"Info Edge Limited Q4 and Full Year FY '17-18 Results Conference Call"

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Moderator: Ladies and Gentlemen, Good Day and Welcome to the Info Edge Limited Q4 and full year FY '17-18 Results Conference Call. Joining us on this call today are Mr. Hitesh Oberoi, Managing Director & CEO; Mr. Chintan Thakkar, CFO; and Mr. Sanjeev Bikhchandani, Vice Chairman. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone telephone. I would now like to hand the conference over to Mr. Hitesh Oberoi. Thank you and over to you, Sir.

Hitesh Oberoi: Thank you. Good Evening everyone and Welcome to our fourth quarter and annual results conference call. We will first take you through the quarterly and annual financial performance of the company, then we will cover each business in more detail and in the end, we will be happy to take questions. The audited financial statements file has been uploaded on our website, www.infoedge.in. We have also provided segmental billing, revenue, profit before taxes, and DHR movement in our datasheet on our website.

Let us talk about the standalone financial first:

Billings in Q4 were Rs. 304.2 crores up 13% YOY. FY '18 billing stood at 976.7 crores up 14% YOY. Revenue in Q4 was Rs. 240.7 crores up 15% year-on-year. FY '18 revenue stood at 19.5 crores up 14% year-on-year. Operating expenses including depreciation for the quarter was 181.3 crores up 25% year-on-year. For FY '18, expenses stood at 618.2 crores up 8% year-on-year. A major proportion of the incremental expense this quarter was on marketing. Operating EBITDA stood at 59.3 crores versus 63.1 crores last year having declined 6% year-on-year, however, excluding incremental marketing spend for the quarter, EBITDA would have been significantly higher. FY '18 EBITDA stood at Rs. 297 crores versus Rs. 227 crores last year.

Operating EBITDA margin for the quarter stood at 24.7% versus 30.3% last year. For FY '18, EBITDA margin stood at 32.5% versus 28.4% last year. EBITDA adjusted for ESOP non-cash charges stood at 59.6 crores versus 69.3 crores last year. FY '18 adjusted EBITDA stood at Rs. 315 crores versus Rs. 253 crores last year. Adjusted EBITDA margin stood at 24.8% versus 33.3% last year. For FY '18, adjusted EBITDA margin stood at 34.4% versus 31.6% last year. Cash EBITDA for the quarter stood at Rs. 123 crores down 6% year-on-year and for FY '18 stood at Rs. 376 crores up 21% year-on-year. Earnings per share for the standalone business stood at Rs. 15.04 per share in FY '18 versus Rs. 16.91 in FY '17. However, excluding exceptional items the adjusted EPS stood at Rs. 22.6 per share for FY '18 up 32% year-on-year. Deferred sales revenue has increased to 395.6 crores as of March 31, 2018, versus 336.7 crores as of March 31, 2017, an increase of 17.5% year-on-year. The cash balance as of March 31, 2018, stood at Rs. 1562 crores versus Rs. 1458 crores as of December 31, 2017, and Rs. 1362 crores as of March 31, 2017. The cash flow from operations before tax stood at Rs. 170 crores up 47% year-on-year during the quarter and Rs. 433 crores up 37% year-on-year for the full year FY '18.

While our revenue growth was in the mid-teens for the whole year, we optimized our manpower, facility, travel, and infra-related cost which helped us improve our operating margins. We increased our marketing spends during Q4 of FY '18 impacting our margins for the quarter. The results were very encouraging. The Naukri campaign served as a good brand refresh. The 99acres campaign helped us consolidate our relative position versus competition as we increased our traffic share in virtually all the markets and the Jeevansathi campaign helped us acquire more registrations. The Board has recommended a final dividend of 15% for FY '17-18, this would take the dividend for the year to Rs. 5.5 per share including the two interim dividend of Rs. 2.5 per share and Rs. 1.5 per share already announced in October 2017 and Jan 2018, respectively.

Moving onto the consolidated financial highlights:

At the consolidated level, the net sales of the company stood at Rs. 988.2 crores versus Rs. 887.6 crores for the last financial year. For the consolidated entity at the PAT level, there was a profit of Rs. 502.2 crores versus a loss of Rs. 42.8 crores last year. This includes an exceptional item booked for deemed again on dilution of Zomato and Happily Unmarried as mandated by the International Accounting Standards 28. Adjusted for these exceptional items PAT for FY '17-18 stood at Rs. 189.5 crores versus a loss of Rs. 7.4 crores last year. The aggregated top line with the invested companies in FY '17-18 grew to Rs. 937 crores versus Rs. 664 crores last year, an increase of 41% while the aggregated EBITDA loss for the investee companies was Rs. 188 crores versus Rs. 263 crores for last year.

Moving onto results by segment:

We first talk about the recruitment segment. In Q4, recruitment segment billing was Rs. 216.3 crores while revenues were Rs. 175.2 crores, a growth of 13% year-on-year. Operating EBITDA margin in recruitment segment were at 53.2% versus 56% in Q4 of FY '17 as we invested in brand refresh exercise during the quarter. EBITDA margins adjusted for ESOP non-cash charges stood at 53.3%. Cash EBITDA for the recruitment business during the quarter stood at Rs. 134 crores up 1% year-on-year and for FY '18 stood at Rs. 423 crores up 14% year-on-year. In the full-year, recruitment billings grew 12% to Rs. 707.9 crores while revenue grew 12% to Rs. 63.8 crores. EBITDA margin stood at 53.2% for the full year, adjusted EBITDA margin stood at 57.5%. In Naukri in Q4, we added an average of 16,500 fresh CVs every day and the Naukri database grew to 57 million CVs. The average CV modifications were at 330,000 per day. Our traffic share in the job portal continues to be very high, and we continue to invest in our recruitment tools and systems business as we add more plans to the product. The business is very, very important to us strategically. The slowdown in IT hiring continued to impact our growth rate for Naukri. In the IT segment, new customer acquisition as well as customer retention remained a challenge; as a result, the net customer numbers in IT remains flat for the year. In terms of retention in billing, the IT as a sector (including captive, BPO, CRM, IT startup etc.) did better than other large sectors for Naukri aided by - upgrade by existing clients; BPO, CRM, and captive segments did better as compared to the software services company.

The non-IT segment partly compensated for the lower billing growth in IT. Banking and financial services, retail, manufacturing has been other small sectors did well for the company in terms of overall billing growth. The consultant sector was also impacted because of slowness in IT hiring and hence did not fare very well in terms of billing growth. The Naukri Gulf business saw a decent quarter continuing the trend from Q3 as both billing and revenue grew 13% year-on-year.

Moving onto the 99acres or the real estate vertical, billings in Q4 in 99acres grew 43% year-on-year to Rs. 56.2 crores while revenue grew 36% to Rs. 37.3 crores. For FY '18 billing revenue grew 24% and 21% to Rs. 157 crores and Rs. 135 crores, respectively. We increased our marketing spends during the quarter resulting in a Q4 EBITDA level loss of about Rs. 13.5 crores versus a loss of Rs. 11.3 crores last year. EBITDA loss for FY '18 stood at Rs. 30 crores down 47% from EBITDA loss of 57 crores last year. For Q4 adjusted EBITDA after adjusting for ESOP expenses stood at a loss of Rs. 13.5 crores versus a loss of Rs. 9.7 crores last year. For FY '18, adjusted EBITDA stood at a loss of Rs. 25.7 crores versus a loss of Rs. 50.4 crores last year. Cash EBITDA for 99acres during the quarter stood at a positive 5.4 crores and for FY '18, the total cash losses were Rs. 4.1 crores.

Our traffic share amongst the real estate portals moved to a higher 51% during the quarter based on time spend on the web and now we have traffic leadership in all major markets, which was partly aided by a marketing campaigns during the year. Billing from brokers and agents continue to inch up and across builder billings in FY '18. Broker billing formed 50% of the overall billing, while builder billings stood at 45% of the billings. In FY '17, broker billings stood at 44% and builder billings stood at 53%. Home buyers clearly preferred retail and rental properties over new launches in FY '18. Owner billings also continued to increase in FY '17-18 and proportion of the billing from retail properties has been an increasing trend for the past three years due to the falling confidence in the new home market. We will continue to invest in marketing for 99acres moving into FY '19 as we try to consolidate our position in the real estate classified business as we believe that the worse is probably over in this space. Daily sessions on the 99acres platform have improved 58% year-on-year as of March. The app daily sessions has seen a strong jump of 135% over the same period.

Going forward, our focus on investment in 99acres would largely be in the area of marketing and branding and tech and product and data quality on our platform. We have dedicated resources working on data science and machine learning techniques. We have a team working on improving our listing quality and making our mobile experience better as well. We also believe that the successful implementation of RERA by different states will play a big role and catalyze the process of volume picking up in real estate going forward. In all the major states with significant residential real estate activities, RERA rules are notified and authorities are processing applications. As of March 31, 25,000 RERA projects have been registered under RERA across the top cities 16,000 in Maharashtra alone. Apart from Maharashtra, project registrations have started gaining pace in UP, Gujarat, and in Karnataka as well. The other states are still lagging behind. Hence, we are sensing a slow, but steady recovery over the next three or four quarters in most real estate markets, but let us see what happens.

Moving onto the matrimony business:

Billings remained flat year-on-year in Q4 at 17.9 crores owing to oppressive pricing and activities by competition during the quarter. Revenue, however, grew 10% year-on-year and reached Rs. 17 crores. FY '18 billing for the full year grew 15% and revenue grew 18% year-on-year to Rs. 70 crores and Rs. 69 crores, respectively. Higher marketing spends during the quarter aided higher traction and registrations as the overall registration in Q4 grew over 35% year-on-year. We are thus looking to consolidate our position as we benefit deeper in key regions we currently operate in. We will continue to spend more on marketing as we move into FY '19 to strengthen our brand revenue. Operating EBITDA losses in Jeevansathi increased to Rs. 11.5 crores in Q4 FY '18 from Rs. 3.5 crores in Q4 FY '17. Losses in FY '18 stood at Rs. 23.5 crores versus 6.4 crores in FY '17. The adjusted EBITDA loss in Q4 stood at Rs. 11.5 crores versus a loss of 3.2 crores in Q4 of FY '17. For FY '18, adjusted losses stood at Rs. 22.8 crores versus Rs. 5.4 crores in FY '17. The cash EBITDA for Jeevansathi during the quarter stood at a loss of Rs. 11 crores and for FY '18 stood at a loss of 21 crores. More than 90% of our users accessed Jeevansathi from mobile and the Jeevansathi mobile app continues to be the best in the category.

Moving onto the Shiksha business:

We made decent profits post revamping the site earlier this year and we continue to work on our products. In Q4, however, billings degrew by 6.7% to Rs. 13.9 crores primarily due to high base while net sales grew 12% year-on-year and reached 11.2 crores. FY '18 and billing and revenue grew 3% and 17%, respectively to Rs 42 crores each. We made an EBITDA of 40 lakhs similar to Q4 of last year. In FY '18, the Shiksha business profit stood at Rs. 2.2 crores versus loss of Rs. 4.1 crores in FY '17. Adjusted EBITDA profit for the quarter stood at Rs. 42 lakhs versus Rs. 87 lakhs last year. Adjusted EBITDA profit for FY '18 stood at Rs. 3.7 crores versus a loss of Rs. 2.1 crores last year. Cash EBITDA for Shiksha for the quarter stood at Rs. 3.1 crores and for FY '18 stood at Rs. 2.8 crores.

Moving on to our strategic investments:

Our investee company continued to witness solid growth. Zomato deal concluded during the current quarter (Q1FY19) and we received the proceeds of our secondary sales to AliPay. Zomato has scaled up significantly post Alipay coming in. The company saw huge improvement in user metrics towards the end of FY '18. We have put out the full-year top line and operating EBITDA number for our subsidiaries like Meritnation and Canvera (as part of our corporate presentation). For other investing companies, we have provided the total numbers. The data is available on our website, www.infoedge.in. In the exceptional items, there was 44.1 crores diminution in value of SIHL done on account of Canvera, Rs. 10 crores on account of Mydala, Rs. 1.1 crores on account of BigStylist, and Rs. 20.4 crores on account of NISL. We also made investments in four new startups this year, Wishbook, which is a B2B cataloguing app and marketplace connecting manufacturers, distributors, wholesalers, retailers, and sellers. Univariety, a career and university admission counseling platform for class 9 to 12 students. NoPaperForms which is a SaaS based government solution for educational institutions and

Gramophone which serves Agri and commerce and crop advisory for farmers. We also did follow-on rounds of investments in our investing company, Policybazaar, Happily Unmarried, Meritnation, and Canvera. We provisioned some of our investments as indicated earlier, and yet, we continue to invest in investment opportunities from time to time. That is all we have right now, thank you and we are now ready to take questions

Moderator: Thank you very much. Ladies and Gentlemen, we will now begin with the question and answer session. We take the first question from the line of Vivekand Subaraman from Ambit Capital. Please go ahead.

Vivekand Subaraman: On Naukri, Hitesh, you mentioned that billing growth was also 13% and IT seems to be slowing down, any specific color on?

Hitesh Oberoi: Billing growth in Q4 was 9%, for the full year it was 14%.

Vivekand Subaraman: This year on Naukri you mentioned that IT continues to slowdown, could you give a bit more color on how we should look at the billing growth for FY '19 and categories and key markets and also a related question is there any impact of competitive activity in the recruitment space, that is question one? The second one is on 99acres where you have seen stellar billing growth and also your losses particularly cash losses are now almost negligible, so what is the thought process with respect to growing this business, because clearly this is a business where in the longer run the business has significantly undershot expectations? Thanks.

Hitesh Oberoi: In Naukri overall billing growth last year was impacted and especially in Q4 because of the slowdown in IT services. We saw good growth from the IT captive space, but the IT services space slowed down for us. Markets like Bangalore, Chennai, and Hyderabad were impacted. Bangalore was our worst performing market last year. On the other hand, we saw reasonably good growth in markets like Bombay and Delhi, which was in a predominantly non-IT markets, so partly the losses in IT were made up for by the average growth in non-IT. Going forward, it all depends on what happens to IT hiring, may be the worst is over maybe it is not. Net hiring for all IT consulting companies came down last year, I do not know what is going to happen this year. The non-IT space continues to do well for us, there are pockets where we are seeing really good growth and that is also reflected in JobSpeak in which we publish every month. Sectors like banking, financial services, insurance, healthcare, education, travel, hospitality, etc. did well for the last year. Sectors like telecom, IT continue to be slow, so it is hard for me to say what is going to happen this year. Our business will depend on what happens to these sectors and because of these sectors some of the placements are also impacted. We continue to push our new products aggressively in the market for they are more strategic in nature. They do not really contribute in a very big way to top line at this point in time, so that is as far as Naukri is concerned.

As far as 99acres goes, we had a good second half, also because the base for this year was very low because last year was impacted a lot, second half got impacted because of demonetization, however, we are happy with the progress. We are looking at 99acres, we are gaining market share, we are happy with some of the new products we have in the market. We are sort of sensing a slight, actually we see that the market may have bottomed out and the worse is probably over, real estate activity had come to a halt for some time especially in the first half of last year because of RERA, that confusion is now clearing out. Some segments like affordable housing are doing better than they were doing earlier. Luxury housing continues to be in trouble, but overall the sense that we are getting is and we will have to just to bear out for the next couple of quarters for me to sort of say this confidently, but it looks like that the worst may be over, but let us see what happens going forward.

Vivekand Subaraman: Thanks for the comment, just couple of follow ups, is there any impact on the change in incentives that we went through the sales incentives in FY '18 on the billing growth of Naukri? On real estate the follow-up that I had was you mentioned that your share of billings from broker seems to be going up, but builder billing kind of declined, any thoughts on why the builders are not spending as much on our portals given that now with RERA coming in, the builder should be a lot more focused on completing projects and pushing it out in the market, therefore, builder should logically be doing a lot more A&P is it not?

Hitesh Oberoi: Let me answer the real estate question first, what has happened over the last three or four years is because of the confusion around new homes, because new homes are not completed on time, because buyers have lost, investors have lost a lot of money, because projects are still sort of three to four years behind schedule and to add to this because of the confusion around RERA in the first half of last year, builder activity virtually came to a halt in real estate and also buyers moved more from new homes to resale because people wanted ready to move in homes, they do not want to take a risk. Many people have burned their fingers and so on and so forth. Now, the confusion around RERA has started clearing towards the second half of last year. Having said so, because there is a lot of inventory still in the market, new launches are still sort of scarce, there are not too many builders launching new projects, so which is why what has happened is that the builder sort of key to our business has taken a hit and the broker fees which is some of it is of course new homes with brokers having a builder, a large part of our broker business is that as well, but a large part of the broker business is also resale, so that is growing a lot faster, but going forward as the market churns once again and if people start showing more interest in new homes, this may change once again. The Naukri question was around incentives, so that played out more in FY '16-17, I do not think our business have been impacted because of the changes in incentive policy in FY '17-18.

Moderator: Thank you. We take the next question from the line of Arya Sen from Jefferies. Please go ahead.

Arya Sen: Firstly, if you could give a bit more color on geographically what is happening in the real estate business in different parts whether it is more NCR led or it is pan India, which are the areas where you are seeing better pickup?

Hitesh Oberoi: As far as our business is concerned, of course NCR continues to be a large part of our business, but I think last year we gained share in all markets and we saw good growth in Bangalore and Mumbai as well. The Maharashtra business was impacted for a long time because of the confusion around RERA, RERA is being strictly enforced in Maharashtra, so for a while all activities came to a halt in Maharashtra, but towards the end of the year, Maharashtra started picking up as well. Chennai activity continues to be slow because of political uncertainty in Tamil Nadu, but overall the sense we are getting is that because demonetization is now behind us and because RERA is also now behind us, in general real estate activity is slowly beginning to pick up, launches are slowly beginning to sort of start in all markets.

Arya Sen: Is NCR leading that growth or is it at par with the rest?

Hitesh Oberoi: NCR is a big market for us, so we are doing very well in NCR, but I do not know whether that is because of the state of affairs in the real estate market in NCR. It is also because of the fact that we are clear leader in the NCR markets, and therefore, we get a large share of the spending, while in the other part of the country we have more competition.

Arya Sen: Secondly, you talked about marketing spend in I think 99acres, Jeevansathi, I am not sure if you talked about it in Naukri as well, so any sort of number that you have in mind in terms of proportion of revenue or absolute numbers, how much higher than last year would it be, any guidance on that front?

Hitesh Oberoi: We do not have a marketing budget, we basically plan quarter by quarter, we do a quarterly plan and we see the impact on our numbers after we implement the plan and then we fine tune the plan basis what we get, but in general we have been spending more on marketing in Jeevansathi then we were two years ago. We also have upped our spending in 99acres because it helped us and the market has been to recover a little bit. In Naukri, we had a TV marketing campaign after long time in Q4 and it was useful because it served as a brand refresh. We were off TV for a long time, but like I said we will see the results from this campaign and go on to detail and then fine tune the campaign as we go forward. It is difficult to say what our overall marketing spend for the year will be, but yes in general, our marketing spend in the 99acres and Jeevansathi is on an upswing.

Arya Sen: Lastly, on Zomato, any sort of color that you can share beyond the numbers that you have shared?

Hitesh Oberoi: Zomato is expanding aggressively on the delivery side of the business and there orders are increasing rapidly. Of course this involves, certain amount of burden, but they are going head to head against Swiggy and that is what their business plan is this year to rapidly expand the delivery part of business in India.

Moderator: Thank you. The next question is from the line of Ravi Menon from Elara capital. Please go ahead.

Ravi Menon: I had a quick question on the employee benefits, so I have not seen such a sharp increase QOQ in a long time, so as part of our rational source changing the way that we are targeting Naukri sales was to avoid some kind of seasonality and I think on the revenue side that has really shown that we do not have any quarters that is a low out quarter and that it is kind of smooth over the years, but the employee cost this quarter seems to have gone up substantially, anything that you would like to call out as a one-off?

Hitesh Oberoi: One or two exceptional kind of items that I can call out is gratuity is one thing, so you may be aware that Government has increased the cap on gratuity from 10 lakhs to 20 lakhs, so that has an impact on our overall cost plus even the headcount in Q4 has kind of started going up, so there would be some element of cost increase because of headcount as well, and in general we have been investing more on technology area and that also kind of has an impact on the overall business.

Ravi Menon: Can we say that sales incentives are also paid out in Q4 that we also slightly factor?

Hitesh Oberoi: As compared to first half, I would say that sales incentive would have been higher in second half, particularly in some of the business the numbers have kind of like 99acres for example, the numbers were kind of good, so some of that also would be part of that.

Ravi Menon: How you expect the geography breakup for Naukri to go next year, you were saying that Bangalore was very soft over this year. Any other markets where you think some sort of improvement is possible or you are seeing some early signs?

Hitesh Oberoi: A lot will depend on what happens to IT services hiring, markets like Bangalore are 70% to 80% IT markets. Even markets like Chennai, Hyderabad, Pune are 40% to 50% IT for us. While markets like Delhi and Bombay are more diversified, so if IT hiring picks up then there is no reason why Bangalore will continue to be slow, but a lot will depend on whether IT hiring will pick up or not.

Ravi Menon: We have seen that utilization across IT firms has reached historical high, so hopefully that should start picking up, so you would have some lead indicators from consultant activities in that sector since you have not seen anything yet, I guess we will have to wait another couple of quarters for that, thank you and best of luck

Hitesh Oberoi: Thanks.

Moderator: Thank you. The next question is from the line of Vivekand Subaraman from Ambit Capital. Please go ahead.

Vivekand Subaraman: Two questions from my end, one on Zomato, as things stand right now, can you outline some trends on the market share that we have on the food delivery business. Secondly, could you give some color on the average order value and take trends in the food tech market, that is one. Secondly, in terms of your investments clearly you have now received some cash from ad financials and clearly you have invested in a few small B2B and B2C startups, is the thought process now to diversify the investment book a lot more than before or is it so that, you will double down on your past investments as well?

Hitesh Oberoi: On Zomato the company is not revealing for competitive reasons the exact data, but suffice to say that the gap is being narrowed between Swiggy and Zomato on food delivery in terms of number of orders every day, but having said that there is still a gap. Now, as Zomato expands its delivery volume, the average order value is coming down as expected, but it is still higher than Swiggy as per our estimate, we do not know Swiggy's order value definitely, but we estimate still high. But as Zomato grows, this order value will come down because it will definitely deliver from restaurant to the people, the restaurant of a smaller order values in order to grow, so this is I mean a natural part of thing that is going to happen and is already happening. As far as our investment strategy is concerned look we obviously do both. We will keep looking at new companies and we will also double down in those of our existing portfolio companies, which A, need the money, and B, we believe they deserve the money, so it is not as if there is a strategy to massively diversify, in fact the bar for new investment is higher than it was earlier because we have learnt more about what good investment is.

Vivekand Subaraman: Just one small follow up, so on the doubling down aspect, let us say hypothetically Zomato were to do another fundraise a year or two years from now, would we consider participating or is it so that we will now keep pairing down our stake?

Hitesh Oberoi: Look, this is a bit of a speculative hypothetical question, I mean we will obviously evaluate the situation then. In the past, we have taken a kind of exit in Policybazaar and then gone back in again, so nothing is ruled out but having said that it is not as if the company is short of money or is short of options today's money for. We would of course keep in mind concentration risk, a significant chunk of our investment portfolio is in Zomato and that is one consideration we look at.

Moderator: Thank you. The next question is from the line of Ankur Rudra from CLSA. Please go ahead.

Ankur Rudra: Sorry, if this was answered before, I missed the first part of the call, could you break out what was the Naukri India growth and the quadrangle growth for the quarter and revenues please?

Hitesh Oberoi: Recruitment billing for the quarter was 216.3 crores, which is around 9% growth, while revenue was 175.2 crores which is a growth of 13%, this is the entire recruitment segment.

Ankur Rudra: I was looking for the India part, how much was that?

Hitesh Oberoi: We do not give out India number separately.

Ankur Rudra: If you can give me a sense of growth in India, even if you do not strip out the numbers?

Hitesh Oberoi: It will be similar to recruitment growth.

Ankur Rudra: Quadrangle?

Hitesh Oberoi: Quadrangle had a negative year, so quadrangle de-grew this year over previous year.

Ankur Rudra: You may have answered this already, but any signs you have seen in changes of the market if I just look at the Naukri data that you shared, it seems like there is some sort of a recovery in the underlying market, has that come through in your discussions with clients as a sales feedback change in the IT hiring side?

Hitesh Oberoi: We have only a month left, we will know in a month for this quarter to end, it is hard to say for me right now because a lot of our renewals happen at quarter end.

Ankur Rudra: Could you give us a sense of the traffic share that you have now in the real estate business, how is that evolved over the last one year I mean now versus how it was a year ago?

Hitesh Oberoi: For our traffic share, we look at time spent on similar web, and our sense is that we have been averaging close to 50% now for the last four or five months in terms of traffic share in real estate, so our traffic share has gone up over the last six to eight months and we have seen a growth in almost all the geographies we operate.

Ankur Rudra: This is the measurement on desktop or including everything?

Hitesh Oberoi: Including everything, desktop does not make sense anymore because only a small fraction of our traffic is now on the desktop, so this is desktop plus mobile, web plus app.

Ankur Rudra: What is the traffic share trend in recruitment including and excluding recruit?

Hitesh Oberoi: If you exclude Indeed, we will continue to be around in the 70s and if you were to include Indeed, we would be closer to 60.

Ankur Rudra: Can you just lastly to round this up could you share the traffic share numbers for Jeevansathi as well?

Hitesh Oberoi: We do not really track traffic share for Jeevansathi, because we do not operate in all parts of the country, but in the North we continue to be a strong Number Two player and it is hard to segregate sort of traffic by sort of geography for the other players.

Moderator: Thank you. We take the next question from the line of Miten Lathia from HDFC Mutual Fund. Please go ahead.

Miten Lathia: What would be the proportion of unique users on the mobile web versus the mobile app on 99acres?

Hitesh Oberoi: Actually, we do not give out this data and I do not have the…

Miten Lathia: I do not need the absolute number, I am just asking for the mix between the app and the mobile web on 99acres, if you can give that?

Hitesh Oberoi: I do not have the exact numbers but broadly speaking about a third of our traffic is on the app, a third is on the desktop, and third is on the mobile web, so these are broad figures, I do not have the exact numbers in front of me right now.

Miten Lathia: Would you be able to comment on what the same thing would be for MagicBricks or that data would not be available to you?

Hitesh Oberoi: My sense is it will not be very different from what we are seeing.

Moderator: Thank you. We take the next question from the line of Ravi Menon from Elara Capital. Please go ahead.

Ravi Menon: You said your advertising in promotion expenses, the marketing, you do that on a quarter to quarter basis, so for the next quarter should we expect that you will continue to spend at a similar level as this quarter or should we see that inch up?

Hitesh Oberoi: By next quarter I am assuming you are mean Q1, right?

Ravi Menon: Right, Q1.

Hitesh Oberoi: Q1, 99acres was in IPL, so we have of course spent a lot on 99acres, we have already sort of done that. Naukri we are taking a breather, we are not on TV right now. In Jeevansathi, yes, our marketing spend will continue to be high, may not be as high as it was in Q4 of last year, but it will continue to be high.

Moderator: Thank you. We take the next question from the line of Sagar Lele from Motilal Oswal Securities. Please go ahead.

Sagar Lele: Just one question on the balance sheet there is about 330 crores classified asset held for sale, just wanted to know what that stands for.

Hitesh Oberoi: That was on the Zomato's 50 million transactions that we had done, so definitely agreements were already signed, and we had kind of intimated to Foreign Exchange and all that, but the actual completion of another transaction had happened in Q1, so as on 31st March it is being shown as listed under assets held for Sale.

Moderator: Thank you. Ladies and Gentlemen, that was the last question. I would now like to hand the conference over to Mr. Hitesh Oberoi for his closing comments.

Hitesh Oberoi: Thank you everyone for being on the call and have a great evening.

Moderator: Thank you very much. Ladies and Gentlemen, on behalf of Info Edge India Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.