)
HSBC Bank (Account No. # 01) - Bahrain	845	1,409	812	812
HSBC Bank (Account No. # 02) - Bahrain	489	703	55	280
HSBC Bank (Account No. # 01) - Dubai	7,571	10,657	1,650	17,689
HSBC Bank (Account No. # 02) - Dubai	647	5,138	410	2,472
The Saudi Hollandi Bank – (Account No. # 01) - Riyadh	6,052	6,052	-	-
The Saudi Hollandi Bank - (Account No. # 02) - Riyadh	50	5,807	-	-
Total (B)	15,654	29,766	2,927	21,253

23. Previous year's figures have been regrouped / recast to confirm to current year's presentation.

INFO EDGE (INDIA) LIMITED

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF INFO EDGE (INDIA) LIMITED

1. We have audited the attached consolidated balance sheet of Info Edge (India) Limited and its subsidiaries and associates (The Group) as at March 31, 2009, the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These consolidated financial statements are the responsibility of Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard 21-Consolidated Financial Statements and Accounting Standard 23 –Accounting for Investments in Associates in Consolidated Financial Statements, specified in Companies (Accounting Standard) Rules, 2006 and on the basis of the separate audited financial statements of Info Edge (India) Limited and its subsidiaries and associates included in the consolidated financial statements.
4. On the basis of the information and explanations given to us and on consideration of the separate audit reports on individual audited financial statements of Info Edge (India) Limited and its aforesaid subsidiaries and associates, in our opinion, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated balance sheet, of the consolidated state of affairs of the Group as at March 31, 2009;
 - (b) in the case of the consolidated profit and loss account, of the consolidated results of operations of the Group for the year ended on that date; and
 - (c) in the case of the consolidated cash flow statement, of the consolidated cash flows of the Group for the year ended on that date.

Kaushik Dutta
Membership No. F - 88540
Partner

Date : April 30, 2009
Place: Gurgaon

For and on behalf of
Price Waterhouse
Chartered Accountants

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2009

Particulars	Schedule	(Rs.'000)	As at March 31, 2009 (Rs.'000)	(Rs.'000)	As at March 31, 2008 (Rs.'000)
SOURCES OF FUNDS					
SHAREHOLDERS FUNDS					
Capital	1		272,953		272,953
Stock Options Outstanding Account	2		28,330		17,584
Reserves and Surplus	3		2,951,229		2,390,687
LOAN FUNDS					
Secured Loans	4		3,612		4,420
			3,256,124		2,685,644
APPLICATION OF FUNDS					
GOODWILL ON CONSOLIDATION					
(Refer Note 3 on Schedule 17)			253		253
FIXED ASSETS					
Gross Block	5	528,234		473,971	
Less : Depreciation		225,930		155,816	
Net Block		302,304		318,155	
Capital Advances		82,942	385,246	63,397	381,552
DEFERRED TAX ASSETS					
	6		19,096		11,293
INVESTMENTS					
	7		182,541		2,653,580
ADVANCE RECOVERABLE FROM ESOP TRUST					
(Refer Note 10 & 11 on Schedule 18)			16,250		13,335
CURRENT ASSETS, LOANS AND ADVANCES					
Sundry Debtors	8	34,536		35,618	
Cash and Bank Balances	9	3,220,962		485,268	
Loans and Advances and Other Current Assets	10	163,826		125,536	
		3,419,324		646,422	
LESS : CURRENT LIABILITIES AND PROVISIONS					
Current liabilities	11	705,892		976,021	
Provisions		60,694		44,770	
		766,586		1,020,791	
NET CURRENT ASSETS					
			2,652,738		(374,369)
			3,256,124		2,685,644

SIGNIFICANT ACCOUNTING POLICIES

17

NOTES TO ACCOUNTS

18

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

The schedules referred to above form an integral part of these accounts.

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors

Sanjeev Bikhchandani
Managing Director

Ambarish Raghuvanshi
Director & CFO

Place : Noida
Date : April 30, 2009

Amit Gupta
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Particulars	Schedule	Year ended	
		March 31, 2009 (Rs.'000)	March 31, 2008 (Rs.'000)
INCOME			
Sales (Refer Note 7 on Schedule 17)		2,457,997	2,189,389
Other Income	12	279,243	207,258
		2,737,240	2,396,647
EXPENDITURE			
Advertising and Promotion cost		433,204	481,244
Administration and Other expenses	13	338,742	256,072
Personnel expenses	14	933,880	746,278
Network and Other charges	15	90,408	60,531
Finance and Bank Charges	16	17,279	11,200
Depreciation	5	71,150	55,513
		1,884,663	1,610,838
Net Profit before Tax		852,577	785,809
Tax Expense			
- Current Tax (including for earlier years)		269,119	228,151
- Deferred Tax	6	(7,803)	(4,569)
- Fringe Benefit Tax		9,055	7,747
Net Profit after Tax		582,206	554,480
Share in loss of Associate Companies		11,921	-
Net Profit for the year		570,285	554,480
Balance brought forward		784,102	253,572
Transfer from Stock Options Outstanding Account		2,165	3,225
Appropriations			
Proposed dividend		20,471	20,471
Dividend Tax		3,479	3,479
Transfer to General Reserve (Employee Stock Options Outstanding Account)		2,165	3,225
Balance carried to the balance sheet		1,330,437	784,102

Earnings Per Share - Basic and Diluted

20.89

20.31

(Refer Note 8 on Schedule 18)

SIGNIFICANT ACCOUNTING POLICIES

17

NOTES TO ACCOUNTS

18

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

The schedules referred to above form an integral part of these accounts.

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors

Sanjeev Bikhchandani
Managing Director

Ambarish Raghuvanshi
Director & CFO

Place : Noida
Date : April 30, 2009

Amit Gupta
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Sr. No.	Particulars	For the year ended	For the year ended
		March 31, 2009 (Rs.'000)	March 31, 2008 (Rs.'000)
A.	Cash flow from operating activities:		
	Net profit before tax	852,577	785,809
	Adjustments for:		
	Depreciation	71,150	55,513
	Interest Expense	368	394
	Interest Income	(132,862)	(33,731)
	Interest received on income tax refund	-	(2,191)
	Dividend Income from Mutual Funds	(60,205)	(144,245)
	(Profit)/Loss on Fixed Assets sold (net)	(39)	(191)
	(Profit)/Loss on sale of Investments (net)	(83,267)	(14,271)
	Provision for Bad & Doubtful Debts	5,547	6,325
	Liability no longer required written back	(1,020)	(12,137)
	Provision for Gratuity & Leave Encashment	13,595	6,468
	TDS on revenue receipts	(122,049)	(119,546)
	Employee Stock Option Scheme Compensation Expense	12,958	18,915
	Operating profit before working capital changes	556,753	547,112
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	(4,465)	(19,364)
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	22,578	(37,539)
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	(258,165)	314,916
	Cash generated from operating activities	316,701	805,125
	- Taxes (Paid) / Received (Net of TDS)	(118,857)	(100,028)
	Net cash from operating activities	197,844	705,097
B.	Cash flow from Investing activities:		
	Purchase of fixed assets	(86,550)	(326,241)
	Proceeds from Sale of fixed assets	806	1,780
	Proceeds from Sale of Investments	5,639,440	9,769,914
	Purchase of Investments	(2,997,679)	(10,209,178)
	Interest Received (Revenue)	46,135	25,671
	Interest received on income tax refund	-	2,191
	Dividend Received	60,205	144,245
	Share in loss of Associate Companies	(11,921)	-
	Amount Paid on Acquisition	(87,454)	(19,995)
	Net cash used in investing activities	2,562,982	(611,613)
C.	Cash flow from financing activities:		
	Proceeds from long term borrowings (Net)	(808)	591
	Interest Paid	(374)	(389)
	Dividend Paid	(20,471)	(20,471)
	Dividend Tax Paid	(3,479)	(3,479)
	Net cash used in financing activities	(25,132)	(23,748)
	Net Increase/(Decrease) in Cash & Cash Equivalents	2,735,694	69,736
	Opening Balance of Cash and cash equivalents	485,268	415,532
	Closing Balance of Cash and cash equivalents	3,220,962	485,268
	Cash and cash equivalents comprise		
	Cash in hand	2,074	2,326
	Balance with Scheduled Banks		
	-in current accounts (Refer note 2 and 3 below)	72,966	132,418
	-in fixed deposits	3,130,268	347,597
	Balance with Other Banks:		
	-in current accounts	15,654	2,927
	Total	3,220,962	485,268

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.
- Balance with scheduled bank in current account includes Rs 122 Thousand (previous year 209 Thousand) in respect of unpaid application money due for refund, which is not available for use by the company.
- Balance with scheduled bank in current account includes Rs 33 Thousand (previous year 21 Thousand) in respect of unclaimed dividend, which is not available for use by the company.
- Figures in brackets indicate cash outflow.

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

Kaushik Dutta
Partner
Membership Number F-88540
For and on behalf of
Price Waterhouse
Chartered Accountants

For and on behalf of the Board of Directors

Sanjeev Bikhchandani
Managing Director

Ambarish Raghuvanshi
Director & CFO

Place : Noida
Date : April 30, 2009

Amit Gupta
Company Secretary

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Particulars	(Rs.'000)	As at	(Rs.'000)	As at
		March 31, 2009		March 31, 2008
		(Rs.'000)		(Rs.'000)
SCHEDULE 1				
CAPITAL				
AUTHORISED CAPITAL				
40,000 Thousand Equity Shares of Rs.10/- each (Previous year - 40,000 Thousand Equity Shares of Rs. 10/- each)		400,000		400,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL				
27,295 Thousand Equity Shares of Rs. 10/- each fully paid up (Previous year - 27,295 Thousand Equity Shares of Rs. 10/- each fully paid up)		272,953		272,953
[Of the above, 21,705 Thousand Equity Shares of Rs.10/- each (Previous year 21,705 Thousand Equity Shares of Rs.10 each) were allotted as fully paid up by way of bonus shares out of Securities Premium, General Reserve and Profit & Loss Account]				
		272,953		272,953
SCHEDULE 2				
STOCK OPTIONS OUTSTANDING ACCOUNT				
(Refer Note 13 on Schedule 17 and Note 11 on Schedule 18)				
Opening Balance	17,584		4,851	
Add: Transfer during the year	12,958		18,915	
Less: Adjusted against advance given to Info Edge Employees Stock Option Trust	47		2,957	
Less: Transfer to Profit & Loss Account	2,165	28,330	3,225	17,584
		28,330		17,584
SCHEDULE 3				
RESERVES AND SURPLUS				
Securities Premium Account		1,583,026		1,583,026
Profit & Loss Account				
Opening Balance	784,102		253,572	
Add: Transfer from Profit & loss Account	546,335	1,330,437	530,530	784,102
General Reserve				
Opening Balance	23,608		20,383	
Add: Transfer from Profit and Loss Account (Stock Options Outstanding Account)	2,165	25,773	3,225	23,608
Foreign Currency Translation Reserve		11,993		(49)
		2,951,229		2,390,687
SCHEDULE 4				
SECURED LOANS				
Deferred payment liability (Refer Note 7 on Schedule 18) (Secured by way of hypothecation of vehicles) [Payable within one year Rs 2,119 Thousand (Previous year Rs. 2,324 Thousand)]		3,612		4,420
		3,612		4,420

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

SCHEDULE 5

FIXED ASSETS (Refer Note 4,5 and 10 on Schedule 17)

(Rs.'000)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2008	Additions during the year	Deletions during the year	As at March 31, 2009	Up to April 1, 2008	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2009	As at March 31, 2009	As at March 31, 2008
OWN ASSETS										
Intangible Assets										
Goodwill	265	-	-	265	236	29	-	265	-	29
Operating and Marketing Rights	27,560	-	-	27,560	19,556	5,512	-	25,068	2,492	8,004
Tangible Assets										
Leasehold Land	202,457	-	-	202,457	218	3,190	-	3,408	199,049	202,239
Leasehold Improvements	54,978	16,138	739	70,377	23,877	13,145	668	36,354	34,023	31,101
Computers and Software	117,648	22,658	83	140,223	68,011	32,221	24	100,208	40,015	49,637
Plant and Machinery	12,442	3,421	-	15,863	8,216	2,076	-	10,292	5,571	4,226
Furniture and Fixtures	17,314	2,268	-	19,582	12,788	2,693	-	15,481	4,101	4,526
Office Equipment	29,350	8,689	34	38,005	17,884	9,308	8	27,184	10,821	11,466
Vehicles	733	-	-	733	533	92	-	625	108	200
Leased Assets										
Vehicles	11,224	2,892	947	13,169	4,497	2,884	336	7,045	6,124	6,727
Total	473,971	56,066	1,803	528,234	155,816	71,150	1,036	225,930	302,304	318,155
Capital Advances*	-	-	-	-	-	-	-	-	82,942	63,397
Previous period	203,864	273,689	3,582	473,971	102,296	55,513	1,993	155,816	318,155	

*Refer Note 3 on Schedule 18

Particulars	As at March 31, 2009		As at March 31, 2008	
	(Rs.'000)	(Rs.'000)	(Rs.'000)	(Rs.'000)
SCHEDULE 6				
DEFERRED TAX ASSET/ (LIABILITY)				
(Refer Note 11 on Schedule 17 and Note 4 on Schedule 18)				
Deferred Tax Asset / (Liability)				
- Opening Balance		11,293		6,724
- Adjustment for the current year		7,803		4,569
		19,096		11,293
SCHEDULE 7				
INVESTMENTS				
(Refer Note 8 on Schedule 17 and Note 2 on Schedule 18)				
Other Investments				
- Long Term (Unquoted)				
-Debt Mutual Funds		-		1,536,961
-Equity shares of Associate Companies and others [including Goodwill on acquisition of Associate Companies amounting to Rs 49731 Thousand (net)] (Refer Note 3 on Schedule 17 and Note 2 on Schedule 18)		107,404		19,950
- Short Term (Unquoted)				
-Debt Mutual Funds		75,137		1,096,669
		182,541		2,653,580

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Particulars	As at		As at	
	(Rs.'000)	March 31, 2009 (Rs.'000)	(Rs.'000)	March 31, 2008 (Rs.'000)
SCHEDULE 8				
SUNDRY DEBTORS				
(Unsecured, considered good unless specifically indicated)				
Debts outstanding for a period exceeding six months				
Considered doubtful	2,042		388	
Less: Provision for Doubtful Debts	2,042	-	388	-
Other Debts				
Considered good		34,536		35,618
Considered doubtful	3,505		5,937	
Less: Provision for Doubtful Debts	3,505	-	5,937	-
		34,536		35,618
SCHEDULE 9				
CASH AND BANK BALANCES				
Cash in hand		2,074		2,326
Bank Balances with scheduled banks :-				
-in Current Accounts		72,811		132,188
-in Fixed Deposit Accounts*		3,130,268		347,597
Bank Balances with other banks:-				
-in Current Accounts		15,654		2,927
Unpaid Application Money received by the company for allotment of securities and due for refund **		122		209
Unclaimed Dividend **		33		21
* includes Rs 64,789 Thousand (Previous Year 60,032 Thousand) as margin money with bank				
** (Not available for use by the company)				
		3,220,962		485,268
SCHEDULE 10				
LOANS AND ADVANCES AND OTHER CURRENT ASSETS				
(Unsecured, considered good)				
Advance to Associate Company		13		-
Advance recoverable in cash or in kind or for value to be received*		39,682		70,340
Balance with Service Tax Authorities		83		-
Security Deposits		60,746		43,683
Advance Tax	-		435,376	
Less: Provision for Tax	-	-	427,120	8,256
Advance Tax - Fringe Benefits	29,686		19,524	
Less: Provision for Tax - Fringe Benefits	28,685	1,001	18,309	1,215
Interest Accrued on Fixed Deposits		62,301		2,042
		163,826		125,536
*Includes Rs 221 Thousand (Previous year Rs 57 Thousand) outstanding with directors				
Maximum amount outstanding during the year Rs 2,238 Thousand (Previous year Rs 3,381 Thousand)				

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Particulars	(Rs.'000)	As at	(Rs.'000)	As at
		March 31, 2009		March 31, 2008
SCHEDULE 11				
CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
Sundry Creditors (Refer Note 5 on Schedule 18)				
- total outstanding dues of micro and small enterprises	-		-	
- total outstanding dues of creditors other than micro and small enterprises	157,700	157,700	247,638	247,638
Temporary Bank Overdraft		-		31,222
Deferred Sales Revenue (Refer Note 7 on Schedule 17)		494,925		628,070
Accrued Bonus		33,044		37,795
Unpaid Application Money received by the company for allotment of securities and due for refund *		122		209
Unclaimed Dividend *		33		21
Other liabilities		20,049		31,041
Interest accrued but not due on loans		19		25
		705,892		976,021
* Will be credited to Investor Education and Protection Fund as and when due				
PROVISIONS				
Employee benefits (Refer Note 9 on Schedule 17 and Note 17 on Schedule 18)		34,415		20,820
Provision for Tax	696,239		-	
Less: Advance Tax	693,910	2,329	-	
Proposed Dividend		20,471		20,471
Dividend Tax		3,479		3,479
		60,694		44,770

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT

Particulars	Year ended March 31, 2009		Year ended March 31, 2008	
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
SCHEDULE 12				
OTHER INCOME				
Interest Received/Receivable				
- On Fixed Deposits	132,862		31,919	
[Tax deducted at source Rs.26,468 Thousand (Previous year Rs. 6,912 Thousand)]				
- On Vendor Advance	-		1,812	
[Tax deducted at source Rs. NIL (Previous year Rs. 411 Thousand)]		132,862		33,731
Dividend Income from Mutual Funds		60,205		144,245
Profit on sale of Investment (net)		83,267		14,271
Profit on sale of Fixed Assets (net)		39		191
Provision no longer required written back		1,020		12,137
Interest received on Income Tax Refund		-		2,191
Miscellaneous Income		1,850		492
		279,243		207,258
SCHEDULE 13				
ADMINISTRATION AND OTHER EXPENSES				
Electricity and Water		25,414		18,327
Rent (Refer Note 6 on Schedule 18)		109,097		68,623
Repairs and Maintenance (Building)		13,989		11,240
Repairs and Maintenance (Machinery)		8,742		6,338
Legal and Professional Charges		19,547		19,065
Rates & Taxes		45		1,861
Insurance		7,901		5,660
Communication expenses		40,651		36,577
Travel & Conveyance		46,893		40,910
Provision for Doubtful Debts		5,547		6,325
Miscellaneous expenses		60,916		41,146
		338,742		256,072
SCHEDULE 14				
PERSONNEL EXPENSES				
(Refer Note 9 on Schedule 17 and Note 17 on Schedule 18)				
Salaries,Wages and Bonus		726,147		536,500
Contributions to Provident and other funds		34,401		22,724
Sales Incentives and Commissions		88,562		105,498
Staff Welfare and Benefits		44,157		32,029
Employee Stock Option Scheme Compensation		12,958		18,915
(Refer Note 13 on Schedule 17 and Note 11 on Schedule 18)				
Other Employee Expenses		27,655		30,612
		933,880		746,278
SCHEDULE 15				
NETWORK AND OTHER CHARGES				
Internet and Server Charges		85,457		56,070
Others		4,951		4,461
		90,408		60,531
SCHEDULE 16				
FINANCE AND BANK CHARGES				
Interest on fixed loans		368		394
Bank Charges		16,911		10,806
		17,279		11,200

SCHEDULES TO THE ACCOUNTS

Schedule 17

SIGNIFICANT ACCOUNTING POLICIES

1. Background

Info Edge (India) Limited (the Company) was incorporated under the laws of India on May 1, 1995 and has five subsidiaries and two associate companies (The Group) as at March 31, 2009. The subsidiaries are Jeevansathi Internet Services Private Limited, Naukri Internet Services Private Limited, Info (Edge) India Mauritius Ltd, Allcheckdeals India Pvt. Ltd and Info Edge USA Inc. The associates are Etechaces Marketing & Consulting Pvt. Ltd. and Applect learning systems Pvt. Ltd.

2. Basis of Preparation of Financial Statements

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

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

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

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

3. Goodwill

a) On Consolidation

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

b) On acquisition of investment in associate

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

4. Fixed Assets

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

Intangible assets are stated at their cost of acquisition.

5. Depreciation

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

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

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

Assets costing less than Rs.5,000 are fully depreciated in the year of acquisition.

The goodwill arising on the acquisition of Quadrangle is being written off over a period of 8 years.

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

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

SCHEDULES TO THE ACCOUNTS**6. Foreign Currency Transactions**

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

7. Revenue Recognition

The Company earns revenue significantly from following sources viz.

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

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

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

8. Investments

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

9. Employee Benefits (Refer Note 17 on Schedule 18 to Accounts)

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

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

Termination benefits are recognized as an expense immediately.

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

10. Leased Assets

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

11. Taxes on Income

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

SCHEDULES TO THE ACCOUNTS

12. Earnings Per Share (EPS)

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

13. Employee Stock Option Based Compensation

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

14. Provisions and Contingencies

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

SCHEDULES TO THE ACCOUNTS

Schedule 18

NOTES TO ACCOUNTS

1. Info Edge (India) Limited (the Company) has five Subsidiaries and two associates companies, as given in the following table:

Name of the Company	Percentage of ownership interest as on March 31, 2009	Relationship	Date of Incorporation	Country of Origin	Date of Investment
Naukri Internet Services Private Limited (NISPL)*	99.98	Subsidiary	December 9, 1999	India	January 30, 2002
Jeevansathi Internet Services Private Limited (JISPL)*	98	Subsidiary	December 9, 1999	India	September 13, 2004
Info (Edge) India Mauritius Ltd.	100	Subsidiary	October 30, 2007	Mauritius	January 18, 2008
Allcheckdeals India Pvt. Ltd.*	99.99	Subsidiary	August 1, 2008	India	January 12, 2009
Infoedge USA Inc.**	-	Subsidiary	May 14, 2008	USA	
Etechaces Marketing & Consulting Pvt. Ltd.	19.36	Associate	June 04, 2008	India	September 24, 2008
Applect Learning Systems Pvt. Ltd.	26.17	Associate	April 4, 2001	India	June 12, 2008

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

**By virtue of control over composition of the Board of Directors.

2. Particulars of Investment in Associates as on March 31, 2009:

Amount (Rs.'000)

Particulars	Etechaces Marketing & Consulting Pvt. Ltd.	Applect Learning Systems Pvt. Ltd.
Cost of Investment made during the year	49,992	29,595
Add: Share of post acquisition (loss)/profits (Net)	(6,361)	(5,560)
Less: Goodwill written off	(8,062)	(4,370)
Carrying Value at the end of the year	35,569	19,665

3. As on March 31, 2009 there is an advance of Rs 82,942 Thousand (Previous Year 63,397 Thousand) outstanding against capital account contracts. This primarily includes the following:

- (i) Rs. 62,286 Thousand (Previous year Rs. 60,780 Thousand) relating to the project for construction of office building on owned land which remains outstanding as the project has currently been deferred in view of recent economic developments. The management expects to resume this project in the near future (appropriate permissions for extending the time limit for construction have been taken from the local development authority).
- (ii) Rs. 18,926 Thousand (Previous year NIL) relating to ERP implementation project with an estimated value of contract of Rs. 25,000 Thousand (gross) remaining to be executed on capital account.
- (iii) Rs. 1,730 Thousand (Previous year 2,617 Thousand) advanced against multiple contracts with total estimated value of contracts of Rs. 2,658 Thousand (gross) (Previous year 3,000 Thousand) remaining to be executed on capital account.

continued to next page

SCHEDULES TO THE ACCOUNTS

4. Deferred Taxes

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

Deferred Tax Asset/(Liability)	As at March 31, 2009 Amount (Rs.'000)	As at March 31, 2008 Amount (Rs.'000)
Provision for Leave Encashment	5,989	5,285
Provision for Doubtful Debts	1,870	2,414
Depreciation	10,573	4,233
Others	664	(639)
Net Deferred Tax Asset/ (Liability)	19,096	11,293

5. Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2009.

6. Operating Leases where the company is a lessee:

The company has entered into lease transactions mainly for leasing of office premises for periods between 1 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Profit & Loss Account amount to Rs 111,605 Thousand (included in Schedule 13 – Administration and Other Expenses Rs. 109,097 Thousand and in Schedule 14 – Personnel Expenses Rs 2,508 Thousand [(Previous Year Rs. 69,303 Thousand) (included in Schedule 13 – Administration and Other Expenses Rs. 68,623 Thousand and in Schedule 14 – Personnel Expenses Rs 680 Thousand)]).

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

Finance Lease Liabilities- minimum lease payments:

Particulars	As at March 31, 2009 Amount (Rs.'000)	As at March 31, 2008 Amount (Rs.'000)
Not later than 1 year	2,389	2,626
Later than 1 year and not later than 5 years	1,617	2,225
Total minimum lease payments	4,006	4,851
Less: Future finance charges on finance leases	394	431
Present value of finance lease liabilities	3,612	4,420
Representing lease liabilities:		
-Current	2,119	2,324
-Non current	1,493	2,096
	3,612	4,420
The present value of finance lease liabilities may be analyzed as follows:		
Not later than 1 year	2,119	2,324
Later than 1 year and not later than 5 years	1,493	2,096
	3,612	4,420

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

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Profit attributable to Equity Shareholders (Rs.'000)	570,285	554,480
Weighted average number of Equity Shares outstanding during the year (Nos.)	27,295,256	27,295,256
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	20.89	20.31

9. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

10. (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2009:

Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Private Limited (NISPL)

Info Edge (India) Mauritius Limited (IEIML)

Allcheckdeals India Pvt. Ltd. (ACDIPL)

Info Edge USA Inc.

SCHEDULES TO THE ACCOUNTS

Associates

Etechaces Marketing & Consulting Pvt. Ltd. (EMCPL)

Applect Learning Systems Pvt. Ltd. (ALSPL)

Key Management Personnel (KMP) & Relatives

Mr. Sanjeev Bikhchandani

Ms. Surabhi Bikhchandani (Spouse of Mr. Sanjeev Bikhchandani)

Mr. Sushil Bikhchandani (Brother of Mr. Sanjeev Bikhchandani)

Mr. Hitesh Oberoi

Ms. Rimy Oberoi (Spouse of Mr. Hitesh Oberoi)

Mr. Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

Minik Enterprises (Proprietorship concern of Mr. Sushil Bikhchandani)

Oyster Learning (Proprietorship concern of Ms. Rimy Oberoi)

Independent Directors- Non Executive

Mr. Arun Duggal

Mr. Ashish Gupta

Ms. Bala deshpane

Mr. Naresh Gupta

Mr. Saurabh Srivastava

Non executive Directors

Mr. Kapil Kapoor

Mr. Sandeep Murthy

B) Details of transactions with related party for the year ended March 31, 2009 in the ordinary course of business:

Amount (Rs.'000)

Sr. No	Nature of relationship / transaction	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	Remuneration Paid: Sanjeev Bikhchandani Rs 11,144 Hitesh Oberoi Rs 12,187 Ambarish Raghuvanshi Rs 8,321 Surabhi Bikhchandani Rs 262	-	31,914	-	-	-	31,914
2	Advances Given for business purposes (net): Sanjeev Bikhchandani Rs 502 Hitesh Oberoi Rs 50 Ambarish Raghuvanshi Rs 249	-	801	-	-	-	801
3	Receipt of services: Minik Enterprises Rs 59,382 Oyster Learning Rs 442	-	-	-	-	59,824	59,824
4	Dividend Paid: Sanjeev Bikhchandani Rs 8,851 Hitesh Oberoi Rs 1,462 Ambarish Raghuvanshi Rs 491 Surabhi Bikhchandani Rs 280 Arun Duggal Rs 15 Ashish Gupta Rs 16 Bala Deshpande Rs 27 Kapil Kapoor Rs 905 Saurabh Srivastava Rs 13 Sandeep Murthy Rs 40	-	11,084	71	945	-	12,100
4	Services Rendered: EMCPL Rs 78 ALSPL Rs 14	92	-	-	-	-	92
6	Investment in shares: EMCPL Rs 49,992 ALSPL Rs 29,595	79,587	-	-	-	-	79,587
7	Sitting Fees paid: Arun Duggal Rs 130 Ashish Gupta Rs 120 Bala Deshpande Rs 20 Kapil Kapoor Rs 60 Naresh Gupta Rs 90 Saurabh Srivastava Rs 80	-	-	440	60	-	500

SCHEDULES TO THE ACCOUNTS

Sr. No	Nature of relationship / transaction	Associate Companies	KMP & Relatives	Independent Directors- Non Executive	Non Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
8	Commission paid: Arun Duggal Rs 500 Ashish Gupta Rs 500 Naresh Gupta Rs 500 Saurabh Srivastava Rs 500	-	-	2,000	-	-	2,000

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

- (a) Dividend paid Rs. 468 Thousand
(b) Taxes paid Rs. 2,915 Thousand (Net)

2. Amount due from Info Edge Employee Stock Option Trust as on March 31, 2009 is Rs. 16,250 Thousand.

C) Amount due to/from related parties as at March 31, 2009

Amount (Rs.'000)					
Sr. No	Nature of relationship / transaction	Associate Companies	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances/Receivables	13	385	-	398
2	Maximum amount outstanding during the year	13	2,238	-	2,251
	Credit balances				
1	Outstanding Payable	-	164	70	234

10 (2) Related Party Transactions for the year ended March 31, 2008

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2008:

Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)
Naukri Internet Services Private Limited(NISPL)
Info Edge (India) Mauritius Limited (IEIML)

Key Management Personnel & Relatives

Mr. Sanjeev Bikhchandani
Ms. Surabhi Bikhchandani (Spouse of Mr. Sanjeev Bikhchandani)
Mr. Sushil Bikhchandani (Brother of Mr. Sanjeev Bikhchandani)
Mr. Hitesh Oberoi
Ms. Rimy Oberoi (Spouse of Mr. Hitesh Oberoi)
Mr. Ambarish Raghuvanshi

Enterprises over which Key Management Personnel & Relatives have significant influence

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

Independent Directors- Non Executive

Mr. Arun Duggal
Mr. Ashish Gupta
Ms. Bala Deshpande
Mr. Naresh Gupta
Mr. Saurabh Srivastava

Non Executive Director

Mr. Kapil Kapoor
Mr. Sandeep Murthy

SCHEDULES TO THE ACCOUNTS

B) Details of transactions with related party for the year ended March 31, 2008 in the ordinary course of business:

Amount (Rs.'000)						
Sr.No	Nature of relationship / transaction	Key Management Personnel & Relatives	Independent directors- Non Executive	Non Executive Directors	Enterprises over which KMP & Relatives have significant influence	Total
1	Remuneration Paid: Sanjeev Bikhchandani Rs 11,961 Hitesh Oberoi Rs 13,515 Ambarish Raghuvanshi Rs 9,107	34,583	-	-	-	34,583
2	Advances Given for business purposes: Sanjeev Bikhchandani Rs 228 Hitesh Oberoi Rs 84 Ambarish Raghuvanshi Rs 221	533	-	-	-	533
3	Receipt of services: Minik Enterprises Rs 37,299 Oyster Learning Rs 436	-	-	-	37,735	37,735
4	Dividend Paid: Sanjeev Bikhchandani Rs 8,851 Hitesh Oberoi Rs 1,556 Ambarish Raghuvanshi Rs 491 Surabhi Bikhchandani Rs 280 Arun Duggal Rs 15 Ashish Gupta Rs 37 Bala Deshpande Rs 27 Saurabh Srivastava Rs 13 Kapil Kapoor Rs 905 Sandeep Murthy Rs 40	11,178	92	945	-	12,215
5	Sitting Fees Paid: Arun Duggal Rs 80 Ashish Gupta Rs 50 Kapil Kapoor Rs 60 Naresh Gupta Rs 30 Saurabh Srivastava Rs 140	-	300	60	-	360
6	Commission paid: Arun Duggal Rs 500 Ashish Gupta Rs 500 Saurabh Srivastava Rs 500	-	1,500	-	-	1,500

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

- (a) Dividend paid Rs. 479 Thousand
- (b) Amount adjusted against advance due from the trust Rs. 2,957 Thousand

2. Amount due from Info Edge Employee Stock Option Trust as on March 31, 2008 is Rs. 13,335 Thousand.

C) Amount due to/from related parties as at March 31, 2008

Amount (Rs.'000)				
Sr. No.	Nature of relationship / transaction	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances			
1	Outstanding Advances	335	-	335
2	Maximum amount outstanding during the year	3,381	-	3,381
	Credit balances			
1	Outstanding Payable	278	-	278

SCHEDULES TO THE ACCOUNTS

11. Employee Stock Option Scheme 2007

The company has set up a trust to administer the ESOP scheme under which options have been granted to employees. Under this scheme the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31, 2009 have a vesting period of maximum of 4.5 years from the date of grant.

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

Particulars	F.Y. 2008-09		F.Y. 2007-08	
	Number	Weighted Average Price (Rs.)	Number	Weighted Average Price (Rs.)
Options outstanding at beginning of year	699,254	464.40	424,059	253.96
Add:				
Options granted	328,900	932.45	363,142	708.66
Less:				
Options exercised	17,215	203.86	7,170	235.50
Options forfeited	106,049	722.46	80,777	477.93
Options outstanding at the end of year	904,890	609.24	699,254	464.40
Option exercisable at the end of year	338,267	378.35	112,435	234.30

The options outstanding at the end of year had exercise prices in the range of Rs. 10/- to Rs. 1200/- (Previous Year Rs. 10/- to Rs. 1,462/-) and a weighted average remaining contractual life of 9 years (Previous Year 9 years).

Exercise Amount Range (Rs.)	Options outstanding as at March 31, 2009	Options outstanding as at March 31, 2008
10-300	344,251	384,422
301-600	91,689	93,832
601-900	168,750	198,000
901-1200	300,200	18,000
1201-1500	-	5,000
Grand Total	904,890	699,254

In accordance with the above mentioned ESOP Scheme, Rs. 12,958 Thousand (Previous Year Rs 18,915 Thousand) has been charged to the Profit and Loss Account in relation to the options vested and exercised during the year ended March 31, 2009 as Employee Stock Option Scheme Compensation.

12. (A) - In respect of options vesting during the year, had the fair value method been used, the profit for the year would be lower by Rs 108,038 Thousand (Previous year 73,265 Thousand) and the EPS would be Rs 17.91 (Previous year 17.64).

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

Employee Stock Option Scheme 2007	F.Y. 2008-09	F.Y. 2007-08
Weighted average fair value of the options at the grant dates	558.00	524.73
Dividend Yield (%)	0.10%	0.12%
Risk free rate	7.87%	7.73%
Expected life (years)	6.46	6.06
Expected volatility	46.97%	49.02%
Weighted average share price	950.61	829.80

Since the stock was listed in November 2006, the historical stock data for computing the volatility over the expected life of options is not sufficient, therefore the historical volatility of similar companies has been considered.

13. The Company has received legal notices of claims/lawsuits filed against it relating to infringement of Intellectual Property Rights (IPR) in relation to the business activities carried on by it. In the opinion of the management, no material liability is likely to arise on account of such claims/law suits.
14. The company is primarily in the business of internet based service delivery. The other activities of the company comprise placement search services and real estate broking services. The segment revenues, results and assets of the other activities do not constitute reportable segment under Accounting Standard 17 on Segment Reporting and accordingly no disclosure is required.
15. As at 31st March, 2009, the company had Rs 122 Thousand (Previous Year Rs. 209 Thousand) as outstanding with ICICI bank towards unpaid application money received by the company for allotment of securities and is due for refund. This amount is not available for use by the company and will be credited to Investor Education & Protection Fund as and when due.

SCHEDULES TO THE ACCOUNTS

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

Particulars	Amount (Rs.'000)	
	Year ended 31st March, 2009	Year ended 31st March, 2008
Whole Time Directors (including Managing Director)		
Salary	22,256	22,173
Reimbursements	1,216	910
Incentive / Bonus	8,180	11,500
Total Remuneration (A)	31,652	34,583
Non Whole Time Directors:		
Commission	2,500	2,208
Sitting Fee	500	360
Total Remuneration (B)	3,000	2,568
Total Managerial Remuneration Paid/Payable (A+B)	34,652	37,151

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

17. Employee Benefits

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

A. Defined Contribution Plans Amount (Rs.'000)

a) Provident Fund

During the year, the Company has recognized the following amounts in the Profit and Loss Account -

Employers' Contribution to Provident Fund *	17,879
---	--------

B. State Plans Amount (Rs.'000)

a) Employers' Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Profit and Loss Account -

Employers' Contribution to Employee State Insurance *	358
---	-----

*Included in Contributions to Provident and Other Funds under Personnel Expenses (Refer Schedule 14)

C. Defined Benefit Plans

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

b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	Employee's Gratuity Fund
Discount Rate (per annum)	7.60%	7.60%
Rate of increase in Compensation levels	15.0% in first 4 years, 10.0% in next 5 years, & 7% thereafter	15% in first 4 years, 10% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	-	7.50%
Expected Average remaining working lives of employees (years)	-	13.09

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of Obligation as at April 1, 2008	22,419
Interest Cost	2,588
Past Service Cost	Nil
Current Service Cost	8,880
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Benefits paid	(1191)
Actuarial (gain)/ loss on obligations	6,367
Present Value of Obligation as at March 31, 2009	39,063

SCHEDULES TO THE ACCOUNTS

(B) Changes in the Fair value of Plan Assets	Employee's Gratuity Fund Amount (Rs.'000)
Fair Value of Plan Assets at the April 1, 2008	13,858
Expected Return on Plan Assets	1,163
Actuarial Gains and Losses	545
Contributions	7,893
Benefits Paid	(1,191)
Fair Value of Plan Assets at March 31, 2009	22,268
(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of funded Obligation as at March 31, 2009	(39,063)
Fair Value of Plan Assets as at the end of the period	22,268
Funded Status	
Present Value of unfunded Obligation as at March 31, 2009	Nil
Unrecognized Actuarial (gains) / losses	Nil
Unfunded Net Asset / (Liability) Recognized in Balance Sheet*	(16,795)
*included in Employee Benefits (Refer Schedule 11)	
(D) Expense recognized in the Profit and Loss Account	Employee's Gratuity Fund Amount (Rs.'000)
Current Service Cost	8,880
Past Service Cost	Nil
Interest Cost	2,588
Expected Return on Plan Assets	(1,163)
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Net actuarial (gain)/ loss recognized in the period	5,822
Total Expenses recognized in the Profit & Loss Account**	16,127
**Included in Contribution to Provident and Other Funds under Personnel Cost (Refer Schedule 14)	

In respect of leave encashment/compensated absence the present value of obligation is Rs. 17,620* thousand as at March 31, 2009. The expense recognized in the profit & loss account is Rs 18,773** thousand.

*included in Employee Benefits (Refer Schedule 11)

**Included in Staff Welfare and Benefits under Personnel Cost (Refer Schedule 14)

- 17 (B) **Employee Benefits for the previous financial year 2007-08:-**
The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans **Amount (Rs.'000)**

a) Provident Fund

During the year, the Company has recognised the following amounts in the Profit and Loss Account -

Employers' Contribution to Provident Fund *	14,789
---	--------

B. State Plans **Amount (Rs.'000)**

a) Employers' Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Profit and Loss Account -

Employers' Contribution to Employee State Insurance *	323
---	-----

*Included in Contributions to Provident and Other Funds under Personnel Expenses (Refer Schedule 14)

C. Defined Benefit Plans

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

b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	Employee's Gratuity Fund
Discount Rate (per annum)	8.50%	8.50%
Rate of increase in Compensation levels	15.0% in first 4 years, 10.0% in next 5 years, & 7% thereafter	15% in first 4 years, 10% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	-	7.50%
Expected Average remaining working lives of employees (years)	-	11.47

SCHEDULES TO THE ACCOUNTS

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of Obligation as at April 1, 2007	14,138
Interest Cost	1,155
Past Service Cost	Nil
Current Service Cost	6,236
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Benefits paid	(266)
Actuarial (gain)/ loss on obligations	1,156
Present Value of Obligation as at March 31, 2008	22,419

(B) Changes in the Fair value of Plan Assets	Employee's Gratuity Fund Amount (Rs.'000)
Fair Value of Plan Assets at the April 1, 2007	7,622
Expected Return on Plan Assets	718
Actuarial Gains and Losses	223
Contributions	5,561
Benefits Paid	(266)
Fair Value of Plan Assets at March 31, 2008	13,858

(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	Employee's Gratuity Fund Amount (Rs.'000)
Present Value of funded Obligation as at March 31, 2008	(22,419)
Fair Value of Plan Assets as at the end of the period	13,858
Funded Status	
Present Value of unfunded Obligation as at March 31, 2008	Nil
Unrecognized Actuarial (gains) / losses	Nil
Unfunded Net Asset / (Liability) Recognized in Balance Sheet*	(8,561)
*included in Employee Benefits (Refer Schedule 11)	

(D) Expense recognised in the Profit and Loss Account	Employee's Gratuity Fund Amount (Rs.'000)
Current Service Cost	6,236
Past Service Cost	Nil
Interest Cost	1,155
Expected Return on Plan Assets	(718)
Curtailment Cost / (Credit)	Nil
Settlement Cost / (Credit)	Nil
Net actuarial (gain)/ loss recognized in the period	933
Total Expenses recognized in the Profit & Loss Account**	7,606
**Included in Contribution to Provident and Other Funds under Personnel Cost (Refer Schedule 14)	

In respect of leave encashment/compensated absence the present value of obligation is Rs. 12,259* thousand as at March 31, 2008. The expense recognized in the profit & loss account is Rs 12,789** thousand.

*included in Employee Benefits (Refer Schedule 11)

**Included in Staff Welfare and Benefits under Personnel Cost (Refer Schedule 14)

18. Previous year's figures have been regrouped / recast to confirm to current year's presentation.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Registration Details

Registration No.	6 8 0 2 1	State Code	55
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Balance Sheet Date	March 31, 2009
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Capital Raised during the year (Amount in Rs Thousand)

Public Issue	NIL	Right Issue	NIL
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Bonus Issue	NIL	Private Placement	NIL
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Position of Mobilisation and Deployment of Funds (Amount in Rs Thousand)

Total Liabilities	3,270,431	Total Assets	3,270,431
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Sources of Funds:

Paid-up Capital	272,953
-----------------	---------

Secured Loans	2,972
---------------	-------

Stock Options Outstanding	28,330
---------------------------	--------

Reserves and Surplus	2,966,176
----------------------	-----------

Unsecured Loans	NIL
-----------------	-----

Application of Funds:

Net Fixed Assets	384,419
------------------	---------

Investments	195,202
-------------	---------

Net Current Assets	2,671,714
--------------------	-----------

Deferred Tax	19,096
--------------	--------

Misc. Expenditure	NIL
-------------------	-----

Accumulated Losses	NIL
--------------------	-----

Performance of the Company (Amount in Rs. Thousand)

Turnover	2,451,660	Total Expenditure	1,870,775
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+ - Profit/Loss before tax	867,185	+ - Profit/Loss after tax	596,859
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Earnings per Share in Rs. (Weighted Average)	21.87	Dividend Rate (%)	7.50%
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Generic Names of Three Principal products/Services of Company
(as per monetary terms)

Item Code No. (ITC Code)	N/A
--------------------------	-----

Product Description	Internet services
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Item Code No. (ITC Code)	N/A
--------------------------	-----

Product Description	Data Sales
---------------------	------------

Item Code No. (ITC Code)	N/A
--------------------------	-----

Product Description	Consultancy Services
---------------------	----------------------

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to company's interest in the subsidiary companies for the year ended March 31, 2009

1	Name of subsidiary company	Jeevansathi Internet Services Pvt. Ltd.	Naukri Internet Services Pvt. Ltd.	Info Edge (India) Mauritius Limited	Allcheckdeals India Pvt. Ltd.	Infoedge USA Inc.
2	Financial Year of the Subsidiary ended on	March 31, 2009	March 31, 2009	March 31, 2009	March 31, 2009	March 31, 2009
3	Date from which it became subsidiary	September 13, 2004	January 30, 2002	January 18, 2008	August 1, 2008	May 14, 2008
4	Extent of Interest					
	a) Number of Shares held in subsidiary company at the end of the financial year	9,800	9,998	1,000,001	9,999	-
	b) Extent of Holding	98%	99.98%	100%	99.99%	-
5	The net aggregate of profit/ loss of subsidiary company so far as it concerns the members of the holding company					
	a) Not dealt with in the holding company's accounts:					
	(i) For the Financial year of the subsidiaries as aforesaid	41,424	76,496	(328,543)	(1,969,251)	-
	(ii) For the previous financial years of the subsidiaries since it became the holding company's subsidiary	(250,498)	117,929	(678,338)	N/A	-
	b) Dealt with in the holding company's accounts:					
	(i) For the Financial year of the subsidiaries as aforesaid	Nil	Nil	Nil	Nil	-
	(ii) For the previous financial years of the subsidiaries since it became the holding company's subsidiary	Nil	Nil	Nil	Nil	-

Note 1: The standalone financial statement of Info Edge (India) Mauritius Limited & Infoedge USA Inc. has been reported in US Dollar.

Note 2: Infoedge USA Inc. is subsidiary by virtue of control over composition of the Board of Directors.

NAUKRI INTERNET SERVICES PRIVATE LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present Annual Report and Audited Statement of Accounts of the company for the financial year ended March 31, 2009.

Financial Results

Your company has earned a profit after tax of Rs. 76,496 in financial year 2008-09 as compared to Rs. 61,137 in financial year 2007-08.

Directors

During the year, there was no change in the Directors of the Company.

Auditors

M/s Sharma Goel & Company, Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act 1956.

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

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of auditors and notes on accounts is self explanatory. Pursuant to sec 217 (2AA) of the Companies Act, 1956 the directors placed on record the following statements:

That in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;

That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;

That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

That the directors had prepared the annual account on a going concern basis.

Acknowledgement

Your company conveys their special gratitude towards bankers, associates and shareholders of the company for their continuous and whole-hearted cooperation.

For and on behalf of the Board

Place: Noida
Date: April 29, 2009

Sanjeev Bikhchandani
Ambarish Raghuvanshi
(Directors)

AUDITORS' REPORT

AUDITOR'S REPORT TO THE MEMBERS OF NAUKRI INTERNET SERVICES PRIVATE LIMITED

We have audited the attached Balance Sheet of Naukri Internet Services Private Limited as at March 31, 2009 and also the Profit and Loss Account and the cash flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The said company is exempt from the provisions of Companies (Auditor's Report) Order, 2003 as further amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board in terms of sub-section (4A) of section 227 of the Companies Act, 1956.

We report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956.
- v. On the basis of written representations received from the directors, as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and
 - (b) In case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: April 29, 2009

Rajesh Mittal
Partner

BALANCE SHEET AS AT MARCH 31, 2009

Particulars	Schedule	As at March 31, 2009 Amount (Rs.)	As at March 31, 2008 Amount (Rs.)
FUNDS EMPLOYED			
Shareholders Funds			
Share Capital	A	100,000	100,000
Reserve & Surplus		194,425	117,929
Loan Funds			
Secured Loans		-	-
Unsecured Loans		-	-
TOTAL		294,425	217,929
APPLICATION OF FUNDS			
Fixed Assets			
		-	-
Investments	B	10	-
Current Assets, Loans & Advances	C		
Sundry Debtors		-	-
Cash & Bank Balances		338,102	325,769
Loans & Advances		129,086	36,645
		467,188	362,414
Less: Current Liabilities and Provisions			
Current Liabilities	D	173,321	145,581
		173,321	145,581
Net Current Assets		293,867	216,833
Miscellaneous Expenditure (to the extent not written off or adjusted)	E	548	1,096
TOTAL		294,425	217,929
Accounting Policies	F		
Notes to the Accounts	G		

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

The schedules referred to above form an integral part of these accounts.

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place: New Delhi
Date: April 29, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Particulars	Schedule	Year Ended March 31, 2009 Amount (Rs.)	Year Ended March 31, 2008 Amount (Rs.)
INCOME			
License Fees		100,000	100,000
Interest on Fixed Deposit		5,184	3,891
TOTAL		105,184	103,891
EXPENDITURE			
Auditor Remuneration		5,515	5,618
Legal & Professional Charges		-	1,124
Rent, Rates & Taxes		400	1,004
Preliminary Expenses written off		548	548
TOTAL		6,463	8,294
Net Profit Before Tax		98,721	95,597
Tax Expense			
- Current year		22,225	34,460
Net Profit after tax		76,496	61,137
Balance Brought Forward		117,929	56,792
Balance carried to the balance sheet		194,425	117,929

Earnings Per Share- Basic & Diluted

(Refer Note 5 on Schedule H)

7.65

6.11

Accounting Policies**F****Notes to Accounts****G**

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

The schedules referred to above form an integral part of these accounts.

Rajesh Mittal
Partner
Membership No. - 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place: New Delhi
Date: April 29, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Sr. No.	Particulars	For the year ended March 31, 2009 Amount (Rs.)	For the year ended March 31, 2008 Amount (Rs.)
A.	Cash flow from operating activities:		
	Net profit before tax	98,721	95,597
	Adjustments for:		
	Preliminary expenditure written off	548	548
	Interest received on Fixed Deposits	(5,184)	(3,891)
	Operating profit before working capital changes	94,085	92,254
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	-	-
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	(57,656)	100,000
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	5,515	1,479
	Cash generated from operating activities	41,944	193,733
	- Taxes (Paid) / Received (Net of TDS)	(34,785)	(36,645)
	Net cash from operating activities	7,159	157,087
B.	Cash flow from Investing activities:		
	Purchase of Share in Allcheckdeals India Pvt Ltd	(10)	-
	Interest received on Fixed Deposits	5,184	3,891
	Net cash used in investing activities	5,174	3,891
C.	Cash flow from financing activities:		
	Net cash used in financing activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents	12,333	160,978
	Opening Balance of Cash and cash equivalents	325,769	164,791
	Closing Balance of Cash and cash equivalents	338,102	325,769
	Cash and cash equivalents comprise		
	Cash in hand	190	200
	Balance with Scheduled Banks		
	-in current accounts	268,019	260,860
	-in fixed deposits	69,893	64,709
	Total	338,102	325,769

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 07, 2006.
- Figures in brackets indicate cash outflow.

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

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place: New Delhi
Date: April 29, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at March 31, 2009 Amount (Rs.)	As at March 31, 2008 Amount (Rs.)
SCHEDULE A		
SHARE CAPITAL		
AUTHORISED		
10,000 Equity Shares of Rs. 10/- each (Previous Year - 10,000 Equity Shares of Rs 10/- each)	100,000	100,000
ISSUED, SUBSCRIBED & PAID-UP		
10,000 Equity Shares of Rs 10/- each, fully paid up (Previous Year - 10,000 Equity Shares of Rs 10/- each)	100,000	100,000
	100,000	100,000
SCHEDULE B		
INVESTMENTS		
Shares in Allcheckdeals India Pvt Ltd 1 (Previous Year NIL) Equity Share of Rs 10/- fully paid up)	10	-
	10	-
SCHEDULE C		
CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
(i) Sundry Debtors (Unsecured considered good)		
(a) Outstanding for more than 6 months	-	-
(b) Other Debts (considered good)	-	-
	-	-
(ii) Cash and Bank Balances		
(a) Cash in Hand	190	200
(b) Balance with Scheduled Banks:		
- ICICI Bank	268,019	260,860
(c) Fixed Deposit with ICICI Bank	69,893	64,709
	338,102	325,769
(iii) Loans & Advances		
Info Edge (India) Ltd.	57,656	-
Advance Tax	71,430	36,645
	129,086	36,645

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at March 31, 2009 Amount (Rs.)	As at March 31, 2008 Amount (Rs.)
SCHEDULE D		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors:	-	-
Provision for Income Tax	123,256	101,031
Expenses Payable:		
Audit Fees Payable	50,065	44,550
	173,321	145,581
SCHEDULE E		
MISCELLANEOUS EXPENDITURE		
Preliminary Expenses	1,096	1,644
Less: Written off during the period	548	548
	548	1,096

SCHEDULES TO THE ACCOUNTS

Schedule F

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 (the 'Act') and the relevant provisions of the Companies Act, 1956.

2. Investments

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

3. Revenue Recognition

Naukri Internet Services Pvt. Ltd. has entered into an agreement with Info Edge (India) Pvt. Ltd. dated 13th September 2005 whereby the management and day to day running of the operation of the former company will be done by the later and in lieu of it the later will be paying a annual license fee of Rs 100,000/- to Naukri Internet Services Pvt. Ltd. as License fee for usage of its domain name(s), trade mark(s) etc.

4. Taxes on Income

As a measure of prudence the Deferred Tax Assets (Net) in terms of Accounting Standard No. 22 specified in Companies (Accounting Standard) Rules, 2006 have not been recognized in the absence of their being virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such deferred tax assets could be realized.

5. Earnings Per Share (EPS)

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

Schedule G

NOTES TO ACCOUNTS

1. Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2009.

2. Expenditure in Foreign Currency (on cash basis)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Expenditure in Foreign Currency	NIL	NIL

3. Earnings in Foreign Exchange (on cash basis)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Earnings in Foreign Exchange	NIL	NIL

4. Auditor's Remuneration

Particulars	Year ended March 31, 2009 Amount (Rs.)	Year ended March 31, 2008 Amount (Rs.)
As Auditors	5000	5000
In capacity of Tax Auditors	-	-
Certification	-	-
Out of Pocket Expenses & Service Tax	515	618
Total	5,515	5,618

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

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Profit attributable to Equity Shareholders (Rs.)	66,566	61,137
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	6.66	6.11

6. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Companies Act, 1956 with regard to finished goods / raw materials and components consumed are not applicable.

SCHEDULES TO THE ACCOUNTS

7. (1) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2009:

Holding Company

Info Edge (India) Limited

Key Management Personnel & Relatives

Mr. Sanjeev Bikhchandani

Mr. Hitesh Oberoi

Mr. Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

None

- B) Details of transactions with related party for the year ended March 31, 2009 in the ordinary course of business:

Amount (Rs.)

Sr. No	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1	License Fee Received:	100,000	-	-	100,000
2	Advances received for business purposes (net)	42,344	-	-	42,344

- C) Amount due to/from related parties as at March 31, 2009

Amount (Rs.)

Sr. No.	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances	57,656	-	-	57,656
2	Maximum amount outstanding during the year	57,656	-	-	57,656
	Credit balances				
1	Outstanding Payable	-	-	-	-

7 (2) Related Party Transaction for the year ended March 31, 2008

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2008:

Holding Company

Info Edge (India) Limited

Key Management Personnel & Relatives

Mr. Sanjeev Bikhchandani

Mr. Hitesh Oberoi

Mr. Ambarish Raghuvanshi

Enterprises over which KMP & Relatives have significant influence

None

- B) Details of transactions with related party for the year ended March 31, 2008 in the ordinary course of business:

Amount (Rs.)

Sr. No.	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1	License Fee Received	100,000	-	-	100,000
2	Advances received for business purposes (net)	800	-	-	800

- C) Amount due to/from related parties as at March 31, 2008

Amount (Rs.)

Sr. No	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances	-	-	-	-
2	Maximum amount outstanding during the year	100,000	-	-	100,000
	Credit balances				
1	Outstanding Payable	-	-	-	-

SCHEDULES TO THE ACCOUNTS

- 8. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.
- 9. **Details of Employees in receipt of, entitled to receive yearly emoluments in the aggregate of not less than Rs. 2,400,000/- or Rs. 200,000/- per month, if employed for the part of the year:**

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Number of Employees of the Company in receipt of, entitled to receive yearly emoluments in the aggregate of not less than Rs.24,00,000/- or Rs.2,00,000/- per month, if employed for the part of the year.	NIL	NIL

- 10. **Employee Benefits**
The requirements of AS-15 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.
- 11. Previous year's figures have been regrouped / recast to confirm to current year's presentation.

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present Annual Report and Audited Statement of Accounts of the company for the financial year ended March 31, 2009.

Financial Results

Your company has earned a profit after tax of Rs. 41,424 in financial year 2008-09 as compared to Rs. 35,304 in financial year 2007-08.

Directors

During the year, there was no change in the Directors of the Company.

Auditors

M/s Sharma Goel & Company, Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act 1956.

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

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of auditors and notes on accounts is self explanatory. Pursuant to sec 217 (2AA) of the Companies Act, 1956 the directors placed on record the following statements:

That in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;

That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;

That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

That the directors had prepared the annual account on a going concern basis.

Acknowledgement

Your company conveys their special gratitude towards bankers, associates and shareholders of the company for their continuous and whole-hearted cooperation.

For and on behalf of the Board

Place: Noida
Date: April 29, 2009

Sanjeev Bikhchandani
Ambarish Raghuvanshi
(Directors)

AUDITORS' REPORT

AUDITOR'S REPORT TO THE MEMBERS OF JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED.

We have audited the attached Balance Sheet of Jeevansathi Internet Services Private Limited as at March 31, 2009 and also the Profit and Loss Account and the cash flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The said company is exempt from the provisions of Companies (Auditor's Report) Order, 2003 as further amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board in terms of sub-section (4A) of section 227 of the Companies Act, 1956.

We report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. The Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956.
- v. On the basis of written representations received from the directors, as on March 31, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009.
 - b) In the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: April 29, 2009

Rajesh Mittal
Partner

BALANCE SHEET AS AT MARCH 31, 2009

Particulars	Schedule	Amount (Rs.)	As at	Amount (Rs.)	As at
			March 31, 2009		March 31, 2008
			Amount (Rs.)		
FUNDS EMPLOYED					
Shareholders Funds					
Share Capital	A		100,000		100,000
Reserve & Surplus			-		-
Loan Funds					
Secured Loans			-		-
Unsecured Loans	B		175,490		244,617
TOTAL			275,490		344,617
APPLICATION OF FUNDS					
Fixed Assets					
Gross Block	C	296,805		296,805	
Less: Depreciation		288,193	8,612	282,452	14,353
Current Assets, Loans & Advances					
Sundry Debtors	D	-			-
Cash & Bank Balances		123,003			139,503
Loans & Advances		67,534			44,701
		190,537			184,204
Less :Current Liabilities and Provisions					
Current Liabilities	E	132,733			104,711
		132,733	57,804		79,493
Miscellaneous Expenditure (to the extent not written off or adjusted)					
Preliminary Expenses	F		-		274
Profit & Loss A/c			209,074		250,498
TOTAL			275,490		344,617

Accounting Policies

G

Notes to the Accounts

H

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

The schedules referred to above form an integral part of these accounts.

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place: New Delhi
Date: April 29, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Particulars	Schedule	Year Ended March 31, 2009 Amount (Rs.)	Year Ended March 31, 2008 Amount (Rs.)
INCOME			
License Fees (Refer Note 4 on Schedule G)		100,000	100,000
Creditors Written off		-	2,600
		100,000	102,600
EXPENDITURE			
Auditor Remuneration	C	5,515	5,618
Depreciation		5,741	9,569
Legal & Professional Charges		-	4,212
Rent		24,000	24,000
ROC fees		400	1,004
Preliminary Expenses written off		274	274
		35,930	44,677
Net Profit Before Tax		64,070	57,923
Tax Expense			
- Current year		22,646	22,619
Net Profit after tax		41,424	35,304
Balance Brought Forward		(250,498)	(285,803)
Balance carried to the balance sheet		(209,074)	(250,498)
Earnings Per Share- Basic & Diluted (Refer Note 5 on Schedule H)		4.14	3.53
Accounting Policies	G		
Notes to Accounts	H		

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

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: April 29, 2009

The Schedules referred to above form an integral part of these accounts

For and on behalf of the Board of Directors

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Sr. No.	Particulars	For the year ended March 31, 2009 Amount (Rs.)	For the year ended March 31, 2008 Amount (Rs.)
A.	Cash flow from operating activities:		
	Net profit before tax	64,070	57,923
	Adjustments for:		
	Preliminary expenditure written off	274	274
	Depreciation	5,741	9,569
	Operating profit before working capital changes	70,085	67,766
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	-	-
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	-	-
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	(63,752)	(96,381)
	Cash generated from operating activities	6,333	(28,615)
	- Taxes (Paid) / Received (Net of TDS)	(22,833)	(40,119)
	Net cash from operating activities	(16,500)	(68,734)
B.	Cash flow from Investing activities:		
	Net cash used in investing activities	-	-
C.	Cash flow from financing activities:		
	Net cash used in financing activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents	(16,500)	(68,734)
	Opening Balance of Cash and cash equivalents	139,503	208,237
	Closing Balance of Cash and cash equivalents	123,003	139,503
	Cash and cash equivalents comprise		
	Cash in hand	425	425
	Balance with Scheduled Banks		
	-in current accounts	122,578	139,078
	Total	123,003	139,503

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 07, 2006.
- Figures in brackets indicate cash outflow.

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

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place: New Delhi
Date: April 29, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at March 31, 2009 Amount (Rs.)	As at March 31, 2008 Amount (Rs.)
SCHEDULE A		
SHARE CAPITAL		
AUTHORISED		
10,000 Equity Shares of Rs. 10/- each (Previous Year - 10,000 Equity Shares of Rs 10/- each)	100,000	100,000
ISSUED, SUBSCRIBED & PAID-UP		
10,000 Equity Shares of Rs 10/- each, fully paid up (Previous Year - 10,000 Equity Shares of Rs 10/- each)	100,000	100,000
	100,000	100,000
SCHEDULE B		
UNSECURED LOANS		
Info Edge (India) Ltd.	175,490	244,617
	175,490	244,617

SCHEDULE-C

FIXED ASSETS

Amount (Rs.)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2008	Additions during the year	Deletions during the year	As at March 31, 2009	Up to April 1, 2008	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2009	As at March 31, 2009	As at March 31, 2008
Tangible Assets										
Computers and Software	296,805	-	-	296,805	282,452	5,741	-	288,193	8,612	14,353
Total	296,805	-	-	296,805	282,452	5,741	-	288,193	8,612	14,353
Capital Advances									-	-
Previous Year	296,805	-	-	296,805	272,884	9,568	-	282,452	14,353	-

Particulars	AMOUNT AS AT March 31, 2009 Amount (Rs.)	AMOUNT AS AT March 31, 2008 Amount (Rs.)
SCHEDULE D		
CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
(i) Sundry Debtors		
(Unsecured considered good)		
(a) Outstanding for more than 6 months	-	-
(b) Other Debts (considered good)	-	-
	-	-
(ii) Cash and Bank Balances		
(a) Cash in Hand	425	425
(b) Balance with Scheduled Banks		
i) Citibank	83,950	83,950
ii) ICICI Bank	38,628	55,128
	123,003	139,503
(iii) Loans & Advances		
Advance Tax	67,534	44,701
	67,534	44,701

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	AMOUNT AS AT March 31, 2009 Amount (Rs.)	AMOUNT AS AT March 31, 2008 Amount (Rs.)
SCHEDULE E		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	-	-
Provision for Income Tax	85,478	62,831
EXPENSES PAYABLE		
Audit Fees Payable	47,255	41,740
Service Tax Payable	-	140
	132,733	104,711
SCHEDULE F		
MISCELLANEOUS EXPENDITURE		
Preliminary Expenses	274	548
Less: Written off during the period	274	274
	-	274

SCHEDULES TO THE ACCOUNTS

Schedule G

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2. Fixed Assets

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

3. Depreciation

Depreciation has been provided on Fixed Assets on Written down Value method as per the rates prescribed in Schedule XIV of the Companies Act, 1956 on Pro-rata basis.

4. Revenue Recognition

Jeevansathi Internet Services Pvt. Ltd. has entered into an agreement with Info Edge (India) Pvt. Ltd. Dated 13th September 2005 whereby the management and day to day running of the operation of the former company will be done by the later and in lieu of it the later will be paying a annual license fee of Rs.100,000/- to Jeevansathi Internet Services Pvt. Ltd. as License fee for usage of its domain name(s), trade mark(s) etc.

5. Taxes on Income

As a measure of prudence the Deferred Tax Assets (Net) in terms of Accounting Standard No. 22 specified in Companies (Accounting Standard) Rules, 2006 have not been recognized in the absence of their being virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such deferred tax assets could be realized.

6. Earnings Per Share (EPS)

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

SCHEDULES TO THE ACCOUNTS

Schedule H

NOTES TO ACCOUNTS

1. Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2009.

2. Expenditure in Foreign Currency (on cash basis)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Expenditure in Foreign Currency	NIL	NIL

3. Earnings in Foreign Exchange (on cash basis)

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Earnings in Foreign Exchange	NIL	NIL

4. Auditor's Remuneration

Particulars	Year ended March 31, 2009 Amount (Rs.)	Year ended March 31, 2008 Amount (Rs.)
As Auditors	5000	5000
In capacity of Tax Auditors	-	-
Certification	-	-
Out of Pocket Expenses & Service Tax	515	618
Total	5,515	5,618

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

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Profit attributable to Equity Shareholders (Rs.)	41,424	35,304
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	4.14	3.53

6. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Companies Act, 1956 with regard to finished goods / raw materials and components consumed are not applicable.

7. (1) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2009:

Holding Company

Info Edge (India) Limited

Key Management Personnel & Relatives

Mr. Sanjeev Bikhchandani

Mr. Hitesh Oberoi

Mr. Ambarish Raghuvanshi

Dr. Ram Bikhchandani (Father of Mr. Sanjeev Bikhchandani)

Enterprises over which KMP & Relatives have significant influence

None

B) Details of transactions with related party for the year ended March 31, 2009 in the ordinary course of business:

Sr. No	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Amount (Rs.)
					Total
1	License Fee Received:	100,000	-	-	100,000
2	Advances received for business purposes (net):	30,873	-	-	30,873
3	Payment of Rent	-	24,000	-	24,000

SCHEDULES TO THE ACCOUNTS

C) Amount due to/from related parties as at March 31, 2009 Amount (Rs.)

Sr. No	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances	-	-	-	-
2	Maximum amount outstanding during the year	270,090	-	-	270,090
	Credit balances				
1	Outstanding Payable	175,490	-	-	175,490

7 (2) Related Party Transaction for the year ended 31st March, 2008

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2008:

Holding Company

Info Edge (India) Limited

Key Management Personnel & Relatives

Mr. Sanjeev Bikhchandani

Mr. Hitesh Oberoi

Mr. Ambarish Raghuvanshi

Dr. Ram Bikhchandani (Father of Mr. Sanjeev Bikhchandani)

Enterprises over which KMP & Relatives have significant influence

None

B) Details of transactions with related party for the year ended March 31, 2008 in the ordinary course of business: Amount (Rs.)

Sr. No.	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1	License Fee Received	100,000	-	-	100,000
2	Advances received for business purposes (net)	800	-	-	800
3	Payment of Rent	-	24,000	-	24,000

C) Amount due to/from related parties as at March 31, 2008 Amount (Rs.)

Sr. No.	Nature of relationship / transaction	Holding Company	Key Management Personnel & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
	Debit balances				
1	Outstanding Advances	-	-	-	-
2	Maximum amount outstanding during the year	343,817	-	-	343,817
	Credit balances				
1	Outstanding Payable	244,617	-	-	244,617

8. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the only income from license fees received for the usage of its domain name, trademark etc.
9. Details of Employees in receipt of, entitled to receive yearly emoluments in the aggregate of not less than Rs. 2,400,000/- or Rs 200,000/- per month, if employed for the part of the year:

Particulars	Year ended March 31, 2009	Year ended March 31, 2008
Number of Employees of the Company in receipt of, entitled to receive yearly emoluments in the aggregate of not less than Rs.24,00,000/- or Rs.2,00,000/- per month, if employed for the part of the year.	NIL	NIL

10. Employee Benefits

The requirements of AS-15 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

11. Previous year's figures have been regrouped / recast to confirm to current year's presentation.

INFO EDGE (INDIA) MAURITIUS LIMITED

DIRECTOR'S REPORT

The directors present their report and the audited financial statements of the Company for the year ended March 31, 2009.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as an investment holding company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance, changes in equity and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards (IFRS) have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, UHY Heeralall, have indicated their willingness to continue in office and will be automatically reappointed at the Annual Meeting.

By Order of the Board

Date: April 29, 2009

CORPORATE SECRETARY

**SECRETARY'S REPORT
TO BE INCLUDED IN THE FINANCIAL STATEMENTS OF**

INFO EDGE (INDIA) MAURITIUS LIMITED

UNDER SECTION 166(D) OF THE MAURITIAN COMPANIES ACT 2001

We confirm that, based on records and information made available to us by the directors and shareholder of the Company, the Company has filed with the Registrar of Companies, for the year ended 31 March 2009, all such returns as are required of the Company under the Mauritian Companies Act 2001.

Date: April 29, 2009

**Abax Corporate Services Ltd
SECRETARY**

INFO EDGE (INDIA) MAURITIUS LIMITED

AUDITORS' REPORT TO THE MEMBER OF

INFO EDGE (INDIA) MAURITIUS LIMITED

Report on the Financial Statements

1. We have audited the financial statements of Info Edge (India) Mauritius Limited on pages 7 to 16 which comprise the balance sheet at 31 March 2009 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

2. The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritian Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, the financial statements on pages 7 to 16 give a true and fair view of the financial position of the Company at 31 March 2009 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritian Companies Act 2001.

Report on Other Legal and Regulatory Requirements

7. The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:
 - (a) we have no relationship with or interests in the Company other than in our capacity as auditors;
 - (b) we have obtained all the information and explanations we have required; and
 - (c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other matters

8. This report, including the opinion, has been prepared for and only for the Company's member, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

UHY Heeralall

Shareef Ramjan
Signing partner

Date: 29 April, 2009

BALANCE SHEET - 31 MARCH 2009

Particulars	2009 USD	2008 USD
ASSETS		
Non-current assets		
Available-for-sale financial assets (Note 4)	1,000,000	500,000
Current assets		
Receivables (Note 9)	375	-
Cash and cash equivalents (Note 7)	4,775	6,670
	5,150	6,670
Total assets	USD 1,005,150	506,670
EQUITY AND LIABILITIES		
Capital and reserves		
Stated capital (Note 5)	1,000,001	500,001
Accumulated losses	(19,300)	(12,230)
Total Equity	980,701	487,771
Current liabilities		
Amount due to ultimate holding company (Note 8)	19,999	14,999
Accruals	4,450	3,900
Total Liabilities	24,499	18,899
Total equity and liabilities	USD 1,005,150	506,670

Approved by the Board of directors on
And signed on its behalf by:
DIRECTORS

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

Particulars	Year ended 31 March 2009	Recieved from 30 October 2007 to 31 March 2008
	USD	USD
Income		
Interest received	1	-
	1	-
Expenses		
Processing Fees	-	2,000
Secretarial Fees	1,250	2,000
Accountancy Fees	1,000	700
Bank Charges	203	155
Audit Fees	1,200	1,200
Certification Charges	518	-
Directors fees	1,200	2,000
Domiciliation and compliance fees	600	1,200
Registration fees	250	335
Licence fees	750	-
Disbursements	100	140
Incorporation Fees	-	2,500
	7,071	12,230
Loss for the year/period	USD (7,070)	(12,230)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2009

Particulars	Stated capital USD	Accumulated loss USD	Total USD
At 30 October 2007	-	-	-
Issued during the period	500,001	-	500,001
Loss for the period	-	(12,230)	(12,230)
At 31 March 2008	500,001	(12,230)	487,771
Issued during the year	500,000	-	500,000
Loss for the year	-	(7,070)	(7,070)
At 31 March 2009	USD 1,000,001	(19,300)	980,701

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

Particulars	2009 USD	2008 USD
Cash flow from operating activities		
Loss before taxation	(7,070)	(12,230)
Increase in payables	550	3,900
Increase in receivables	(375)	-
Increase in amount due to ultimate holding company	5,000	14,999
Net cash (used in)/generated from operations	(1,895)	6,669
Net cash used in investing activities		
Payment for acquisition of available-for-sale financial assets	(500,000)	(500,000)
Net cash from financing activities		
Issue of ordinary shares	500,000	500,001
Net (decrease)/increase in cash and cash equivalents	(1,895)	6,670
Cash and cash equivalents at beginning of year	6,670	-
Cash and cash equivalents at end of year (Note 7)	4,775	6,670
	USD	

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

1. GENERAL INFORMATION

The company is incorporated in Mauritius as a private company with limited liability and it holds a Category 1 Global Business Licence under the Financial Services Act. Its registered office address is c/o Abax Corporate Services Ltd, Level 6, One Cathedral Square, Jules Koenig Street, Port Louis. The principal activity of the Company is to act as an investment holding company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements, which have been applied consistently, are set out below:

Basis of preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention.

Estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates. It also requires the directors to exercise their judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

There were no key assumptions concerning the future or key sources of uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, that have a significant effect on the amounts recognised in the financial statements.

Standards, amendments and interpretations to existing standards that are not yet effective

- IAS 1 (Revised), "Presentation of Financial Statements" (effective from 01 January 2009)
- IAS 16 (Amendment), "Property, Plant and Equipment" (effective from 01 January 2009)
- IAS 19 (Amendment), "Employee Benefits" (effective from 01 January 2009)
- IAS 20 (Amendment), "Government Grants and Disclosure of Government Assistance" (effective from 01 January 2009)
- IAS 23 (Amendment), "Borrowing Costs" (effective from 01 January 2009)
- IAS 27 (Revised), "Consolidated and Separate Financial Statements" (effective from 01 January 2009)
- IAS 27 (Amendment), "Consolidated and Separate Financial Statements" (effective from 01 January 2009)
- IAS 28 (Amendment), "Investments in Associates" (effective from 01 January 2009)
- IAS 29 (Amendment), "Financial Reporting in Hyperinflationary Economies" (effective from 01 January 2009)
- IAS 31 (Amendment), "Interest in Joint Ventures" (effective from 01 January 2009)
- IAS 32 (Amendment), "Financial Instruments : Presentation", and IAS 1 (Amendment), "Presentation of Financial Statements" – "Puttable instruments and obligations arising on liquidation" (effective from 01 January 2009)
- IAS 36 (Amendment), "Impairment of Assets" (effective from 01 January 2009)
- IAS 38 (Amendment), "Intangible Assets" (effective from 01 July 2009)
- IAS 39 (Amendment), "Financial Instrument: Recognition and Measurement" (effective from 01 January 2009)
- IAS 40 (Amendment), "Investment Property" (effective from 01 January 2009)
- IAS 41 (Amendment), "Agriculture" (effective from 01 January 2009)

Standards, amendments and interpretations to existing standards that are not yet effective (Continued)

- IFRS 1 and IAS 27 (Amendment), "Cost of an investment on first-time adoption" (effective from 01 January 2009)
- IFRS 2 (Amendment), "Share-based Payment" (effective from 01 January 2009)
- IFRS 3 (Revised), "Business Combinations" (effective from 01 July 2009)
- IFRS 5 (Amendment), "Non-current Assets Held for Sale and Discontinued Operations" (effective from 01 July 2009)
- IFRS 8, "Operating Segment" (effective from 01 January 2009)
- IFRIC 13, "Customer Loyalty Programmes" (effective from 01 July 2008)
- IFRIC 15, "Agreements for the Construction of Real Estate" (effective from 01 January 2009)
- IFRIC 16, "Hedges of a Net Investment in a Foreign Operation" (effective from 01 October 2008)
- IFRIC 17, "Distributions of Non-cash Assets to Owners" (effective from 01 July 2009)

The directors are of the view that the above standards and Interpretations are either not relevant to the Company's operations or will have no material impact on the financial statements of the Company in future periods.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are designated in this category; they are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Regular purchases and sales of investments are recognised on the trade date, which is the date that the Company commits to purchase or sell the asset. Available-for-sale financial assets are initially recognised at fair value plus transaction costs and are subsequently carried at fair value.

Gains and losses arising from changes in the fair value of available-for-sale financial assets and their cost are recognised directly in equity, until the investment is disposed of or found to be impaired, at which times the cumulative gain or loss previously recognised in equity is included in the income statement for the year.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

Fair values for unlisted equity securities are estimated using comparable recent arm's length transactions, applicable price/book value, price/earnings or price/cash flow ratios or discounted cash flow analysis refined to reflect the specific circumstances of the issuer. Equity securities for which fair values cannot be measured reliably are recognised at cost less impairment.

On disposal of an investment, the cumulative gain or loss that was recognised in equity plus the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

Deferred taxation

Deferred tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Revenue recognition

Interest income is recognised on an accrual basis.

Expense recognition

Expenses are accounted for in the income statement on an accrual basis.

Foreign currency translation

- Functional currency

Items included in the financial statements are measured in United States dollars (USD), the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company ("the functional currency").

- Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities at the balance sheet date which are expressed in foreign currencies are translated into United States dollars at the rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Financial instruments

Financial instruments carried on the balance sheet include available-for-sale financial assets, cash and cash equivalents, amount due to ultimate holding company and payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with the items.

Disclosures about financial instruments to which the company is a party are provided in note 3.

Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Impairment

At each balance sheet date, the company reviews the carrying amount of its assets to determine whether there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the assets is estimated. If the recoverable amount of an asset is estimated to be less than its carrying amount, the latter is reduced to its recoverable amount and the reduction is treated as an impairment loss.

Payables

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the Company have 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 a reliable estimate of the amount can be made.

3. FINANCIAL RISK MANAGEMENT

Interest rate risk

The Company has no significant exposure to interest-rate risk.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash reserves, through funding from its ultimate holding company.

Credit risk

The Company has no significant concentrations of credit risk.

Fair values

The carrying amounts of available-for-sale financial assets, cash at bank, amount due to ultimate holding company and payables approximate their fair values.

Currency profile

The Company's financial assets and liabilities are denominated in United States dollars.

Currency risk

The Company has no significant currency risk exposure as its assets and liabilities are denominated in USD.

Capital risk management

The Company manage its capital to ensure that it will be able to have sufficient funding to finance its investments and to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

4. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Particulars	2009 USD	2008 USD
At 01 April 2008	500,000	-
Acquisition during the year	500,000	500,000
At 31 March 2009	USD 1,000,000	500,000

There were no disposal or impairment provisions on the available-for-sale financial assets during the year ended 31 March 2009.

Available-for-sale financial assets represent 27.78% of Preferred Series A (2008 – 6.5%) stake in Study Places Inc., a company incorporated in the United States of America, which is engaged in the provision of services relating to recruitment, property, matrimony, education, automobile and other industrial or domestic products.

Available-for-sale financial assets are denominated in US Dollars.

The directors have reviewed the investments in subsidiaries at 31 March 2009 and are of opinion that they are not impaired.

5. STATED CAPITAL

Ordinary shares of no par value

Particulars	Number	USD
Issued and fully paid up		
At 01 April 2008	500,001	500,001
Issued during the year	500,000	500,000
At 31 March 2009	1,000,001	1,000,001

6. TAXATION

At 31 March 2009, the Company had tax losses of **USD 10, 795** (2008- USD 6,632) and is therefore not liable to income tax. The Company is subject to income tax in Mauritius at 15%. However, it is entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and 80% of the Mauritius tax payable on its foreign source income.

Capital gains are exempt from tax in Mauritius. The foregoing is based on current interpretation and practice and is subject to any future changes in the Mauritian tax laws.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:

Particulars	2009 USD	2008 USD
Cash at bank	4,775	6,670

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2009

8. RELATED PARTY TRANSACTIONS

Transactions and balances involving the Company and its ultimate holding company were as follows:

Particulars	2009 USD	2008 USD
Info Edge (India) Limited <i>At 01 April 2008</i>	14,999	
<i>Movement during the year:-</i>		
Issued share capital	-	(1)
Expenses paid by ultimate holding company	-	5,000
Advances received during the year	5,000	10,000
<i>At 31 March 2009</i>	USD 19,999	14,999

9. RECEIVABLES

Particulars	2009 USD	2008 USD
Prepayments	USD 375	-

10. HOLDING AND ULTIMATE HOLDING COMPANY

The directors consider Info Edge (India) Limited, a company incorporated in India, which is listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE), as the Company's holding and ultimate holding company.

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the First Annual Report and Audited Statement of Accounts of the company for the financial year ended March 31, 2009.

Financial Results

Being the first year of operation your company incurred a loss of Rs. 2,420,509 in financial year 2008-09.

Directors

During the year, there was no change in the Directors of the Company.

Auditors

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

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act 1956.

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

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of auditors and notes on accounts is self explanatory. Pursuant to Sec 217 (2AA) of the Companies Act, 1956 the directors placed on record the following statements:

That in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;

That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;

That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

That the directors had prepared the annual account on a going concern basis.

Acknowledgement

Your company conveys their special gratitude towards bankers, associates and shareholders of the company for their continuous and whole-hearted cooperation.

For and on behalf of the Board

Sanjeev Bikhchandani
Ambarish Raghuvanshi
(Directors)

Place: Noida

Date: April 30, 2009

AUDITORS' REPORT

TO THE MEMBERS OF ALLCHECKDEALS INDIA PRIVATE LIMITED

1. We have audited the attached Balance Sheet of Allcheckdeals India Private Limited, as at March 31, 2009, and the related Profit and Loss Account and Cash Flow Statement for the period August 1, 2008 to March 31, 2009 annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. This report does not contain a statement on the matters specified in paragraphs 4 and 5 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company.
4. Further to our comments in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors and taken on record by the Board of Directors at the meeting held on April 30, 2009, none of the directors is disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2009;
 - (ii) in the case of the Profit and Loss Account, of the loss for the period ended on that date.
 - (iii) in the case of Cash Flow Statement, of the cash flows for the period ended on that date.

Date: April 30, 2009

Place: Gurgaon

Amitesh Dutta
Membership No. A 58507
Partner
For and on behalf of
Price Waterhouse & Co.
Chartered Accountants

BALANCE SHEET AS AT MARCH 31, 2009

Particulars	Schedule	(Rs.)	As at March 31, 2009 (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Capital	1		100,000
LOAN FUNDS			
Secured Loans	2		640,279
			740,279
APPLICATION OF FUNDS			
FIXED ASSETS	3		
Gross Block		857,986	
Less : Depreciation		41,136	
Net Block		816,850	
Capital Advances		-	816,850
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	4	4,163,051	
Cash and Bank Balances	5	2,167,420	
Loans and Advances and Other Current Assets	6	1,093,458	
		7,423,929	
LESS : CURRENT LIABILITIES AND PROVISIONS	7		
Current liabilities		9,915,706	
Provisions		5,303	
		9,921,009	
NET CURRENT ASSETS			(2,497,080)
PROFIT & LOSS ACCOUNT			2,420,509
			740,279
SIGNIFICANT ACCOUNTING POLICIES	10		
NOTES TO ACCOUNTS	11		

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

The schedules referred to above form an integral part of these accounts.

Amitesh Dutta
Partner
Membership Number A 58507
For and on behalf of
Price Waterhouse & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place : Noida
Date : April 30, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

PROFIT AND LOSS ACCOUNT FOR THE PERIOD AUGUST 01, 2008 TO MARCH 31, 2009

Particulars	Schedule	For the period August 01, 2008 to March 31, 2009 (Rs.)
INCOME		
Commission Income		6,337,699
		6,337,699
EXPENDITURE		
Administration and Other expenses	8	8,697,684
Finance and Bank charges	9	14,085
Depreciation	3	41,136
		8,752,905
NET PROFIT BEFORE TAX		(2,415,206)
Tax Expense		
- Current Tax		-
- Deferred Tax		-
- Fringe Benefit Tax		5,303
NET PROFIT AFTER TAX		(2,420,509)
BALANCE CARRIED TO THE BALANCE SHEET		(2,420,509)

Earnings Per Share - Basic and Diluted

(242.05)

(Refer Note 5 on Schedule 11)

SIGNIFICANT ACCOUNTING POLICIES

10

NOTES TO ACCOUNTS

11

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

The schedules referred to above form an integral part of these accounts.

Amitesh Dutta
Partner
Membership Number A 58507
For and on behalf of
Price Waterhouse & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place : Noida
Date : April 30, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2009

Sr. No.	Particulars	For the period ended March 31, 2009 (Rs.)
A.	Cash flow from operating activities:	
	Net profit before tax	(2,415,206)
	Adjustments for:	
	Depreciation	41,136
	Interest on Car Loan	13,656
	Provision for doubtful debts	47,040
	TDS on revenue receipts	(255,867)
	Operating profit before working capital changes	(2,569,241)
	Adjustments for changes in working capital :	
	- (INCREASE)/DECREASE in Sundry Debtors	(4,210,091)
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	(837,591)
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	9,911,251
	Cash generated from operating activities	2,294,328
	- Taxes (Paid) / Received (Net of TDS)	-
	Net cash from operating activities	2,294,328
B.	Cash flow from Investing activities:	
	Purchase of fixed assets	(857,986)
	Net cash used in investing activities	(857,986)
C.	Cash flow from financing activities:	
	Proceeds from long term borrowing	640,279
	Proceeds from issue of Share Capital	100,000
	Interest paid	(9,201)
	Net cash used in financing activities	731,078
	Net Increase/(Decrease) in Cash & Cash Equivalents	2,167,420
	Opening Balance of Cash and cash equivalents	-
	Closing Balance of Cash and cash equivalents	2,167,420
	Cash and cash equivalents comprise:	
	Cash in hand	1,010
	Balance with Scheduled Banks	
	-in current accounts	2,166,410
	Total	2,167,420

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.
- Figures in brackets indicate cash outflow.

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

Amitesh Dutta
Partner
Membership Number A58507
For and on behalf of
Price Waterhouse & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place : Noida
Date : April 30, 2009

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at March 31, 2009 (Rs.)
SCHEDULE 1 CAPITAL	
AUTHORISED CAPITAL 5,000,000 Equity shares of Rs.10/- each	50,000,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL 10,000 Equity shares of Rs. 10/- each fully paid up*	100,000
	100,000
(*The above equity shares of Rs.10/- each are held by Info Edge (India) Limited, the holding company and it's nominee)	
SCHEDULE 2 SECURED LOANS	
Deferred payment liability (Refer Note 3 on Schedule 11) (Secured by way of hypothecation of vehicles) (Payable within one year Rs 208,284)	640,279
	640,279

SCHEDULE 3

FIXED ASSETS (Refer Note 3, 4 and 6 on Schedule 10)

(Rs.)

Description	Gross Block at Cost			Depreciation			NET BLOCK
	Additions during the period	Deletions during the period	As at March 31, 2009	Depreciation for the period	Accumulated Depreciation on Deletions	Up to March 31, 2009	As at March 31, 2009
LEASED ASSETS							
Vehicles	857,986	-	857,986	41,136	-	41,136	816,850
Total	857,986	-	857,986	41,136	-	41,136	816,580

Particulars	(Rs.)	As at March 31, 2009 (Rs.)
SCHEDULE 4 SUNDRY DEBTORS (Unsecured, Considered good unless specifically indicated)		
Debts outstanding for a period exceeding six months		-
Other Debts		
Considered good		4,163,051
Considered doubtful	47,040	
Less: Provision for Doubtful Debts	47,040	-
		4,163,051

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	(Rs.)	As at March 31, 2009 (Rs.)
SCHEDULE 5		
CASH AND BANK BALANCES		
Cash in hand		1,010
Bank Balances with scheduled banks :- -in Current Accounts		2,166,410
		2,167,420
SCHEDULE 6		
LOANS AND ADVANCES AND OTHER CURRENT ASSETS (Unsecured, considered good)		
Balance with Service Tax Authorities		637,591
Security Deposits		200,000
Advance Tax - Current Tax	255,867	
Less: Provision for Tax - Current Tax	-	255,867
		1,093,458
SCHEDULE 7		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
- total outstanding dues of micro and small enterprises (Refer Note 1 on Schedule 11)	-	
- total outstanding dues of creditors other than micro and small enterprises	750,000	750,000
Amount payable to Holding Company		8,679,041
Other liabilities		482,210
Interest accrued but not due on loans		4,455
		9,915,706
PROVISIONS		
Provision for Tax- Fringe Benefits	5,303	
Less: Advance Tax- Fringe Benefits	-	5,303
		5,303

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Particulars	For the period August 01, 2008 to March 31, 2009 (Rs.)
SCHEDULE 8	
ADMINISTRATION AND OTHER EXPENSES	
Rent (Refer Note 2 on Schedule 11)	252,000
Repairs and Maintenance	140,000
Legal and Professional Charges	251,500
Rates & Taxes	445,955
Provision for Doubtful Debts	47,040
Infrastructure & Business Support Expenses	7,061,189
Commission Expense	500,000
	8,697,684
SCHEDULE 9	
FINANCE AND BANK CHARGES	
Interest on fixed loans	13,656
Bank Charges	429
	14,085

SCHEDULES TO THE ACCOUNTS

Schedule 10

SIGNIFICANT ACCOUNTING POLICIES**1. Background**

Allcheckdeals India Private Limited (the Company) was incorporated on August 01, 2008 under the Companies Act, 1956 (the 'Act') and is engaged in the business of providing services in relation to property bookings placed with builders / real estate developers.

2. Basis of Preparation of Financial Statements

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Act and the relevant provisions of the Act.

3. Fixed Assets

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

4. Depreciation

Fixed Assets are depreciated on a pro rata basis under Straight Line Method over the estimated useful lives of the assets, which is as follows:

Asset	Estimated life (Years)
Vehicle	4

The effective rates of depreciation based on the estimated useful live is above the minimum rate as prescribed by Schedule XIV of the Act.

5. Revenue Recognition

Commission income on property bookings placed with builders/developers is accrued once the related services have been rendered by the company.

The income is shown net of service tax and is not recognized in instances where there is uncertainty with regard to ultimate collection. In such cases income is recognized on reasonable certainty of collection.

6. Leased Assets

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

7. Taxes on Income

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

8. Earnings Per Share (EPS)

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

9. Provisions and Contingencies

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

SCHEDULES TO THE ACCOUNTS

Schedule 11

NOTES TO ACCOUNTS

1. Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2009.

2. Operating Lease where the company is a lessee:

The company has entered into lease transaction mainly for leasing of office premise for a period of 1 to 6 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 Profit & Loss Account amount to Rs 252,000 included in Schedule 8 – Administration and Other Expenses.

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

Finance Lease Liabilities- minimum lease payments:

Particulars	As at March 31, 2009 (Rs.)
Not later than 1 year	275,688
Later than 1 year and not later than 5 years	482,459
Total minimum lease payments	758,147
Less: Future finance charges on finance leases	117,868
Present value of finance lease liabilities	640,279
Representing lease liabilities:	
-Current	208,284
-Non current	431,995
	640,279
The present value of finance lease liabilities may be analyzed as follows:	
Not later than 1 year	208,284
Later than 1 year and not later than 5 years	431,995
	640,279

4. Auditor's Remuneration (excluding service tax)

Particulars	For the period August 01, 2008 to March 31, 2009 (Rs.)
As Auditors	200,000
As Tax Auditors	50,000
	250,000

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

Particulars	For the period August 01, 2008 to March 31, 2009
Loss attributable to Equity Shareholders (Rs.)	(2,420,509)
Weighted average number of Equity Shares outstanding during the period (Nos.)	10,000
Basic & Diluted Earnings Per Equity Share of Rs. 10 each (Rs.)	(242.05)

6. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

SCHEDULES TO THE ACCOUNTS

7. Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the period August 01, 2008 to March 31, 2009:

Holding Company

Info Edge (India) Ltd.

Key Management Personnel (KMP) & Relatives

Mr. Sanjeev Bikhchandani

Mr. Hitesh Oberoi

Mr. Ambarish Raghuvanshi

Mr. Prashan Agarwal

Fellow Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Private Limited (NISPL)

Info Edge (India) Mauritius Limited (IEIML)

Info Edge USA Inc.

- B) Details of transactions with related party for the period August 1, 2008 to March 31, 2009 in the ordinary course of business

(Rs.)					
Sr. No.	Nature of relationship / transaction	Holding Company	KMP & Relatives	Fellow Subsidiaries	Total
1	Advances Received for business purposes (net)	980,447	-	-	980,447
2	Receipt of services (inclusive of service tax)	6,825,804	-	-	6,825,804
3	Reimbursements payable to	872,790	-	-	872,790
4	Issue of shares: NISPL Rs 10	99,990	-	10	100,000

- C) Amount due to related parties as at March 31, 2009

(Rs.)					
Sr. No	Nature of relationship / transaction	Holding Company	KMP & Relatives	Fellow Subsidiaries	Total
	Credit balance				
1	Outstanding Payable	8,679,041	-	-	8,679,041

8. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is operating in single business/geographical segment of earning commission income on property bookings.
9. **Employee Benefits**
The requirements of AS-15 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable to the company since there was no employee employed by the company during the period.
10. In the absence of virtual certainty that deferred tax asset created on the carry forward tax loss for the period will be realized against future taxable profits, the company has not recognized the deferred tax asset.
11. The company was incorporated on August 01, 2008 and accordingly figures for the current period are for the period August 01, 2008 to March 31, 2009. Further, this being the first year of operations of the company, there are no previous period figures.

INFOEDGE USA INC.

BALANCE SHEET AS AT MARCH 31, 2009

Particulars	Schedule	As at March 31, 2009 (US Dollar)
ASSETS		
Total Current Assets		-
Total Other Assets		-
Total Assets		-
LIABILITIES AND SHAREHOLDERS' EQUITY		
Trade Payables		919
Total Current Liabilities	1	919
Total Liabilities		919
Minority Interest		-
Stockholders' Equity		
Common Stock (refer notes 3 to schedule 3)		-
Retained earnings		(919)
Total Stockholders' Equity		(919)
Total Liabilities and Stockholders' Equity		-
Notes to Accounts	3	

The schedules referred to above form an integral part of these financial statements

Approved by the Board of Directors on April 29, 2009
For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

STATEMENT OF INCOME FOR THE PERIOD MAY 14, 2008 TO MARCH 31, 2009

Particulars	Schedule	For the period May 14, 2008 to March 31, 2009 (US Dollar)
Income		-
Total Revenues		-
Operating Expenses		
General and Administrative Expenses		919
Total Operating Expenses	2	919
Operating Income		(919)
Interest Expense		-
Income before Income Taxes		(919)
Income Tax Expense		-
Net Income		(919)
Earnings Per Share		
Basic & Diluted		-

The schedules referred to above form an integral part of these financial statements

Approved by the Board of Directors on April 29, 2009

For and on behalf of Board of Directors

Sanjeev Bikhchandani
Director

Ambarish Raghuvanshi
Director

SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at March 31, 2009 (US Dollar)
SCHEDULE 1	
CURRENT LIABILITIES AND PROVISIONS	
CURRENT LIABILITIES	
Sundry Creditors	
-Stradling Yocca Carlson & Rauth	919
	919

SCHEDULES FORMING PART OF THE INCOME STATEMENT

Particulars	For the period May 14, 2008 to March 31, 2009 (US Dollar)
SCHEDULE 2	
ADMINISTRATION AND OTHER EXPENSES	
Incorporation & Professional Expenses	819
Rates & Taxes	100
	919

SCHEDULES TO THE ACCOUNTS**SCHEDULE 3****NOTES TO ACCOUNTS****1. Incorporation and General Information**

The corporation was incorporated on May 14, 2008 in the state of Delaware, USA under the by-laws of the state of Delaware, USA. Its registered office address is c/o Stradling Yocca Carlson & Rauth, 660 Newport Centre Drive, Suite 1600, Newport Beach, California, USA.

2. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States (US GAAP).

3. Share Capital

Per the by-laws of the corporation it is authorized to issue 1000 shares of common stock of USD 0.0001 par value per share. During the year no shares were issue and subscribed.

4. Operations

Due to the recent changes in the economic environment during the year the corporation deferred its plan to start of the operations and therefore the income during the period is nil.



INFO EDGE

INFO EDGE (INDIA) LIMITED

REGISTERED OFFICE

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CORPORATE OFFICE

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