



















## Safe harbor

Statements contained in this presentation concerning our growth prospects may constitute forward-looking statements. The Company believes that its expectations are reasonable and are based on reasonable assumptions. However, such forward looking statements by their nature involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in the businesses we operate in including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, client concentration, disruptions in telecommunication networks, disruptive technology, liability for damages on any of our contracts/ subscriptions, withdrawal of governmental fiscal incentives, political instability, unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.

The equity shares of the company are regulated by the laws of India. Please refer to the applicable laws of your jurisdictions before dealing in equity shares of the company.

"The equity shares of the company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except (1) in accordance with Rule 144A under the Securities Act to a person that the holder and any person acting on its behalf reasonably believes is a Qualified Institutional Buyer within the meaning of Rule 144A purchasing for its own account or for the account of a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A, (2) in an offshore transaction in accordance with Rule 903 or Rule 904 of regulations under the Securities Act, 3) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (4) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of the states of the United States. No representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for re-sales of these equity shares."

All Financial figures mentioned are as on June 30, 2010 or for the quarter ended June 30, 2010 unless indicated otherwise

Q1 FY11 means the period April 1, 2010 to June 30, 2010

FY11 or FY 10-11 or FY 2011 means the Financial Year starting April 1, 2010 and ending March 31, 2011

INR M means Indian Rupees in million

# "Helping Businesses and People Meet"

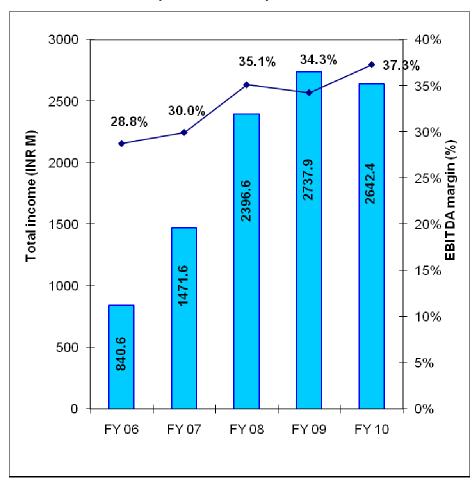
India's premier on-line
classifieds company in
recruitment, matrimony, real estate and
education

## Strong performance track record

#### **Highlights**

- An online classifieds company with
  - Strong brands
  - Experienced management team
  - Growth coming back
- Rapid growth historically
  - Revenue CAGR of 33% over FY06-10
  - INR 2.64 billion revenue in FY2010
- ~ INR 24 billion market capitalization
- Strong cash flow generation
  - Cash & liquid assets INR 3.95 Billion
  - Negative working capital
- •Diversified business portfolio
  - Share of revenues from verticals other than recruitment grown from 5% in FY06 to 16% in FY10

# Info Edge Revenue and EBITDA margin (2006 – 2010)



## Our brands

# (naukrigulf.com









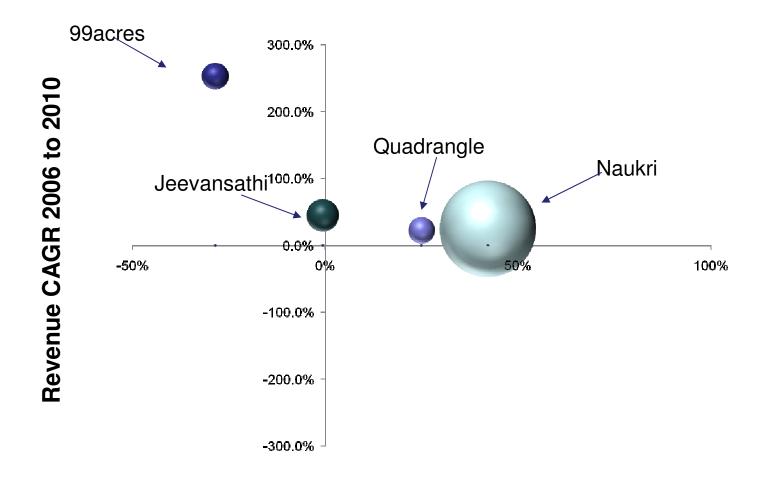






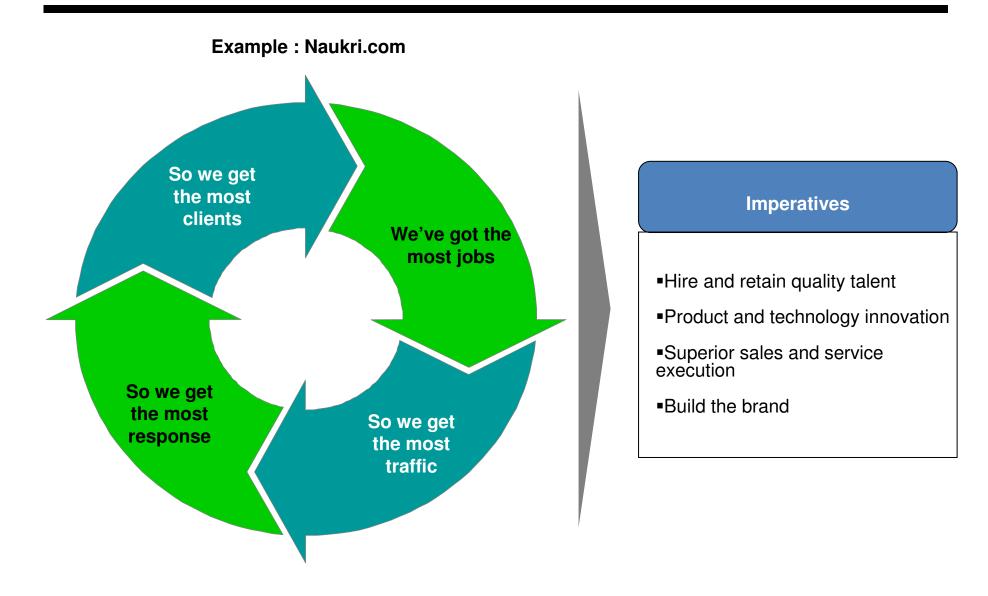


## Our portfolio

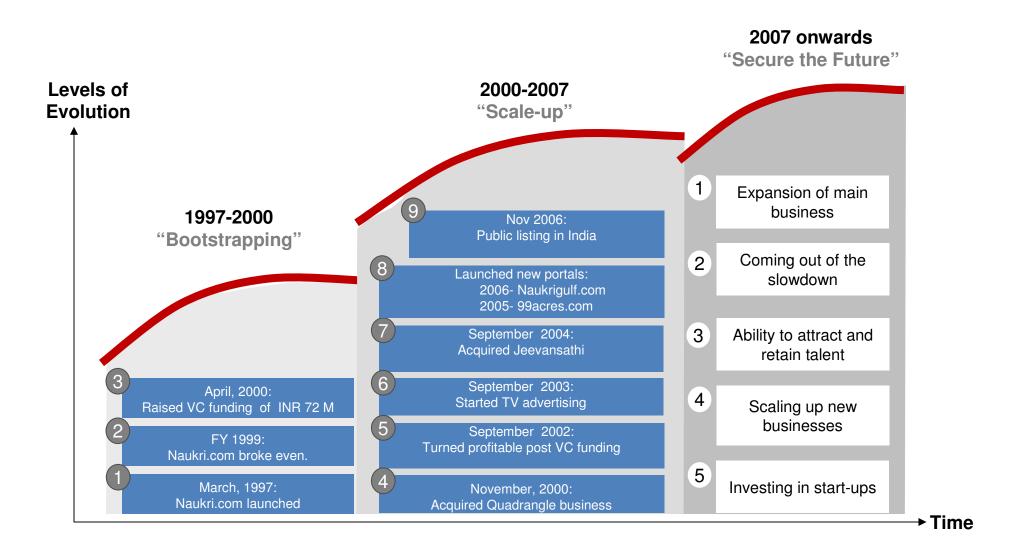


**EBITDA Margin** 

## Virtuous circle



## Milestones



## Key drivers of success

#### Naukri

- Consolidate traffic share gained over the last 24 months
- Garner higher market share as growth comes back
- Specific product innovations to combat the threat of Linked In and semantic search (Trovix) from Monster
- Reap gains from sales team efficiencies Restructuring, ERP, Newer sales channels
- Continue to invest in brand, sales team, customer service, tech product innovation, people

#### Jeevansathi

- Leverage the IP built over last 3 years through increased investment in brand building
- Scale up business by increasing growth rate from current 20% in the next 3 5 years
- Continued investment in analytics /algorithms

#### 99acres

- Market witnessing growth activity in most real estate clusters
- Product innovation and evangelizing the space concept
- Increase traffic share and monetize traffic share gains of last 2 years
- Continue to improve the user experience

#### **New brands**

- Establish and evangelize the value proposition of Shiksha & FirstNaukri
- Naukrigulf- Ride after the meltdown in the Middle East
- Invest in potential big businesses for the future Meritnation, Allcheckdeals, Policy Bazaar
- Explore more opportunities (startups, M&A) actively
- Improve traction and engagement on Brijj.com

## Leveragable sales/customer interface infrastructure

#### **Indo Edge Sales Offices illustrative Map**



#### **Key Observations**

- 1200 Sales staff or 75% of the company's workforce
- Nation wide coverage through 45 company branch offices in 32 cities in India
- Only "dot com" player with this kind of sales organization
- Sales force currently under leveraged....

Infrastructure to be leveraged for Growth

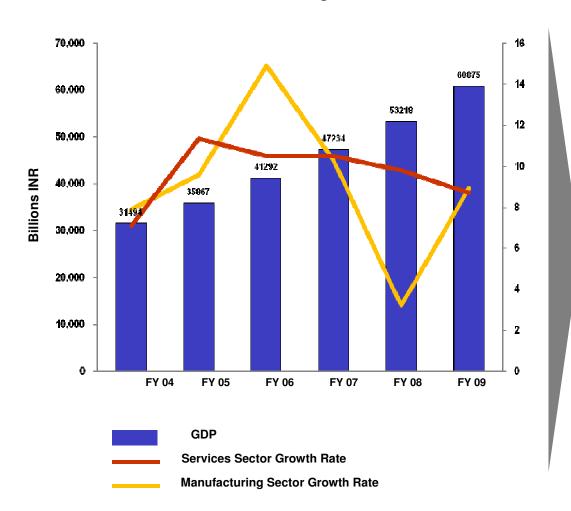
# **Environment**

## **Environment overview**

	Business cycle and Economic Environment	Demographics and GDP per capita	Internet penetration	Competition
(naukri.com	✓		✓	✓
Quadrangle	$\checkmark$		$\checkmark$	✓
(naukrigulf.com	✓			✓
briji.com			✓	✓
Firstnaukri.com		✓	✓	✓
Jeevansathi.com We Match Better		$\checkmark$	$\checkmark$	✓
99acres.com	✓		✓	✓
allcheckdeals.com Property deals made Simple & Transparent	$\checkmark$		✓	✓
shiksha.com		✓	✓	✓

## Business cycle and economic environment

#### India's GDP growth ~8%



#### **Highlights**

- ■India less impacted by the meltdown.
- •Indian recovery faster than rest of the world.
- ■India's GDP CAGR(%) of 6.2% from 1991-2008, in sharp contrast to the developed world
- ■With Indian economy expected to clock >7.5% GDP growth this fiscal year, India estimated to be a \$4 trillion economy by 2019.
- •Government planning to pump \$100 billion into infrastructure development, thereby creating a cascade of jobs

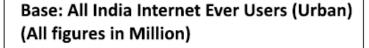
## Demographics

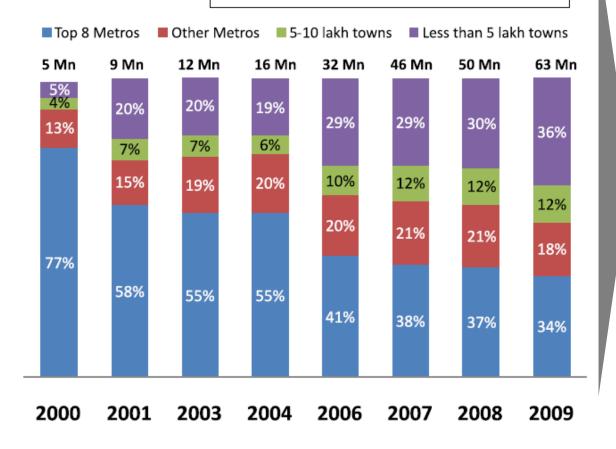


#### **Highlights**

- ■India is among the world's youngest nations with a median age of 25 years.
- ■Youth population(15-35) of India is growing at a rate of almost 37.9%.
- •According to the World Fact Book, India is projected to have 70% of its population in the working class category by 2030.
- India will see 70 million new entrants to its workforce over the next 5 years.

## Internet penetration (1/2)



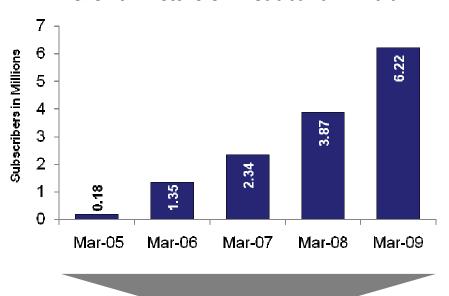


#### **Highlights**

- ■From 5% in 2000 to 36% in 2009, internet has made an impact in lives of small town.
- •Given the continuous growth of internet users over the years, the smaller town have overtaken Top 8 Metros in Internet Usage (indicates that internet has reached to rural masses in India).
- •Government initiatives of e-kiosks and increasing number of cyber cafes has created interest among small town people.

## Internet penetration (2/2)

#### **Growth Picture of Broadband in India**

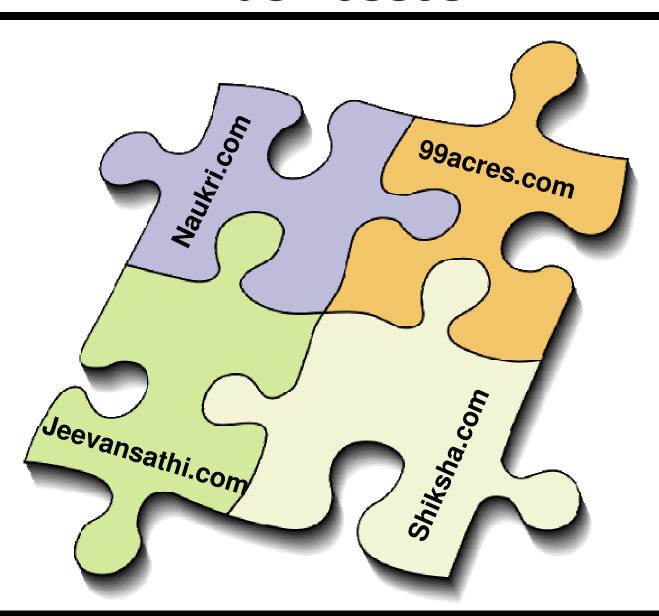


- India's Internet consumer profile mix is changing to broadband and heavier usage
- About 2.35 subscribers added in 2008-09 with growth rate of 60.72%
- Government of India plans 250 M broadband connections by 2012

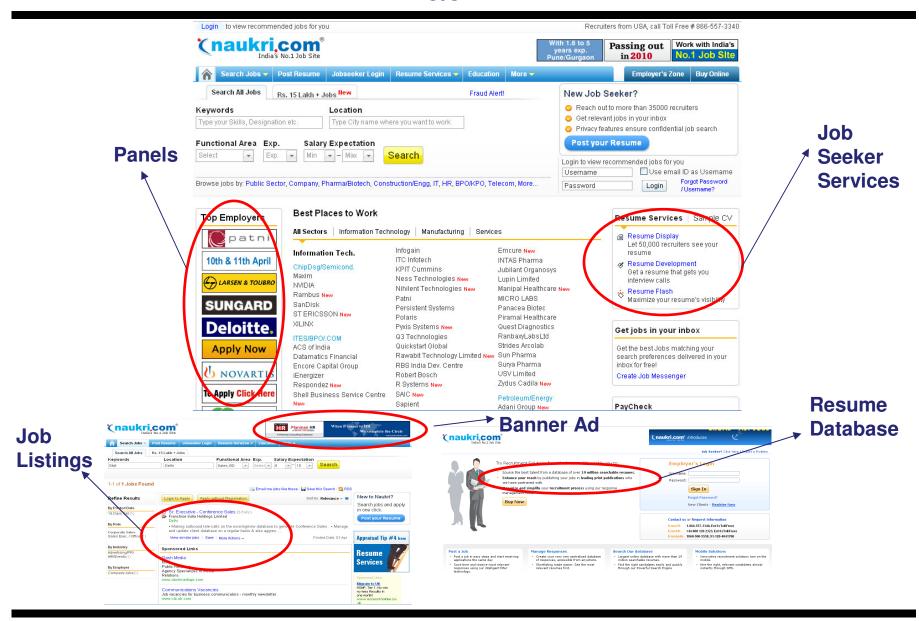
#### Implications for Info Edge

- Significant user base coupled with headroom for growth.
- Penetration of broadband increasing.
- 3G and wireless broadband expected to go live within the next few months.
- Mobile phone penetration already exceeds 500M – with 3G expected to explode for high end applications.
- Broadband Users engage in multiple internet activities on a daily basis & their consumption behavior.
- Penetration of wireless in telecom has enabled a growth of 0.06 per cent of the GDP in India whereas it has contributed 0.04 per cent of GDP in China.

# Businesses



## Naukri



Source: http://www.naukri.com/

### Naukri - Overview

# **Current** Highlights

- Dominant player strong brand, largest database, most clients, highest traffic share, largest no. of jobs, sales network, product/technology innovation
- Growth of 24% in revenue in Q1 and increase in deferred sales revenue

#### Revenue Model

- Major
  - Job listing and Employer Branding/ Visibility
  - Resume Database Access
- Others:- Job Seeker Services, Google Ad sense, Advertising other than for jobs, Mobile revenues, Resume short listing and screening

#### Competition

- Naukri has increased the competitive gap
  - In Nov 2007, there was a 10% traffic share gap between Naukri and MonsterIndia / Times Jobs
  - In early 2010, the gap with Monster India increased to 35%, with Times Jobs to 50%

# Market Dynamics

- Competition adversely impacted by the slowdown
- Signs of recovery and increase in activity

#### **Market Size and Potential**

- Large market
- Growth in economy/IT/ITES to drive online job market
- Naukri flagship product flanked by 4 support products
- Overall growth to continue due to internet penetration & India demographics

#### **Risks**

 Threat from Monster's semantic search (Trovix) technology proposition and Linkedin becoming active in India.

## The Indian job market is a US\$ 1 billion opportunity

#### Indian job search market overview

#### **Key Components**

- Types of Recruitment Channels:
  - Employee referrals
  - Recruitment Agencies
  - Print
  - E-recruitment
  - Others
- Largest Market share ⇔ Recruitment Agencies
- Market share of Print is declining while that of Erecruitment is growing
- 10-12% jobs are generated online of which 75% can be found in other distribution channels ~ Print, Recruitment Agencies

#### **Trends and Outlook**

- Stimulus Packages generated 20% new jobs (white collar and blue collar) in Oct'09-Jan'10.
- Net Employment Outlook in Q1 2010 is 36%. One of the highest in the world
- India has over 350 universities and 17,600 colleges
- Over 2 Mn Graduates every year

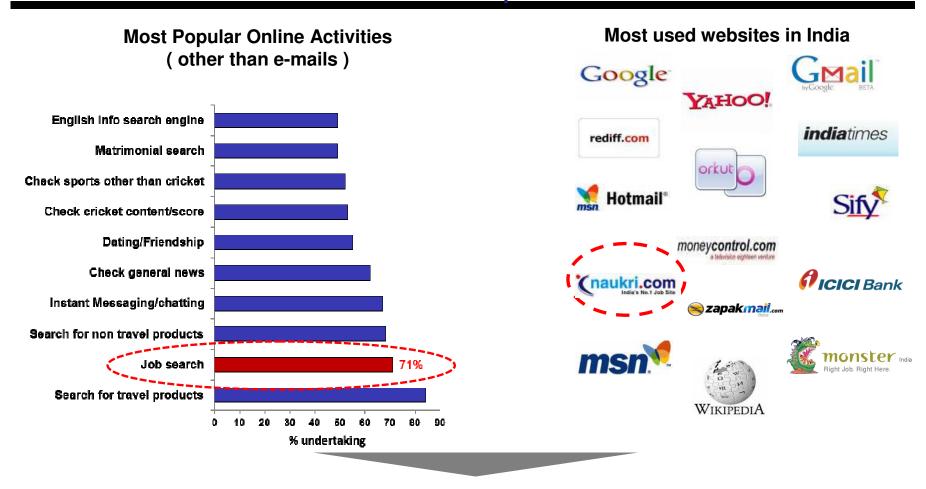
# Sectoral Employment Trends

- Top 5 sectors which recorded highest growth in job-creation (white collar and blue collar) in Oct'09-Jan'10:
  - Academics
  - Advertising/Event Management
  - IT/Hardware
  - Research/
    - Consultancy
  - Engineering

#### **E-recruitment Trends**

- The estimated Market-size had increased from INR 1450 M (2005-06) to INR 5060 M (2008-09), a 36% CAGR
- The online job-seeking population has logged an increase of a 39% CAGR, from 6 M (2005-06) to 23 M (2008-09)
- More than 50% contribution comes from Recruitment Consultants
- IT / ITeS Sectors have the largest job-listings ~ > 24%

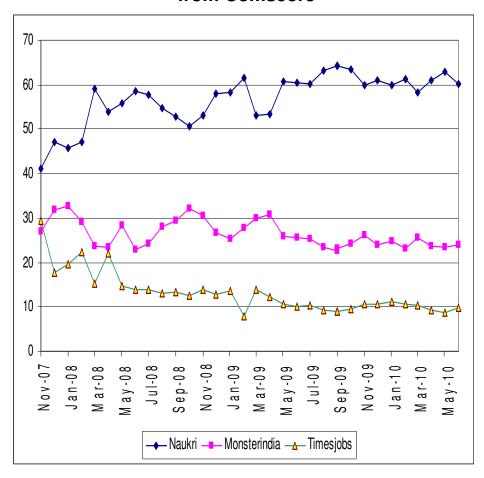
# Online job search is a popular activity and Naukri has the dominant position



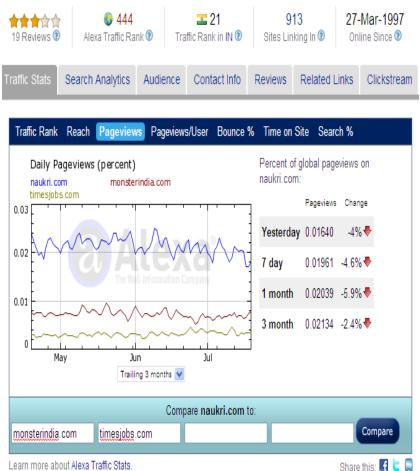
- Job Search is second popular activity on the Internet in India
- Naukri is one of India's most used websites

# Naukri has gained market-share and is a clear # 1 with 60% traffic-share

## Traffic Share of various recruitment sites from Comscore

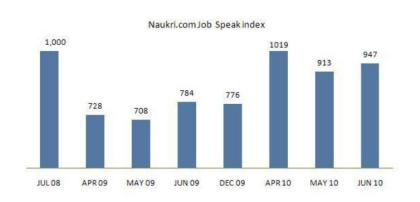


## Traffic Share of various recruitment sites from from Alexa



## Hiring is back

#### Naukri Job Speak Index (New Jobs)

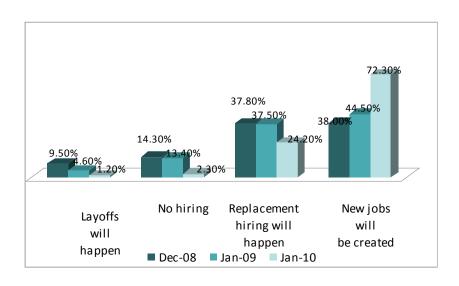


Index Total no. of new jobs posted in July 2008 was scaled to 1000. Index for subsequent months is relative to July 08.

Total no. of new jobs posted in July 2008 was scaled to 1000. Index for subsequent months is relative to July

- Naukri created an in-house index based on utilisation of listings on its site ("Naukri Job Speak Index")
- The index continues to move up with bumps though

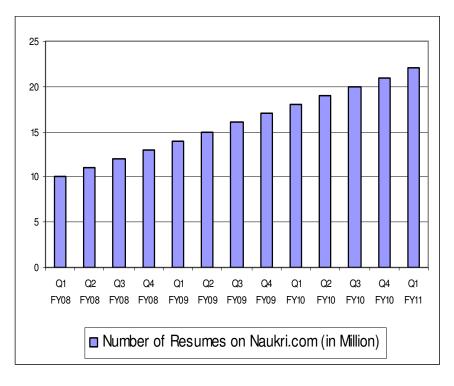
#### Naukri hiring survey



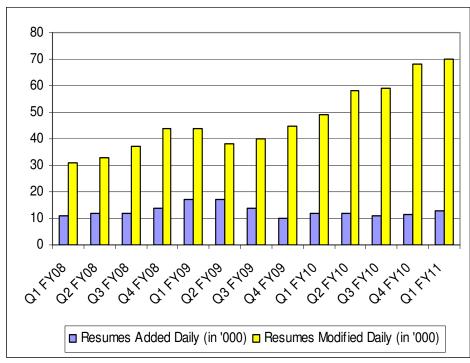
- Survey of recruiters conducted by Info Edge India Limited:-
- √ January 2010 (sample size of 900)
- √June 2009 (sample size of 922)
- ✓ December, 2008 (sample size of 1600) on hiring outlook for calendar year 2009.

## Naukri.com has performed on key-metrics

# Number of candidate resumes has grown consistently



#### Average daily resumes added and modified



# Naukri is supported by four recruitment offerings thereby creating a full service in the jobs space



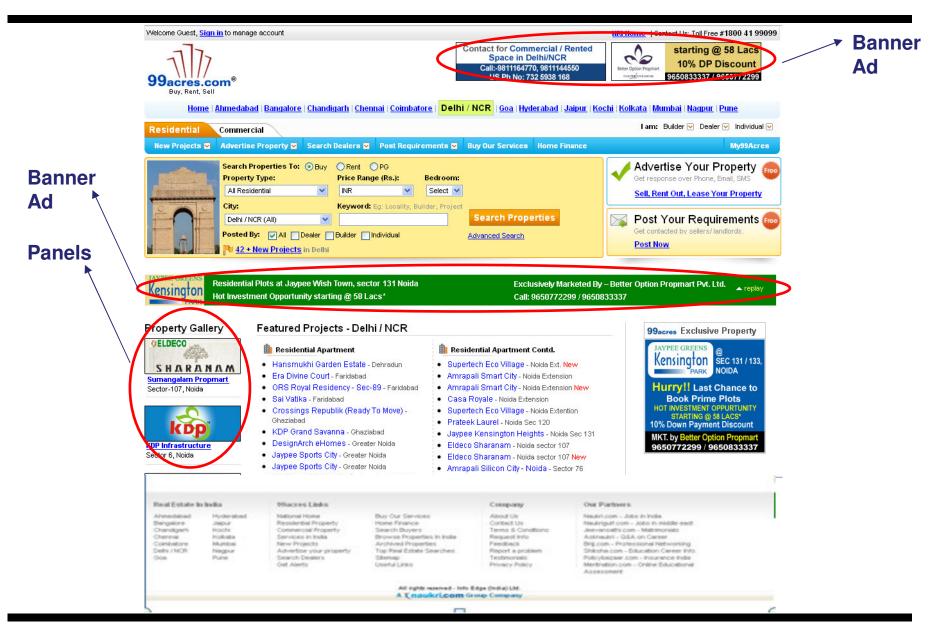






- Offline placement services for middle & senior management
- Revenues based on success fee model
- Complements online model
- Focuses on hiring of freshers from campus
- Launched commercially in last quarter
- Campus hiring is a fast growing segment in India
- Potential seen for shift from offline to online
- Focus on jobs in the Middle-East market
- Used by job seekers from various nationalities
- Large addressable market currently using print medium
- Supported by office in Dubai, Bahrain and Riyadh, Saudi Arabia
- Professional networking site
- 3.3 Million Registered Profiles

### 99acres



Source: <a href="http://www.99acres.com/">http://www.99acres.com/</a>

## 99acres: Overview

# **Current Highlights**

- Favorable macroeconomics for the housing market:
- Increase in middle income/high income households, Increasing urbanization, availability of easy finance
- Increase in traction in all real estate clusters

#### Revenue Model

- Most revenue from developers, builders and brokers
- Revenue from:- Property listings,
   builders/brokers branding and visibility –
   Microsites, home page links, banners, others like
   buyer database access, international listings
- Site has traction for residential, primary & secondary, sale and purchase
  - To develop for commercial and rental markets

#### Competition

- Head to head competition with Magicbricks.com
- Indiaproperty.com, makaan.com impacted during slowdown

# Market Dynamics

- Competition adversely impacted by the slowdown 99acres now in mid 40% in traffic share
  - gap widening vis-à-vis competition (Comscore data),

## Opportunities & Market Potential

- Significant potential to gain from non housing market / commercial real estate
- Opportunity in the primary property market.
  - Indian cities and suburbs witnessing lot of construction

#### **Risks**

Quality of listings

# 99acres is emerging to be the largest brand in its segment

## Traffic Share of various Real estate/ Property sites based on Comscore data

# 60 50 8 20 10

indiaproperty.com — magicbricks.com — makaan.com

## Traffic Share of various Real estate Property sites from Alexa



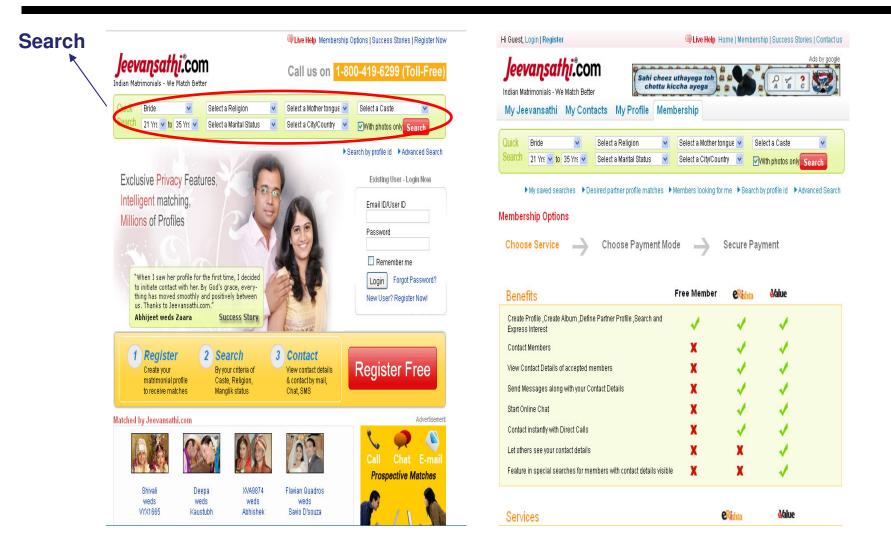
Highest traffic share amongst all the real estate/ property sites

## 99acres is currently gaining traffic share

#### **Market drivers**

- Rising disposable incomes, financing terms and growing population
- Powerful demographic impetus, infrastructural development, IT/ITES Industry, increasing urbanisation
- Growing economy, increased commercial activity coupled with rising number of business and leisure travelers
- Growing middle class, consumerism, macro economic policy decisions such as allowing FDI

### Jeevansathi



JS Home Page

JS Membership Options page

Source: <a href="http://www.jeevansathi.com/">http://www.jeevansathi.com/</a>

## Jeevansathi: Overview

# **Current Highlights**

- The matrimonial market in India is highly fragmented
- It presents a fundamentally large opportunity, unlike the West the dominant form continues to be "arranged" marriages by parental consent

#### Revenue Model

- Website
  - Free to list
  - Free to search
  - Free to express interest
  - Free to express others expression of interest
  - Pay to get contact details
- Offline centres (14 centres operational)
  - Walk in sales for matching services

#### Competition

- Shaadi.com leads the market
- Jeevansathi is #3
- Competition with Bharatmatrimony, Simplemarry and lot of small players online.

# Market Dynamics

- Online payments can be made only via credit cards – Credit card penetration issue
- The moment user finds a partner, he or she has no reason to visit the site again One time transaction

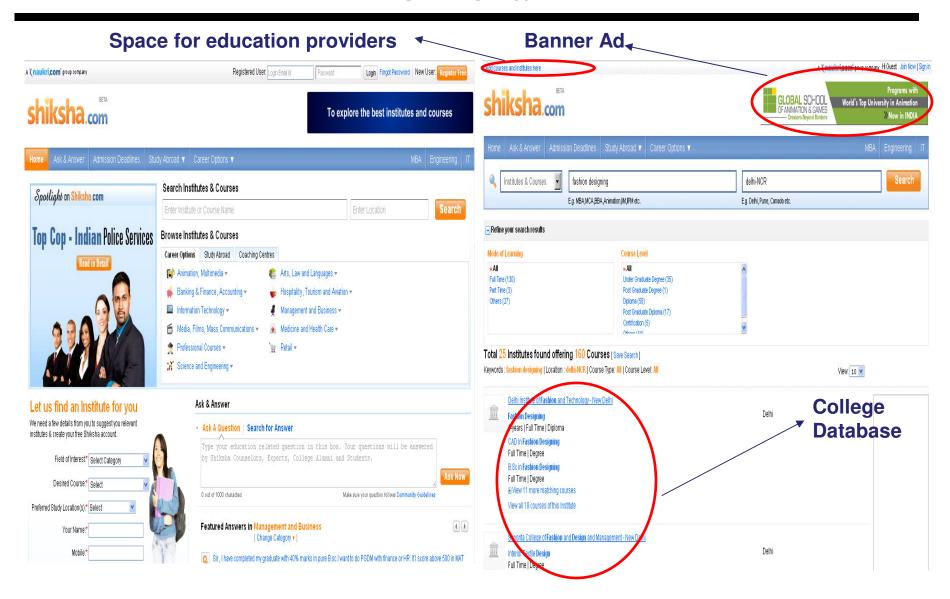
## Opportunities & Market Potential

- Around 450 million people in India are below the age of 21 – Young Population
- The dominant tradition is that of arranged marriages— Socio-Cultural factors
- Rapid Internet growth and broadband penetration

#### **Risks**

- Lot of players entering market with specific focus on communities in India
- More players depend on traditional sources like marriage houses, print and relatives contacts.

## Shiksha



Source: <a href="http://www.shiksha.com/">http://www.shiksha.com/</a>

### Shiksha: Overview

#### Current Highlights

- Private sector participation increasing in education
- Demand for education and eduinfo services increasing due to increase in Enrollment in Secondary Education in India

#### Revenue Model

Information exchange

#### Competition

- Competition with Minglebox and other educational info service websites like Pagalguy
- Competitors are innovating fast into different verticals due to uncertainity in Educational classified space as advertisers are very local to their needs.

## Market Dynamics

Market emerging- Niche sites operational

## Opportunities & Market Potential

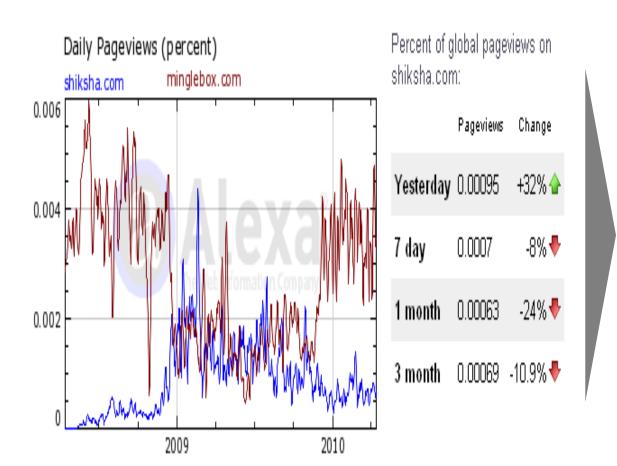
- Total spend on online classifieds, by Education, in India is only Rs. 400 M while total advertisement spend is ~ Rs. 25 Bn.
- Largest category in advertising

#### Risks

Adoption of the medium

## Shiksha: Competitive scenario and traffic share

## Traffic Comparison between Shiksha and Minglebox, a close competitor



#### **Key Features of Shiksha**

- ■Launched in May 2008
- Overall 110,000 listings aggregated
- Product feedback encouraging
- Offices in 11 cities

#### Challenges:

- Large market dominated by Print
- Weekly supplement in English dailies
- ■Three categories of Advertisers
- Indian education players ( Universities and Institutes)
- Test Prep and Coaching institutes and
- Overseas Universities/Colleges targeting Indian Students

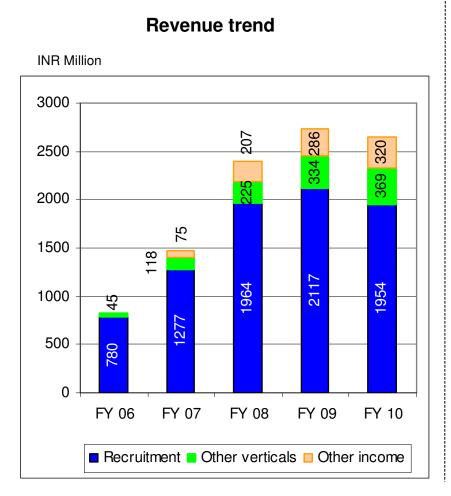
#### **Advantages:**

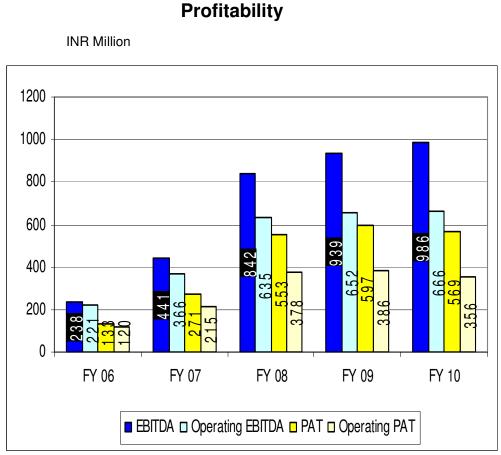
- Advertising spend bigger than real estate
- Likely to be affected in current slowdown

Source: Alexa.com

# **Company Financials**

## Consistent long-term growth in Revenue / Profitability

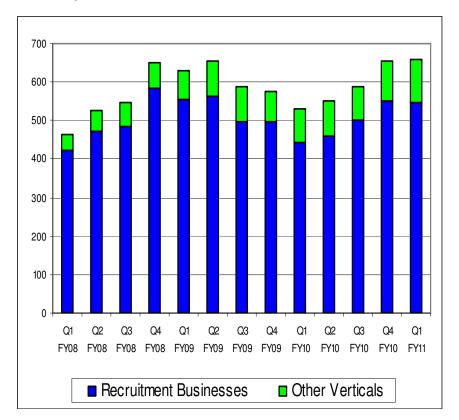




# Growth momentum interrupted by slowdown; Clear signs of recovery in last 3 quarters

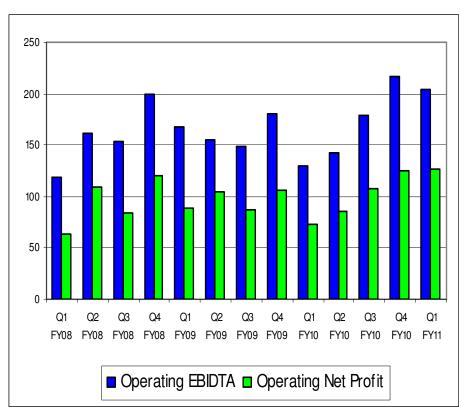
#### Quarterly Operating Revenue Trend Last 3 Years

**INR** Million



#### Quarterly Operating Profitability

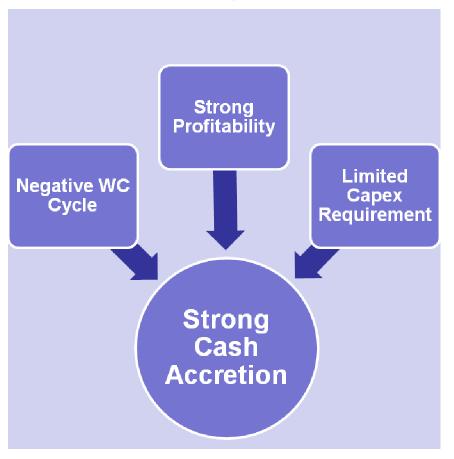
**INR Million** 



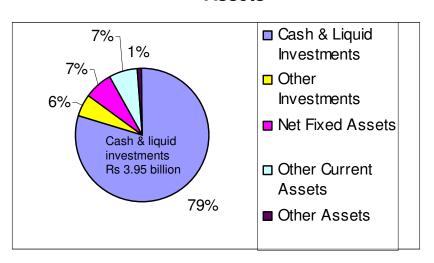
Margins were sustained during the downturn

# Info Edge has always maintained a strong balance sheet and strong cash flows

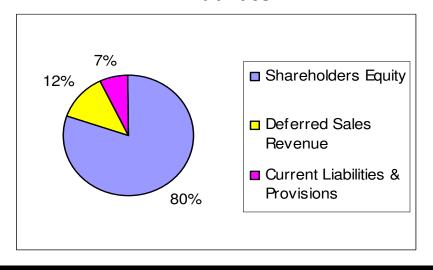
## Fixed Cost Model and Profitability has led to a strong cash accretion



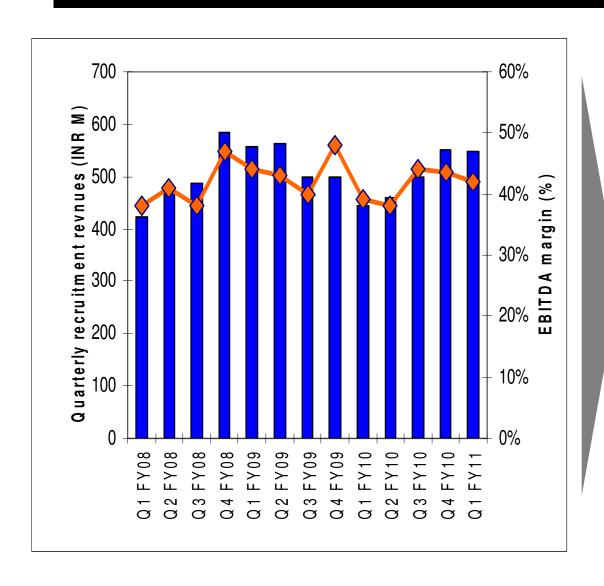
#### **Assets**



#### Liabilities



## Recruitment: Profitability to start improving

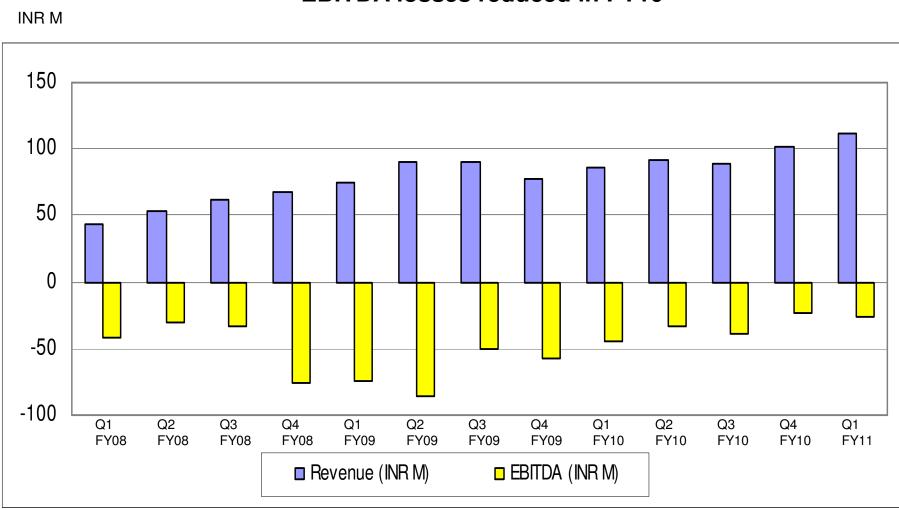


#### **Highlights**

- Consistent growth in recruitment revenue in FY 08.
- Revenues & margins impacted by economic slowdown in FY 09.
- Back on growth track in FY 10

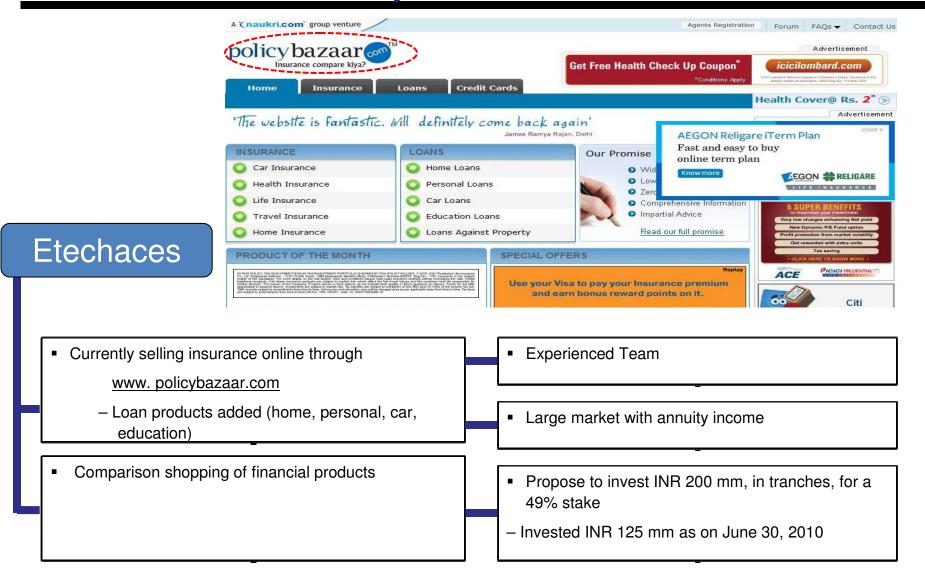
## Improving financial performance of Non Recruitment Businesses

#### ~ EBITDA losses reduced in FY10

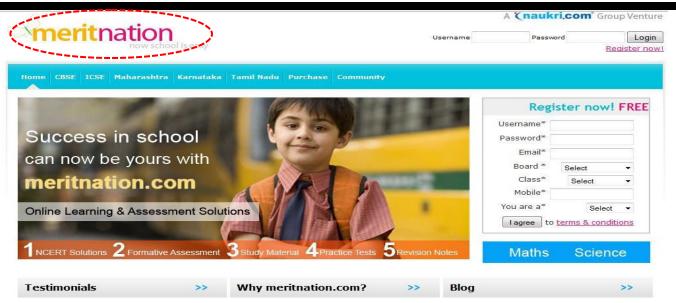


## **Investee Companies**

## Policybazaar.com



### Meritnation.com



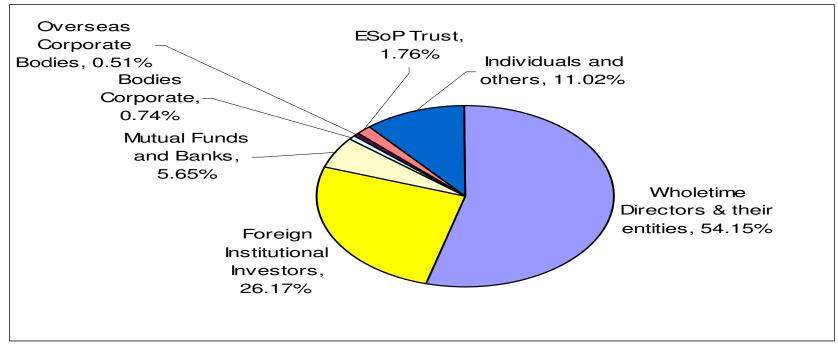
## **Applect**

- Launched www.meritnation.com
  - Commenced paid services for online educational assessment.
  - Provides free solutions mainly for mathematics and science for standard 6 to 12 of popular curriculum's viz. CBSE and ICSE.
  - Some State Board's curriculum added.

- Team experienced in development of education content, assessment modules and delivery.
- Large addressable market.
- Invested Rs 65 mn for a 40% stake
- Invested Rs 50 million by way of optionally convertible debenture

## **Team and Governance**

# > 50% share-holding with the Founding management group and ~25% with FIIs



Equinox	5.68%
Reliance Mutual Fund	4.15%
Fidelity Funds	3.99%
T Rowe Price	3.18%
Matthews	3.12%
DSP Blackrock Mutual Fund	1.19%
Acacia Partners	1.03%

### Founders committed to growing the company

### **Board of Directors**

#### Whole time

#### Sanjeev Bikhchandani (47)

Managing Director and CEO BA Econ. St. Stephen's. PGDM IIM-A Previously with GlaxoSmithKline

#### Hitesh Oberoi (38)

Whole Time Director and Chief Operating Officer B.Tech IIT Delhi, PGDM IIM-B Previously with HLL (Unilever)

### Ambarish Raghuvanshi (48)

Whole Time Director and Chief Financial Officer CA, PGDBM XLRI Previously with Bank of America and HSBC

#### **Non Executive**

#### Kapil Kapoor (45)

Chairman & Non Executive Director

B.A.Econ, PGDM IIM-A

Global COO, Timex Group

#### Independent

#### Saurabh Srivastava (64)

Independent Director B.Tech IIT Kanpur, M.Sc Harvard Founder IIS Infotech (Now Xansa) NASSCOM, TIE

#### Arun Duggal (63)

Independent Director B.Tech IIT Delhi, PGDM IIM-A Previously with Bank of America & HCL Technologies

#### Ashish Gupta (43)

Independent Director
B.Tech IIT Kanpur,
Ph.D. Stanford
Partner, Helion Venture
Partners

#### Naresh Gupta (43)

Independent Director

B Tech IIT Kanpur, Ph.D, University of Maryland

MD, Adobe India

#### Bala Deshpande (44)

Independent Director
MA Econ., MMS JBIMS
Sr. MD, New Enterprise
Associates (NEA)

## Management Team

- **❖Sanjeev Bikhchandani**, 47, *Founder and Executive Vice Chairman*, BA Economics St. Stephens, PGDM IIM-A. Previously with Glaxo Smith Kline. Year of joining 1995
- ❖Hitesh Oberoi, 38, Managing Director & CEO, B Tech, IIT Delhi PGDM, IIM-B. Previously with HLL (Unilever). Year of joining 2000
- \*Ambarish Raghuvanshi, 48, *Group President Finance and CFO*, CA, PGDBM XLRI, Previously with Bank of America and HSBC. Year of joining 2000
- **❖Sudhir Bhargava**, 41, *SVP Corporate Finance*, *BE, MBA (FMS, Delhi Univ). Previously with HSBC, ICICI Bank. Year of joining 2006*
- **❖Vivek Khare**, 39, **SVP Corporate Development**, M. Sc (Physics) IIT Kanpur, PGDBA-Birla Institute of Management Technology. Year of joining 2000
- **❖Shalabh Nigam**, 38, *SVP Technology 99acres, Shiksha, Brijj*, *B Tech, IIT Kanpur. Previously with Baypackets. Joined in 2007*
- ❖Vibhore Sharma, 36, SVP Technology Naukri, Firstnaukri, B Sc, IGNOU. Previously with Pioneer.
  Year of joining 2001
- ❖Vineet Singh, 38, SVP 99acres, Naurkigulf, PGDBA IPM. Previously with Xerox. Year of joining 2000
- ❖V Suresh, 38, SVP Naukri, BE, Masters in Management, Sathya Sai Institute of Management. Previously with Xerox. Year of joining 2001
- ❖Harveen Bedi, 38, SVP Quadrangle, PGDBA-Birla Institute of Management Technology. Previously with Nestle. Year of joining 2002
- ❖Vivek Jain, 36, SVP Analytics, B Tech, IIT, PGDM IIM B. Previously with Adobe, IBM, ICICI Securities. Year of joining 2010
- ❖Sharmeen Khalid, 39, SVP HR, MBA, IRMA. Previously with Polaris. Year of joining 2006

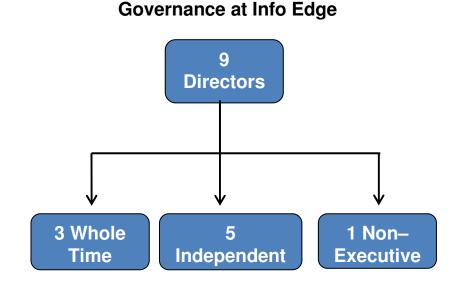
## Management Team

- ❖Rajesh Khetarpal, 37, VP Finance, CA. Previously with Bharti. Year of joining 2007
- **❖Rohit Manghnani**, 35, *Business Head Jeevansathi*, *B Com, MBA (FMS, Delhi Univ)*. *Previously with Home Shop 18. Year of joining 2010*
- ❖Manoj. P, 36, VP Sales Naukri, MBA Xavier Institute of Management and Technology, Bangalore.
  Previously with Taal Software. Year of joining 2002
- ❖Dinesh Padmanabh Kumar, 34, VP Sales 99acres, MBA. Previously with Notre Advtg, Year of joining 2002
- ❖Nishant Pandey, 34, VP Product Development Naukri, B Tech IIT, MBA ISB. Previously with Schlumberger. Year of joining 2008
- ❖Arif, Ismail Parker, 35, VP Sales Naukri, BA. Previously with ITNation.com. Year of joining 2000
- ❖Prakash Sangam, 34, Business Head Shiksha, BE, PGDM IIM C. Previously with Bharti, HLL (Unilever). Year of joining 2008
- **❖Deepali Singh**, 36, *SVP Firstnaukri*, *B Sc, LLB, Delhi University, PGDBA, IPM. Previously with Aptech, Year of joining 2000*
- **❖Sumeet Singh**, 36, *VP Marketing*, BBA, MBA. Previously with CII. Year of joining 2007
- \*Amit Gupta, 35, Company Secretary, CS, LLB, Previously with Indraprastha Gas Ltd. Joined 2006

## Corporate Governance

#### **Key Features of Governance**

- Separation of Chairman and CEO role.
- Statutory Audit performed by PWC
- Internal audit performed by an external firm
- 5 Independent Directors out of 9 Directors.
- Audit committee comprises of only Independent Directors.
- Disclosure of financial statements viz.
   balance sheet and cash flow
   statements every quarter even
   though not mandatory.



## **Investor Relations Contacts**

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