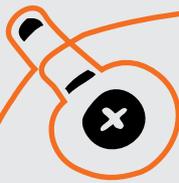




Making search do more

12-13
Annual Report

Just Dial Limited



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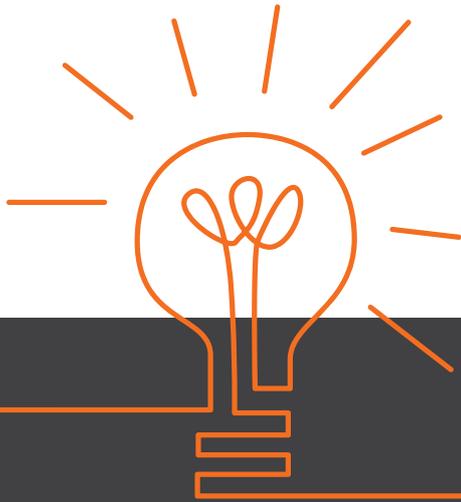
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Our needs are many and ever growing.

Besides, in a fast-paced world, we don't have much time to spare.

In such a scenario how do we get the best products and services locally, without depending on personal contacts? The result is a need for a free, fast, reliable and comprehensive information repository that can bridge the local buyers and sellers and accelerate market growth.

The answer to that need is Just Dial. Every day, we address search requests from millions of users across various platforms. Our services

are offered across India's various cities and towns, leveraging an advanced and scalable technology platform, expanding online community, long operating history and a proven monetisation model.

Our advertisers and users depend on our quick and effective services and this precious trust has enabled us to emerge as India's number 1 local search engine.

Every moment we are trying hard to make your search

achieve more.

India's most preferred Search Engine



Brand Just Dial

Headquartered in Mumbai, India, we pioneered local search services since 1996. Today, millions of users and advertisers depend on our services and we play a critical role in helping drive the growth of micro, small and medium enterprises across India's towns and cities.

Vision

To provide fast, free, reliable and comprehensive information to our users, connect buyers to sellers and provide a quality lead generation platform for various local businesses.



Multiple Service Platforms

	Search mode	Number of searches*	Average searches/visits per day*	Accessibility
 Internet	Internet-based through a comprehensive website	Total visits* 183 Million	Average visits per day* 5.5 Lakhs	Accessible through website www.justdial.com
 Mobile internet	A dedicated mobile application as well as mobile portal	Total visits* 42 Million	Average visits per day* 1.3 Lakhs	Accessible through mobile application <ul style="list-style-type: none"> ■ Just Dial app on iPhone and Android platform
 Voice	Voice calling through hotline numbers	Total voice searches* 139 Million	Average searches per day* 3.8 Lakhs	Accessible through hotline numbers <ul style="list-style-type: none"> ■ 08888888888 ■ 69999999

*Figures for FY 2012-13

Managing Director's Insight



DEAR FRIENDS,

IT IS INDEED A PROUD MOMENT FOR ME TO ADDRESS ALL OF YOU IN THE FIRST ANNUAL REPORT FOR JUST DIAL LIMITED AS A LISTED ENTITY. AT THE VERY OUTSET, I WOULD LIKE TO THANK EACH OF OUR SHAREHOLDERS WHO HAVE REPOSED THEIR TRUST IN THE COMPANY DURING THE INITIAL PUBLIC OFFERING (IPO). IT WAS INDEED HEARTENING TO RECEIVE SUCH AN OVERWHELMING RESPONSE FROM THE INVESTOR COMMUNITY.

In the last 16 years since inception we have evolved considerably, widening and deepening our reach and enhancing our bandwidth of services. In all these years, we have consistently enhanced our capabilities to deliver with speed and accuracy.

The global economic scenario remains challenging at least for the medium term. On the other hand, India's economy faced huge roadblocks, which subdued the growth rate to 5%, a decadal low. Persistent inflation, fiscal and current account deficits and policy uncertainty have contributed to this dismal performance of the economy. Besides, the Indian currency vis-à-vis the dollar has hit historic lows, creating further reasons for temporary instability.

Despite challenges, India's long-term growth prospects remain bright. Three important factors are expected to drive the country's economic prosperity. First, the country's demographic profile will play a major role to accelerate economic growth. Our country is poised to emerge as the world's youngest country in the next seven years with around 464 Million people expected to be between 15 and 35 years by 2021. Second, infrastructure creation in the telecom sector has also played an important part in connecting millions of people and helping elevate their quality of life. The tele-density in the country has increased from a mere 37% in FY 2008-09 to 73% in FY 2012-13.

A combination of affordable handsets and lower voice tariff has ensured deeper and broader penetration of mobile phone usage across India. Finally, there has been a steady increase in internet penetration, which is still considered to be at a



OUR OVERALL SEARCH REQUESTS RECORDED A GROWTH OF 43% TO 364 MILLION FROM 254 MILLION IN FY 2011-12.

nascent stage. While we stand at a low internet penetration of 11% (compared to 78% in the US), it is expected to reach 30% by FY 2015-16. These factors offer India and its economy an unparalleled edge in the coming years.

I am pleased to inform you that we registered an outstanding performance in FY 2012-13, despite a tough operating environment. Our overall search requests recorded a growth of 43% to 364 Million from 254 Million in FY 2011-12. Active campaign grew to approximately 206,500 as at March 31, 2013 (from approximately 171,100 as at March 31, 2012). Our total income recorded a growth of 37% to ₹ 376 Crores from ₹ 275 Crores. Our Profit after tax touched ₹ 68 Crores (₹ 70 Crores after adjusting for exceptional item) from ₹ 50 Crores in FY 2011-12.

Your Company has immensely benefited by the mobile and internet revolution in India. Our voice searches grew from approximately 71,000 calls a day in FY 2006-07 to an average of ~381,000 calls a day in FY 2012-13. Since the launch of our internet platform in 2007, today 61% of our total usage (around 1 Million/day) come from the internet platform (both PC and mobile). Both PC and mobile internet use recorded a very high growth rate in the previous year. PC internet recorded a growth of 47%, reaching total search requests of 183 Million for FY 2012-13; while mobile internet recorded a growth of 208% to 42 Million visits in FY 2012-13. The changing mix of search request, (with increasing searches through internet platform and, more particularly the mobile internet platform) not only enhances the overall search experience with user reviews, ratings, photos, videos and so forth, but also helps drive margin expansion for us.

To further enhance the user experience we started capturing user ratings of various businesses. I'm proud to share with you that as of August 31, 2013 we had around 29 Million ratings of various businesses. These ratings are mobile verified and are insulated from any form of manipulation. To the user these ratings and reviews provide a critical input in his/her decision-making process; to the SME it provides a valuable feedback about his/her service. We have also integrated the social media into the ratings by allowing the users to view their friends' ratings of various businesses through social platforms.

It is only logical for your Company to graduate to a level where we can offer conveniences beyond relevant search queries. Towards this end your Company is preparing to launch a number of products in the near future (particularly



OUR BELIEF IS THAT WITH CHEAPER SMARTPHONE HANDSETS AND FALLING DATA PLANS, THE NEXT WAVE OF INTERNET GROWTH AND EVOLUTION WILL BE THROUGH SMARTPHONES.

on internet platform) through which a user will be able to perform various transactions (like ordering food, fixing doctor's appointment, ordering grocery or booking a cab or a movie ticket). These advantages can be availed through a single common application called the 'master app'. These products and features will only deepen our engagement with users and ensure a higher level of loyalty with our brand.

Our belief is that with cheaper smartphone handsets and falling prices of data plans, the next wave of internet growth and evolution will be through smartphones. We are positioned to leverage this changing landscape in internet penetration to fulfil the needs of both our users and SME advertisers when it comes to local commerce.

I would like to thank our ever increasing fraternity of users for the trust they have reposed in us. I am also grateful to the SMEs who continue to invest in us for lead generation. Finally, I must congratulate the Just Dial Team for performing with dedication and courage and making us the No. 1 local search company in India.

I am excited by what the future holds for us: the increasing internet penetration, powered by mobile internet; people focusing on self-help in a fast-paced world; and India's young population driving the attractiveness of platforms like Just Dial for the SMEs. We are well poised to leverage our brand and ensure that we continue to play a significant role in bridging the gap between millions of users and a large pool of otherwise anonymous SMEs.

I am confident that a year from now, we will definitely be closer to achieving the status of being an integrated one-stop solution provider, going beyond the search mode. We are optimistic to capitalise on one single transformation in the country – what we call offline to online.

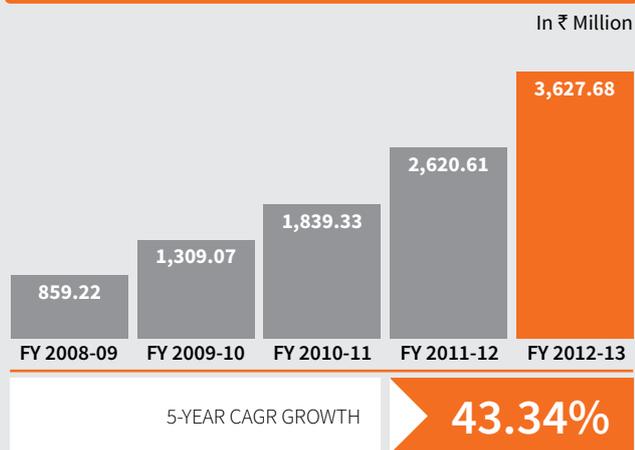
Regards,

V.S.S Mani

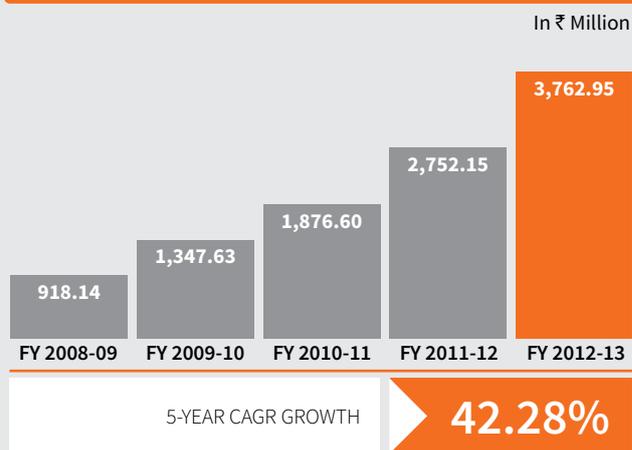
Managing Director

Financial Momentum

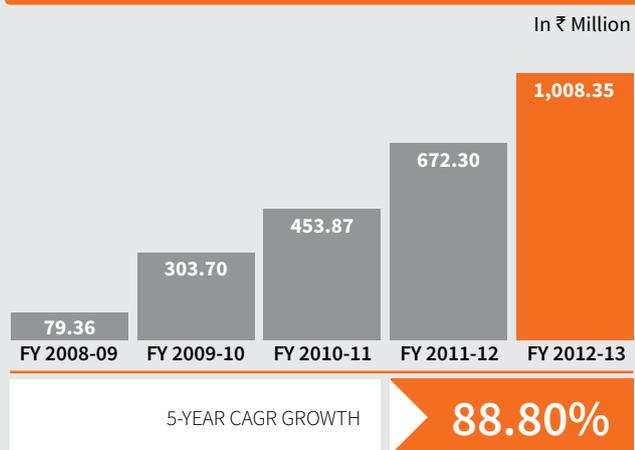
Operating Revenues



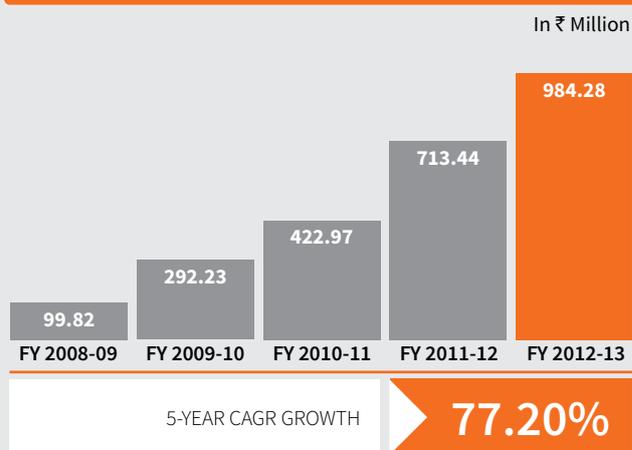
Total Income



Operating EBITDA*

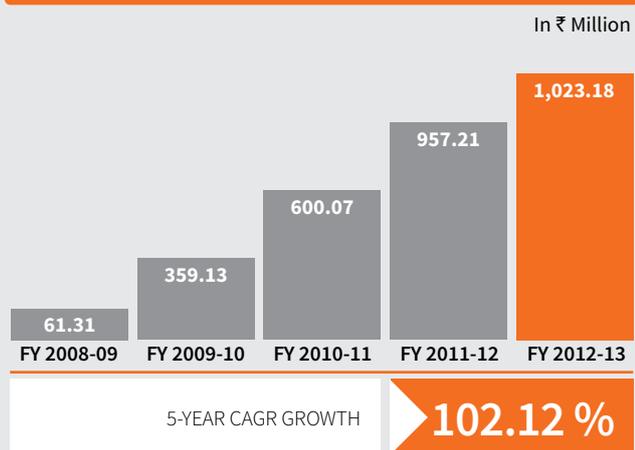


Profit before Tax

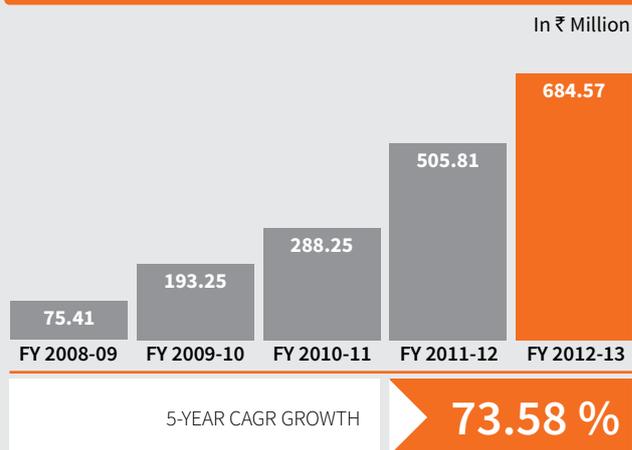


*Operating EBITDA is arrived at by reducing operating expenses viz. employee expenses and other expenses from operating revenue. It does not include interest, taxes, depreciation and amortisation expenses or other income

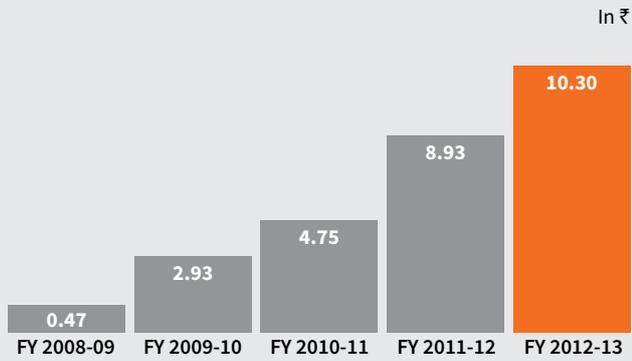
Net Cash Flow from Operations



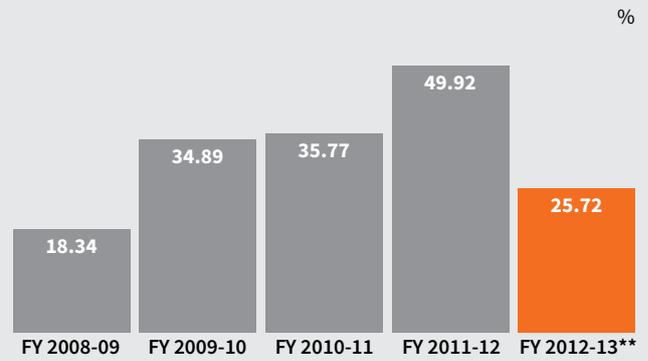
Profit after Tax



Earnings per Share (basic)



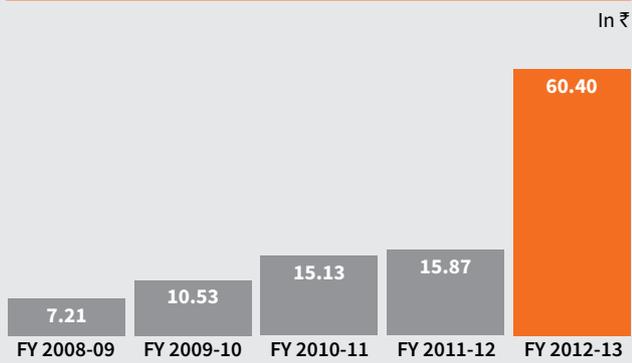
Return on Net Worth*



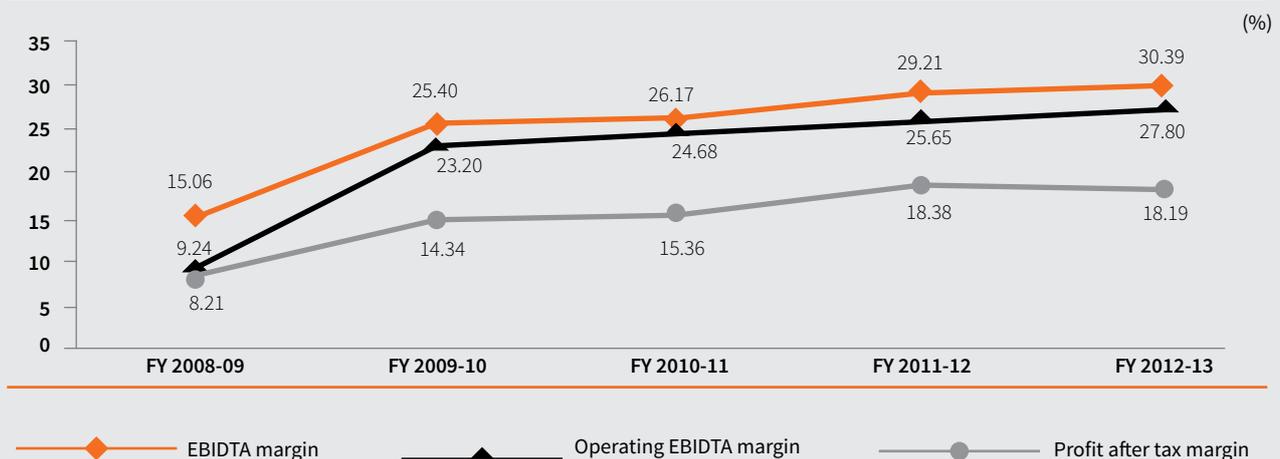
*Based on Average Net Worth at the end of the period.

**RONW decreased in FY2012-13 due to issue of shares during the year

Net Asset Value per Share



Margins at a Glance



Bright Progressive Thinking

1993

A&M Communications Pvt. Ltd. was incorporated

1996

Commencement of local search services in Mumbai with the telephone number- 8888888

1997

The brand 'Just Dial' was registered

2000

Secondary sale of 50% stock by the Promoters to Indiainfo.com Pvt. Ltd.

2006

Investment of ₹ 546.9 Million by SAIF II Mauritius Company Ltd. (SAIF)

2006

Renamed the Company from A&M Communications Pvt. Ltd. to Just Dial Pvt. Ltd.

2007

Launched the Company's website
www.justdial.com

2007

Launch of mobile internet and
SMS based search services

2007

Investment of ₹ 165.3 Million by
Tiger Global Four Holdings and
Tiger Global Principals Ltd. and
second round of investment of
₹ 40.1 Million by SAIF

2009

Investment of ₹ 383.5 Million by
Sequoia Capital India Investments
III (Sequoia Capital), ₹ 308.8 Million
by Tiger Group and ₹ 95.9 Million
by SAIF

2011

Investment of ₹ 166.9 Million
by SAPV (Mauritius) and ₹
166.9 Million by EGCS Invest-
ment Holdings

2012

Investment of ₹ 3,269.5 Million
by Sequoia Capital India Growth
Investment Holdings I, SCI Growth
Investments II and second round
of investment by SAPV (Mauritius)

2013

The Company's Initial Public Offer
(IPO) (through 100% offer for sale)
was oversubscribed more than 10
times, raising ₹ 9,191 Million.

Fulfilling needs. Sharpening edge.

Pioneer **16+ years of experience**

Established in 1996, we started our commercial operations since 1997, pioneering local search services in India. With more than 16 years of experience, today we are a trusted brand for local search service in the country.

Brand **Numero-Uno**

Our longstanding presence in the local search market, coupled with consistent delivery of quality service, has enabled us to become the dominant industry player. Increasing number of searches, primarily through word of mouth, reflects our strong brand recall.

Quality Lead Generation **9+ Million business listings**

Our platform enables SMEs listed with us with quality lead generation. Our direct and personalised service with the SMEs has resulted in more than 9 Million listings today. Our ability to provide a measurable metric to our paid advertisers enables them to generate quality leads in a cost effective manner.

Multi-platform Offerings **Only one in the country**

We specialise in addressing the requirements of users and facilitating the businesses of SMEs. We are the only search service enabling company in the country to provide the services through multiple platforms (four in total). We offer our services through internet, mobile internet, voice and short messaging services.

Technology

Fast, efficient and user-friendly

One of the key success factors to our business is the reliable, secure and scalable technology platform. Our operational excellence is derived from the strong technology infrastructure, which allows our users a unique search experience – fast, efficient and user friendly.

Solid Financial Model

Zero debt and negative working capital

Our efficient business model ensures continuity in subscriptions and cash flows from the advertisers. Advance payment by entities has ensured negligible receivable for us, enabling us to enjoy negative working capital model. With zero long-term borrowings and continued focus on capital efficiency, we have successfully executed our expansion plans with internal accruals.

Extensive Presence

11 largest cities in India (and expanding)

Starting with two cities in late 1990s, today we have listings across India. While we have a strong marketing presence in 11 major cities of the country and several other smaller cities, our constant endeavour is to keep expanding our services across various towns and cities in India.

Beyond search

Search and assist

We constantly endeavour to provide our users the best experience across all our platforms and deepen our engagement with them. We are moving up in terms of offering our services by not just offering a user with search information, but also assisting him/her with decision-making and enabling a smooth transaction on a single platform.

Making our business more interactive

JUST DIAL HAS IMPLEMENTED A UNIQUE RATING SYSTEM TO HELP USERS ACCESS VARIOUS PRODUCTS AND SERVICES IN A QUICK AND HASSLE-FREE MANNER. IT HAS A REAL-TIME RATING SYSTEM, UPDATING ITS DATABASE WITH THE RATINGS OF THE USERS IMMEDIATELY.

Connecting the dots of the local search, our review and rating system is unique in more ways than one. Our rating system allows users to submit their reviews of businesses, products and services on our portal through various modes. The update / rating has two advantages – one, it provides the subsequent user to have an understanding of the product or business; second, it enables the business listed to review the feedback and improve the services accordingly.

We have also integrated a social aspect into the rating process by enabling users to view their friend's ratings of various businesses and services. The friend rating process is quite significant as users move from a 'conversation-based' rating platform to a 'trust-based' rating platform.

Our ratings are updated with every repeat search our user makes. Once we deliver the required search result to the user, the user is asked to review his/her experience of the previous search. This makes our ratings democratic, comprehensive and trustworthy. In addition, our web portal allows users and businesses to view the ratings in the form of graphs (Bar and Line graphs) over a period of time. Today, we receive more than 45,000 ratings per day on just about anything that is listed with us.

STAR RATING

OUR PRESENT RATING METHODOLOGY HAS BEEN DEVELOPED AFTER DISRUPTING OUR SEVERAL PREVIOUS REVIEW SYSTEMS. WE UNDERSTOOD THE VALUE OF TIME AND THE TROUBLE OUR USERS WENT THROUGH BY WRITING LENGTHY REVIEWS. WE THEN INTRODUCED A RATING SYSTEM WHEREIN USERS CAN RATE THEIR EXPERIENCE AND SERVICE OF THE BUSINESSES LISTED ON OUR PORTAL. THE RATINGS VARY FROM ONE STAR TO FIVE STARS FOR EXPERIENCES VARYING FROM POOR TO EXCELLENT.



45,000

Average ratings received per day

Delivering value through innovation

JUST DIAL HAS TODAY EMERGED AS A REPUTED BRAND WITH A COMPELLING RECALL. OUR DEEP INSIGHT INTO THE DYNAMICS OF INDIAN SMES BUSINESSES MARKET AND A WORLD-CLASS SERVICE DELIVERY PLATFORM REPRESENT OUR COMPETITIVE ADVANTAGES. WE ARE CAPITALISING ON THE PHENOMENAL GROWTH OF INTERNET USAGE IN INDIA WITH THE LAUNCH OF NEW PRODUCTS AND SERVICES.

New Products and Services

Existing



Mobile application



08888888888



Free listing



Advertise



JD mobile



JD Reverse Auction

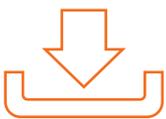


Tag your friend



Events

New



Transaction enabler



Food order



Doctor's appointment



Grocery order



Cab booking

New launches

Mobile application: With the growing Indian telecom consumer base coupled with increased sale of smartphones, we have developed 'Just Dial' mobile application for Android and iPhone operating platforms. We are in the process of developing an app for BlackBerry and Windows phone as well. The master application enables our users to search the database on the move. Launched in December 2012, we have over 2 Million downloads of our application as at August 31, 2013.

Transaction enablers: Understanding the evolving needs of consumers, we are working hard to enhance the user experience through our services. Soon our users will be able to integrate their searches with bookings and purchases. These would include reservations at restaurants, home delivery of food and groceries, booking doctors' appointments and taxi bookings, among others.

Research and Development (R&D)

In order to address the emerging needs of our users and SMEs we have set up an R&D laboratory to develop innovative products and features on our platform. Our R&D investments will enable us to reach new levels of innovation in line with technology advancements, evolving market trends and meeting the consumer expectations.

Our R&D team works towards developing new products and services as well as improvising the existing ones. We have invested in strengthening our intellectual and system infrastructures to develop innovative products in near future. We are working to introduce a number of innovative products across our service platforms (voice, internet, mobile internet and short messaging service).

Local convenience has acquired a new name. Just Dial.



AT JUST DIAL, WE BRIDGE THE GAP BETWEEN USERS AND BUSINESSES, ENHANCING LOCAL CONVENIENCE FOR MILLIONS OF PEOPLE ACROSS INDIA. NO HASSLES, NO NERVOUSNESS, NO SCRAMBLE FOR LOCAL CONTACTS IN A FAST-PACED LIFE.

Starting as pioneers in voice based-local search, we have simplified the way in which local information is sought by people. Be it a restaurant, product dealer, service dealer or professionals, we provide local information in the most convenient way to the users for better user experience.

Our search engine allows users to avail multiple solutions to their query. Our updated database provides accurate information for free to the users, strengthening our brand recall. While the users access the information for free, the paid listings are a source of sustainable revenues to Just Dial.

In our endeavour to connect businesses to consumers (B2C), we have evolved from being just a phone-based search engine to an internet and mobile based search engine. We have remodeled our business in line with user aspirations to provide them a never-before convenience on one hand and generating quality leads for our advertisers on the other.

While we are strengthening our systems infrastructure and modifying our business model, we are also among the few in the industry to have a strong on the ground-field team. Our dedicated 944 feet-on-street team directly connects

with the SMEs, providing tailor-made solutions and benefits to advertisers.

Thus, our business model delivers value creation on multiple fronts – for the users, the SMEs and our stakeholders at large.

1st

To launch local search service in India

1,800+

Number of cities and towns covered

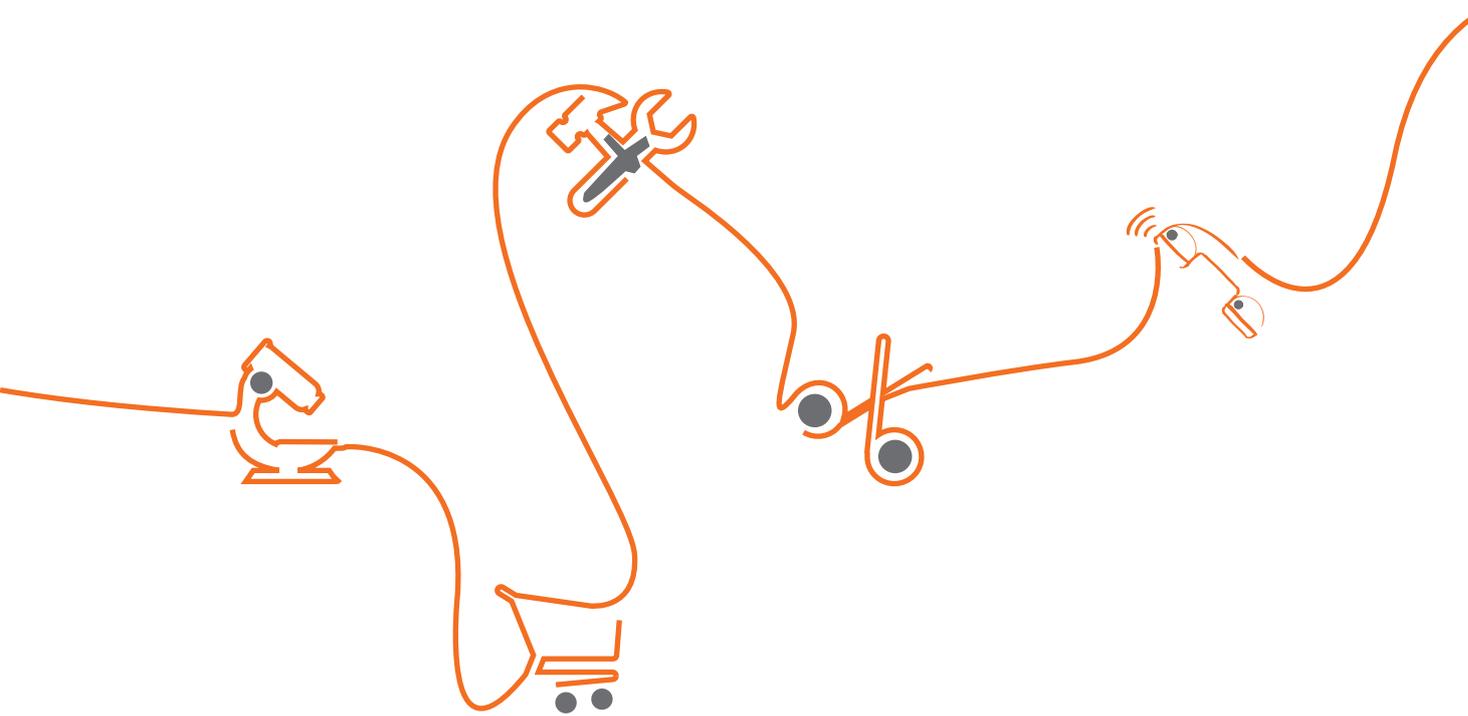
32nd

Ranked among the Indian websites by Alexa*

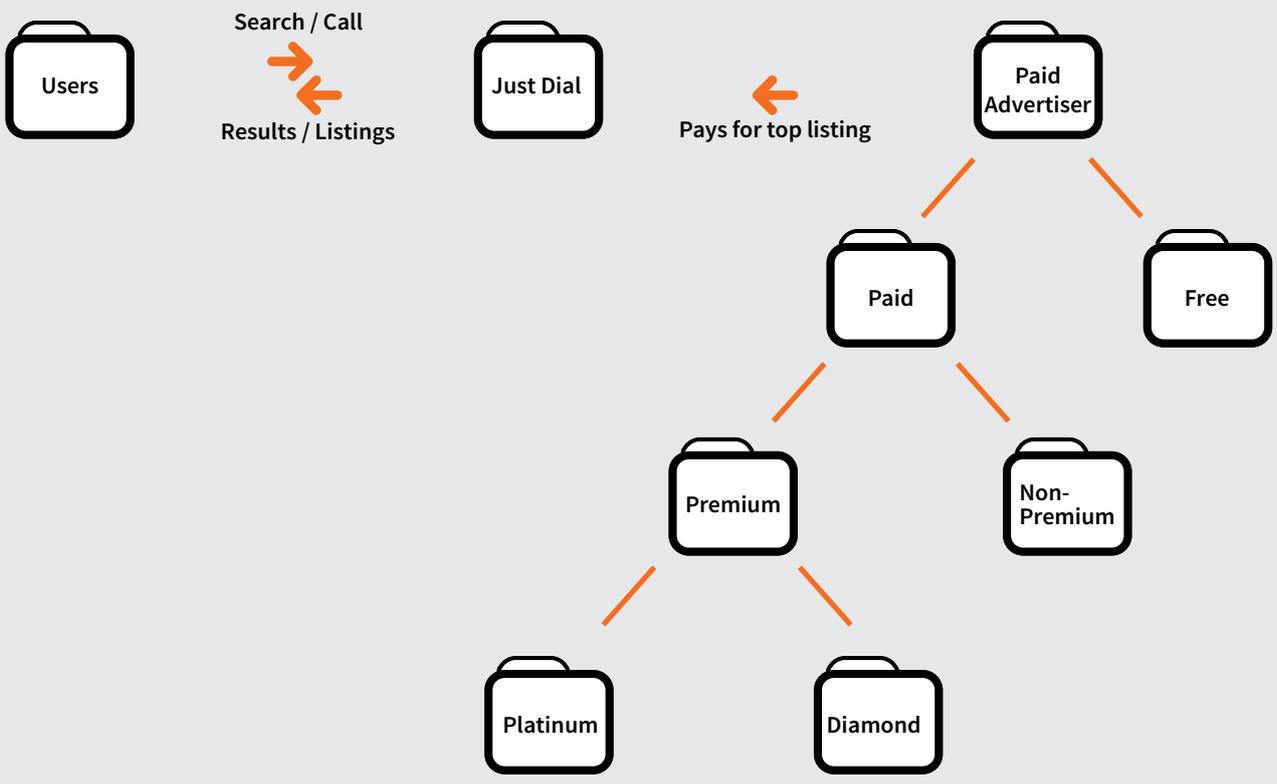
7,342

Total number of employees

* As on June 30, 2013



Insight into our business



Multiple platforms. Easy accessibility. Enhanced reach.

THESE ATTRIBUTES MAKE US THE NUMBER ONE LOCAL SEARCH ENGINE IN INDIA. ONE CAN CALL, TEXT OR BROWSE. JUST DIAL IS ALWAYS WITHIN REACH. NEVERTHELESS, OUR 'TO-DO' LIST REMAINS FAR FROM FINISHED.



183

Million internet visits in FY 2012-13

139

Million voice based searches in FY 2012-13

42

Million mobile internet visits in FY 2012-13

0.8

Million SMS searches in FY 2012-13

364

Million total usage received in FY 2012-13

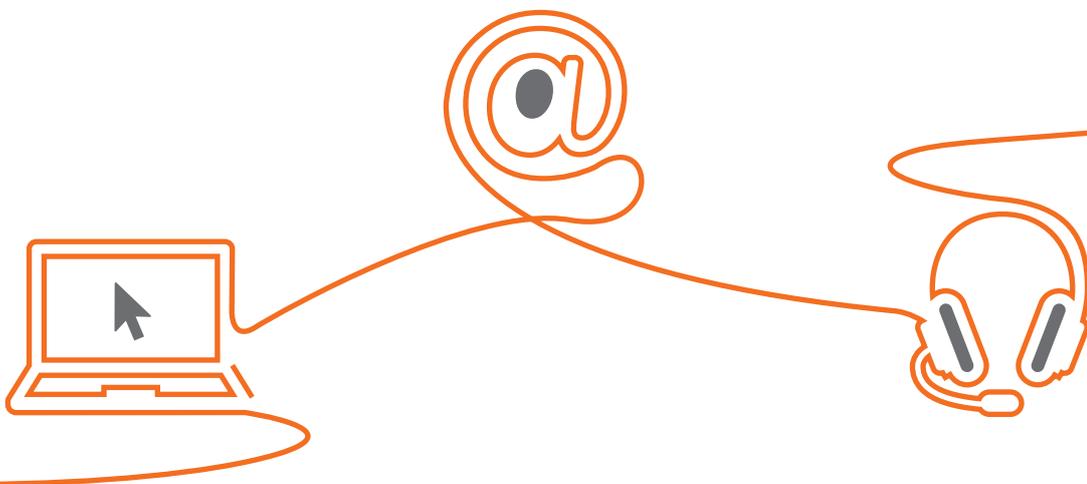
The foundation of our success is built on constant transformation. Today, the local search market has come of age from word of mouth and print directories to mobile and web-based module. From single platform to multiple platforms, our search model today operates across voice, internet, SMS and mobile internet.

Our classic voice-based search has increased fourfold in the last five years, despite stupendous growth in internet penetration. The growth in voice based searches is backed by easy-to-remember hotline numbers, accessible from any mode of telecommunication (mobile or landline). Today, one can access Just Dial through a single number, i.e. 08888888888, across India.

The global internet penetration has increased from 16% in 2005 to 39% in 2013, while India's penetration has increased from 2.34% in 2005 to around 11% in 2013. Even though India's internet penetration has been low (compared to global rate), the rate of penetration has been significantly higher. This has simultaneously contributed to an increase in online advertisement.

We have capitalised on the internet revolution in the country, contributing to our significant organic growth. Our internet based usage (visits), has grown at a CAGR of 182% since FY 2006-07 (our first launch). We have prudently leveraged the rise in internet usage in the country with a comprehensive website and simplified mobile application (for smartphones).

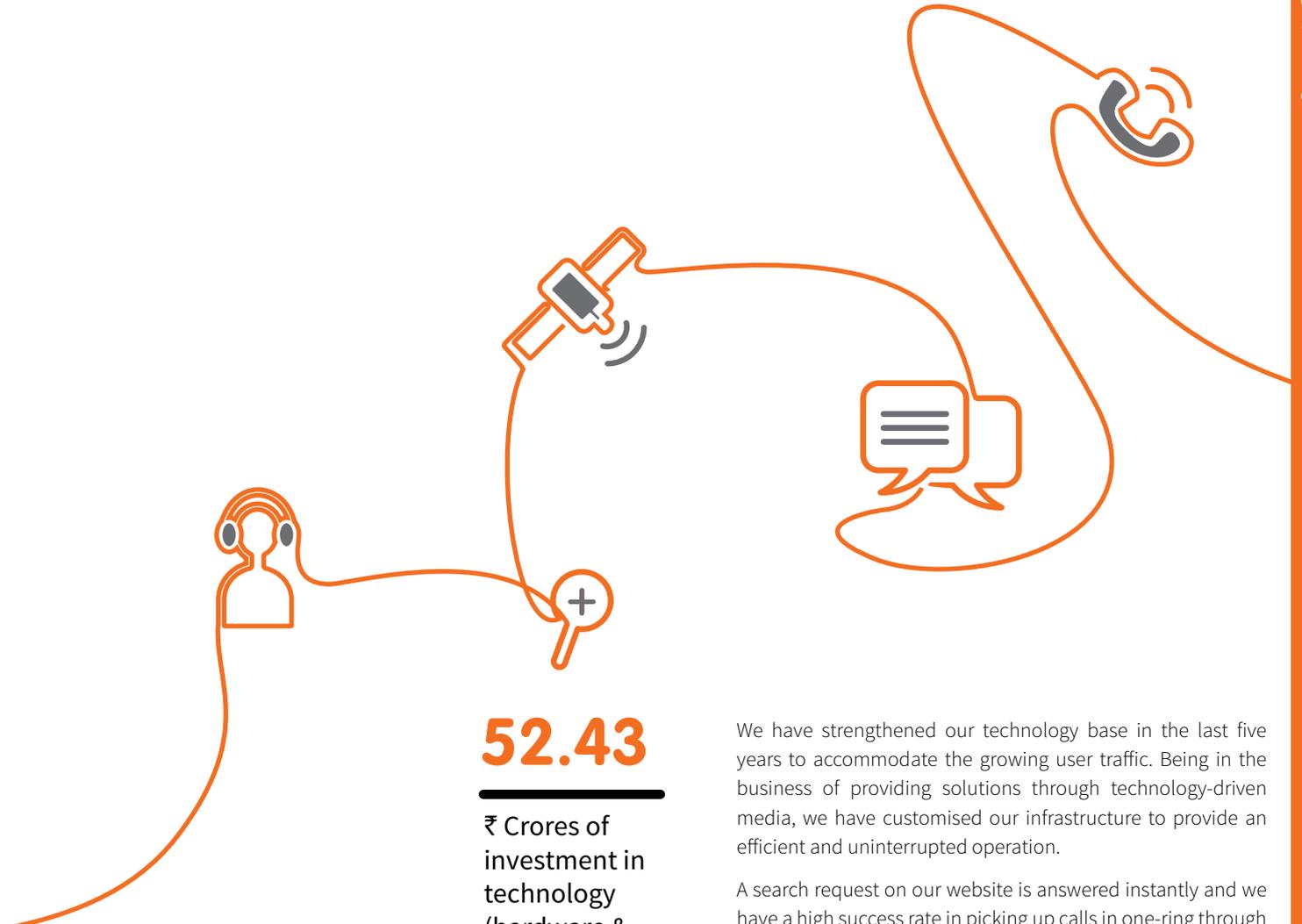
With multiple-platforms of delivery, we today have an addressable population consisting of large segment of India's population across various age groups and demographic profile.



Technology and teamwork help build trust

JUST DIAL'S SERVICES ARE HIGHLY DEPENDENT ON ROBUST TECHNOLOGY ARCHITECTURE AND ADVANCED COMMUNICATION SYSTEMS. THE RESULT IS RESOLUTE TRUST IN OUR SERVICES BY MILLIONS OF USERS AND A WIDE SPECTRUM OF BUSINESSES.





52.43

₹ Crores of investment in technology (hardware & software) in the last five years

152

Number of people comprising the technology team

816

Number of servers installed across the country

We have strengthened our technology base in the last five years to accommodate the growing user traffic. Being in the business of providing solutions through technology-driven media, we have customised our infrastructure to provide an efficient and uninterrupted operation.

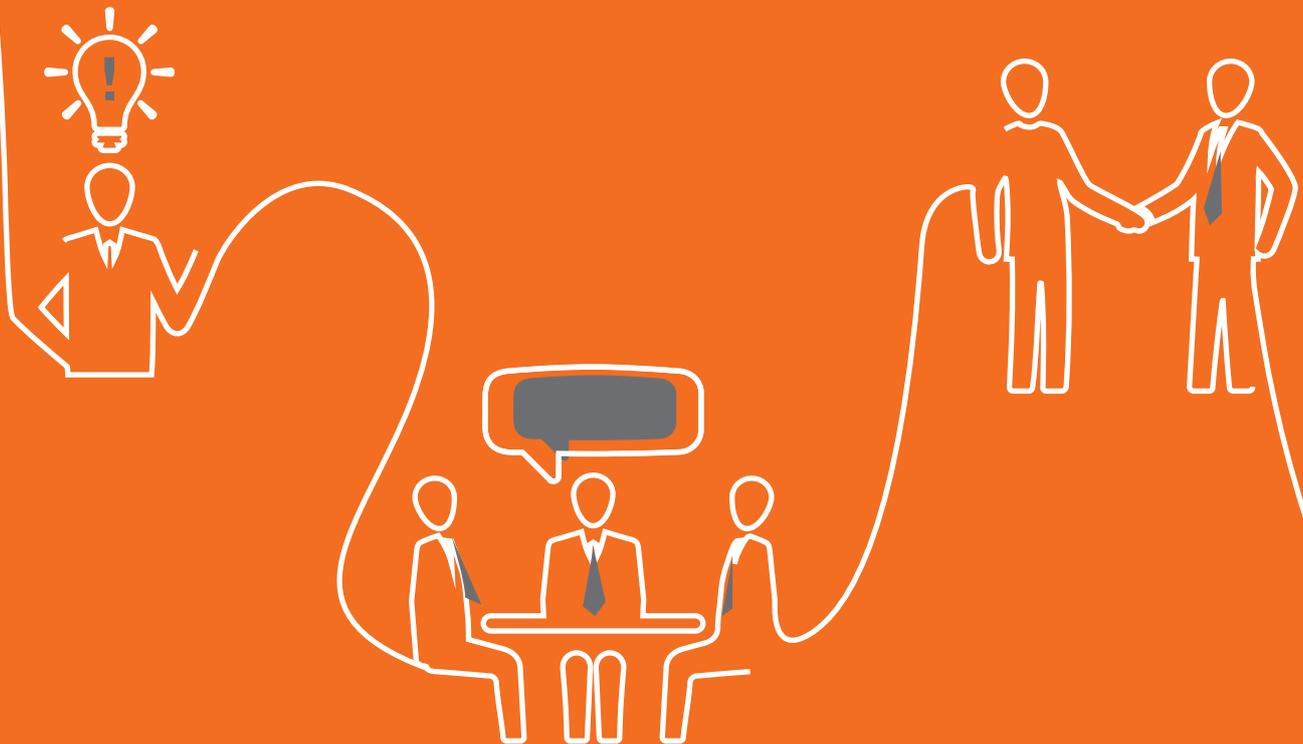
A search request on our website is answered instantly and we have a high success rate in picking up calls in one-ring through our voice-based queries. We have lived up to our brand value by delivering qualitative, accurate and quick data to the users through various technology-driven media.

On the content front, our database is built on strong analytics. The database is extensive and largest in the country (of product and service providers) with more than 9 Million listings. We ensure the accuracy of the information on our database and update the same at regular intervals based on feedback from our advertisers and users. Concurrently, we also ensure confidentiality of information in our database to prevent any loss or damage to users as well as advertisers.

Since inception, we continue to invest in technology to make search algorithms more efficient and adaptable to provide an unmatched experience to our users.

Committed to higher return on investment

AT JUST DIAL, WE ARE COMMITTED TO HIGHER RETURN ON INVESTMENT FOR OUR ADVERTISERS. WE ASPIRE TO DELIVER BUSINESS GROWTH TO OUR ADVERTISERS IN THE MOST COST-EFFECTIVE MANNER.



Previously, the SMEs were restricted to limited marketing resources, promoting their businesses in the conventional manner (through print directories and newspapers). We introduced a contemporary method, being an effective enabler, allowing the SMEs to connect to customers directly.

We provide various flexible packages to the SMEs, which are customised to suit their financial requirements. From evergreen contracts (weekly or monthly payment plans) to annual payments, we provide different packages aligning to the needs of the SMEs. Optimising their return on investments, our platforms provide SMEs cost-efficient solutions compared to other media of advertisements.

The efficiency of our services is visible from the fact that user response is measured. This allows the advertisers to quantify their ROI and formulate future strategies accordingly. The SMEs can leverage our brand recall, which provides them access to an increasing number of users.

While we partner in the growth of SMEs, we ensure sustainability of our revenues. We provide stability to our SME advertisers by allowing them to sign up for a fixed price (premium product) for a period of 12 months. They can also sign up for various packages (non-premium) according to their requirements.

Our brand value is vindicated by the fact that in the last five years, our active campaigns grew from approximately 40,000 in FY 2008-09 to approximately 206,500 in FY 2012-13, comprising 2.28% of total listing.

~206,500

Number of paid campaigns on our portal as on March 31, 2013

~22

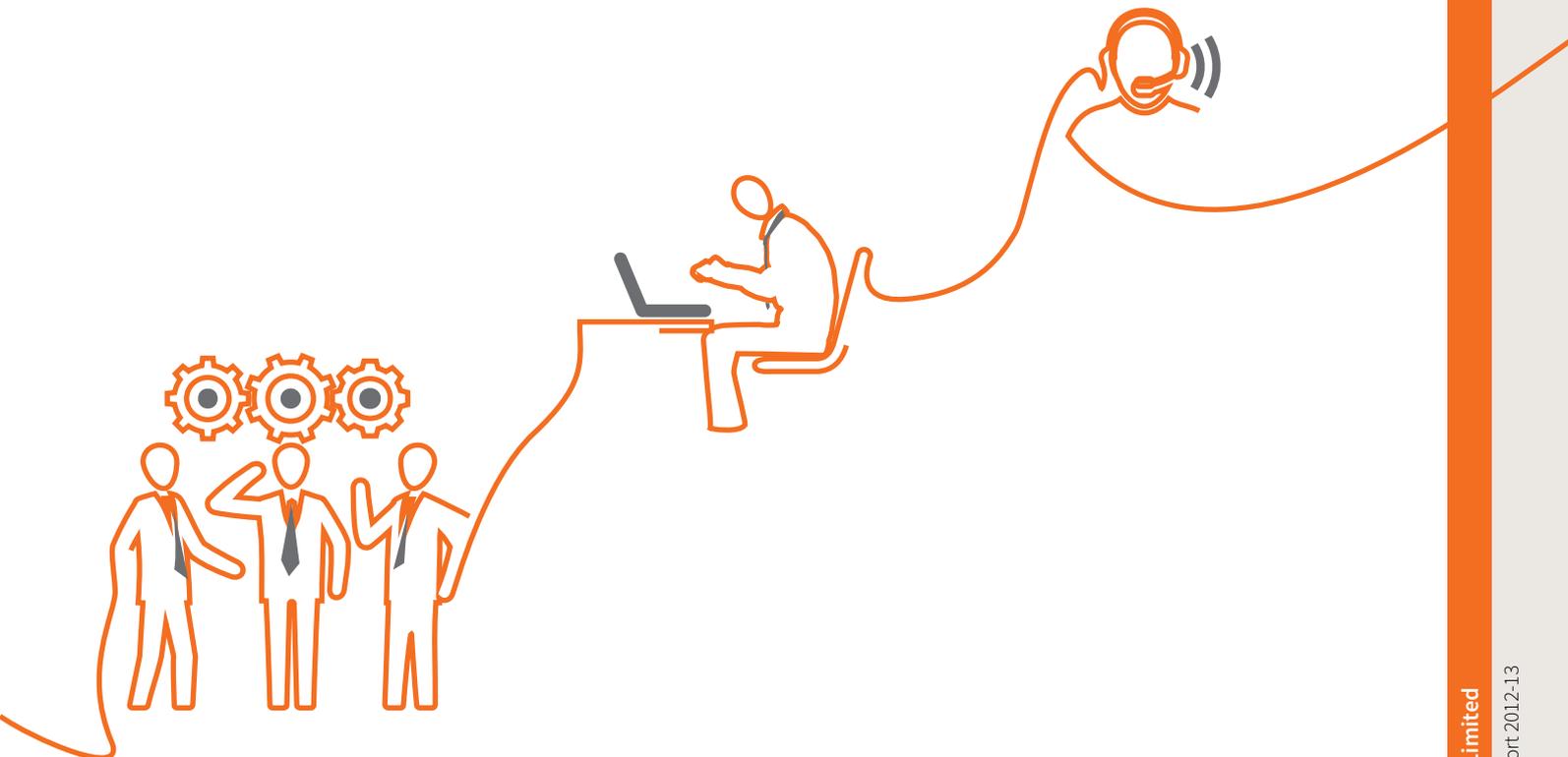
Percentage of premium listings on our portal as on March 31, 2013

46%

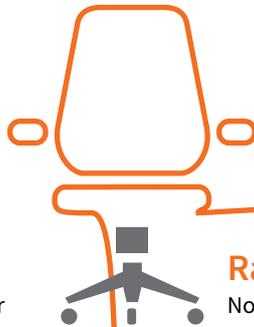
CAGR growth in listings in the last five years

50%

CAGR growth for paid listings in the last five years



Profile of the Board of Directors



B. Anand

Chairman and Independent Non-Executive Director

B. Anand, the Chairman and an Independent, Non-executive Director of Just Dial was appointed as a Director of the Company on August 2, 2011. He holds a Bachelor's degree in Commerce from Nagpur University and is an associate member of the ICAI. He has approximately 26 years of experience in the fields of corporate finance, strategy and investment banking. He is currently the Chief Financial Officer of Trafigura India Private Limited. Mr. Anand has previously worked with companies like the Future Group, Vedanta Resources plc, Motorola India Private Limited, Credit Lyonnais Bank SA, HSBC Bank plc, Infrastructure Leasing & Financial Services Limited and Citibank, N.A.

Ramani Iyer

Non-Independent, Non-Executive Director

Ramani Iyer, the co-founder of Just Dial, is a Non-Independent, Non-Executive Director of the Company. He holds a Diploma in Hotel Management from the Delhi Institute of Management & Services and has around 20 years of experience. He was appointed as a Director of the Company on October 28, 2005. Mr. Iyer has been associated with the Company since its incorporation and is responsible for its various functions, including business development and expansion, operations, strategic planning and execution. Pursuant to a resolution passed by the Company's Board (dated July 27, 2011), he was designated as the Company's Non-Executive Director.

V.S.S. Mani

Managing Director

V.S.S. Mani is the Founder, Managing Director and Chief Executive Officer of Just Dial. He has been associated with the Company since its incorporation. An untiring visionary, Mr. Mani is also an experienced management professional with decades-rich experience in the field of media and local search services. Prior to the Company's incorporation, he co-founded 'Ask Me Services' and also worked with United Database India Private Limited. He is now engaged in exploring possibilities for technological innovation of the Company's business. Besides, he has also been responsible for adapting the Company's business model to suit changing market conditions. He is also involved in the formulation of corporate strategy and planning as well as the overall execution and management of Just Dial. Besides, he also focuses on the Company's growth and diversification plans.

V. Krishnan

Non-Independent, Executive Director

V. Krishnan is a co-founder and a Non-Independent, Executive Director of Just Dial. He has been serving as a Director of the Company since October 28, 2005. He has been associated with the Company since its incorporation and has around two decades of experience in the field of strategic planning and execution. Mr. Krishnan has played a key role in business development and expansion, operations, strategic planning and execution.

Ravi Adusumalli

Non-Independent, Non-Executive Director

Ravi Adusumalli is one of Just Dial's Non-Independent, Non-Executive Directors since October 9, 2006. He holds a Bachelor's degree in Economics and Government from the Cornell University, USA. Mr. Adusumalli has almost two decades of experience in the field of finance and investment. He heads the India office of SAIF and is currently a managing partner. Prior to this, he worked with Mobius Venture Capital.

Malcolm Monteiro

Independent, Non-Executive Director

Malcolm Monteiro is the Company's Independent, Non-executive Director. He was appointed as a Director of the Company on August 2, 2011. Mr. Monteiro graduated with a Bachelor's degree in Electrical Engineering from the Indian Institute of Technology, Mumbai. He is also a post-graduate in Business Management from the Indian Institute of Management, Ahmedabad. Mr. Monteiro is the Chief Executive Officer of DHL Express, South Asia and a member of the DHL Asia Pacific Management Board. He is also a Director on the Board of Blue Dart Express Limited.

Sanjay Bahadur

Independent, Non-Executive Director

Sanjay Bahadur is an Independent, Non-Executive Director of Just Dial. He was appointed as the Company's Director on August 2, 2011. Mr. Bahadur holds a Bachelor's degree in Civil Engineering from the Delhi College of Engineering. He has almost three decades of experience in the field of construction and is currently the Chief Executive Officer of Pidilite Industries Limited for its Global Constructions and Chemicals division. He has previously worked with Larsen & Toubro Limited, Acons Construction Products Limited, Unitech Prefab Limited and ACC Concrete Limited.

Shailendra Jit Singh

Non-Independent, Non-Executive Director

Shailendra Jit Singh is a non-Independent, Non-Executive Director of Just Dial. He was appointed as a Director of the Company on June 21, 2012. He holds a Masters degree in Business Administration, with distinction, from Harvard Business School. Besides, Mr. Singh is also a B. Tech in Chemical Engineering from the Indian Institute of Technology, Mumbai and also a Kauffman Fellow. He has around 13 years of experience in the field of investment and financial services. Mr. Singh is currently the Managing Director of Sequoia Capital India Advisors Private Limited. Prior to joining this Company in 2006, he was a strategy consultant at Bain & Company, New York.

Management Team



V.S.S. Mani

Managing Director

V.S.S. Mani is the Founder, Managing Director and Chief Executive Officer of Just Dial. He has been associated with the Company since its incorporation. An untiring visionary, Mr. Mani is also an experienced management professional with decades-rich experience in the field of media and local search services. Prior to the Company's incorporation, he co-founded 'Ask Me Services' and also worked with United Database India Private Limited. He is now engaged in exploring possibilities for technological innovation of the Company's business. Besides, he has also been responsible for adapting the Company's business model to suit changing market conditions. He is also involved in the formulation of corporate strategy and planning as well as the overall execution and management of Just Dial. Besides, he also focuses on the Company's growth and diversification plans.

V. Krishnan

Non-Independent, Executive Director

V. Krishnan is a Non-independent, Executive Director of the Company. He has been serving as a Director of Just Dial since October 28, 2005. He has been associated with Just Dial since its incorporation and has around two decades of experience in the field of strategic planning and execution. Mr. Krishnan is a co-founder of Just Dial and has played a key role with the Company's responsibilities. His functions include, inter alia, business development and expansion, operations, strategic planning and execution.

Sandipan Chattopadhyay

Chief Technology Officer

Sandipan Chattopadhyay, the Company's Chief Technology Officer, has been associated with Just Dial since January 1, 2009. He holds a Bachelor's degree in statistics from the Indian Statistical Institute, Kolkata and a Post-graduate Diploma in Computer-aided Management from the Indian Institute of Management, Kolkata. He has around 16 years of experience in the field of technology. Prior to joining Just Dial, he was associated with E Dot Solutions India Private Limited.

Koora Srinivas

Deputy Chief Financial Officer

Koora Srinivas, the Deputy Chief Financial Officer of Just Dial, has been associated with the Company since December 1, 1999. He holds a Bachelor's degree in Commerce from Osmania University, Hyderabad and a Masters degree in Business Administration from Swami Ramanand Teerth Marathwada University, Nanded. He has around 13 years of experience in the field of finance and accounting.

Ramkumar Krishnamachari

Chief Financial Officer

Ramkumar Krishnamachari, Just Dial's Chief Financial Officer, has been associated with the Company since August 8, 2010. He is a member of the ICAI and the Institute of Cost and Works Accountants of India. He is also a CFA Charter Holder from the CFA Institute, USA and a Public Accountant certified by the State Board of Accountancy, Delaware, USA. Mr. Krishnamachari has approximately 22 years of experience in the field of finance and accounting. Prior to joining Just Dial, he worked with Royal Sundaram General Insurance Allied Company Limited.

Shreos Roy Chowdhury

Chief Technical Architect

Shreos Roy Chowdhury, Just Dial's Chief Technical Architect, has been associated with the Company since September 21, 2010. Mr. Roy Chowdhury holds an M.Sc. degree Physics from the Indian Institute of Technology, Kanpur. He has around 16 years of experience in the field of technology. Prior to joining Just Dial, he worked with Reliance Big Entertainment Private Limited.

Management Discussion and Analysis

GLOBAL AND INDIAN ECONOMIC REVIEW

The global economy in 2012 demonstrated a mixed pattern of sluggish growth and recession. Most parts of Europe languished in recession, while emerging economies encountered both domestic and global headwinds that decelerated their engines of economic growth. The US economy held out optimism in the form of reduced unemployment, stable fiscal consolidation and improvement in the housing and manufacturing sectors. Global GDP reported a growth rate of 3.1% in 2012 and is projected to remain slightly above 3% in 2013 (Source: International Monetary Fund).

The Indian economy reported a subdued growth of 5% in FY 2012-13. Infrastructural bottlenecks, lack of reforms in all sectors of the economy and reduced investments were some of the key reasons for the country's slowing growth rate over the past few quarters. Despite these roadblocks, the country continues to remain the world's second fastest growing economy, now estimated at USD 1.78 trillion. It is poised for a gradual recovery in 2013, backed by large investment projects and foreign direct investments.

Indian GDP in last 10 quarters (%)

Q3, 10-11	Q4, 10-11	Q1, 11-12	Q2, 11-12	Q3, 11-12	Q4, 11-12	Q1, 12-13	Q2, 12-13	Q3, 12-13	Q4, 12-13
9.3	9.2	7.5	6.5	6.0	5.3	5.5	5.3	4.5	4.8

(Source: Government of India)

INDUSTRY OVERVIEW

The domestic industry is classified into three broad segments – Business-to-Business (B2B), Business-to-Consumer (B2C) and Consumer-to-Consumer (C2C). A commercial transaction is broadly effected through three parties: buyer, vendor and enabler. As per the Netscribes' Report 2012, the industry operates on two broad platforms. One is offline, through brokers, newspapers, magazines and yellow pages. Second, the online platform operates primarily through voice search, websites and mobiles. In the offline mode, the chief source of

revenue is advertisement fees paid by the business entities. In the online mode, the use of localised portals allows users to search for geographically constrained results from a database of local listings. In the online search service, listings are free or sponsored. The sponsored listings get greater visibility over free listings during a search by a potential buyer. With the evolution of technology, consumers are becoming more inclined towards online-based searches and the offline market is shrinking. The local offline search market faces challenges of low acceptance in corporate culture, lack of awareness, paper wastage, language barriers and insufficient information.

Comparison

Online advertising	Offline advertising
Medium: Internet	Medium: Print media
Scope: Rising internet penetration	Scope: Increasing print media penetration
Cost: Paid subscriptions or membership at a portal	Cost: Size and area of print
Shelf life: A longer shelf life	Shelf life: Limited shelf life
Addressable audience: A larger cross-section of people, not restricted by a specific region	Addressable region: Limited to specific audience within a city or a state
Barrier: Regional language and people not having internet knowledge	Barrier: Lesser space and non-graphical representations

GROWTH DRIVERS

The local online search has gained sufficient ground on a number of factors. Consumers find it convenient to conduct a search

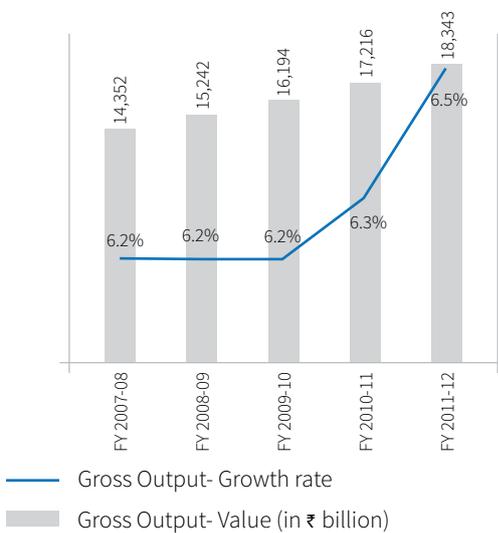
online or through a voice call providing access to a larger vendor base. Some of the key growth drivers for the industry comprise:

A. Micro, Small and Medium Enterprises – the new rising force

The Ministry of Micro, Small and Medium Enterprises (MSME) estimates that in terms of value, MSMEs account for

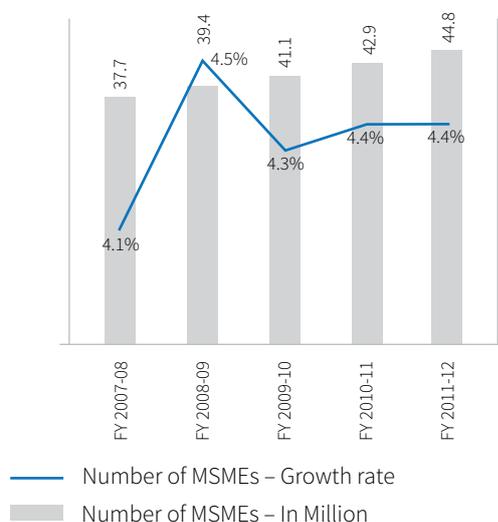
around 45% of India's manufacturing output and around 40% of total exports and employ 59.7 Million people across 26.1 Million units. In terms of gross output, the production of MSMEs has grown steadily from ₹ 14,352 billion in FY2007-08 to ₹ 18,343 billion in FY2011-12 – a CAGR of 6.3%. Moreover, the number of MSMEs has increased from 37.7 Million in FY2007-08 to 44.8 Million in FY2011-12 – a growth of 4.4%. MSMEs have also contributed to the growth of the economy by employment generation with the number of people employed by MSMEs increasing from 84.2 Million in FY2007-08 to 101.3 Million in FY2011-12 a CAGR of 4.7%.

MSME Production in terms of Gross Output



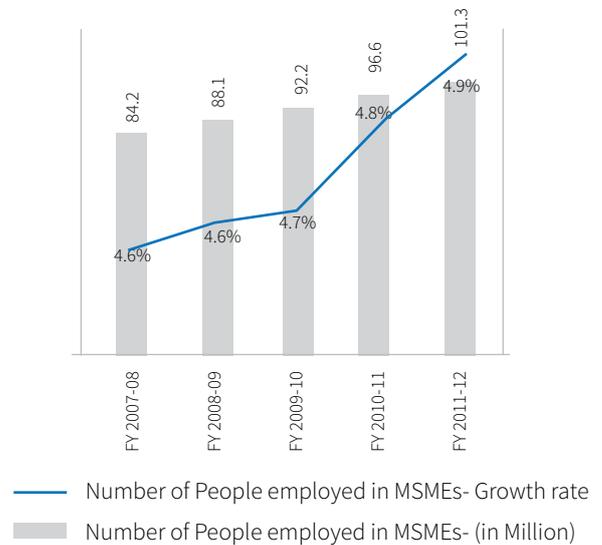
(Source: Ministry of Micro, Small and Medium Enterprises Annual Report 2012)

Total number of MSMEs and Growth Trend



(Source: Ministry of Micro, Small and Medium Enterprises Annual Report 2013)

Number of people employed in MSMEs (in Million)



(Source: Ministry of Micro, Small and Medium Enterprises Annual Report 2013)

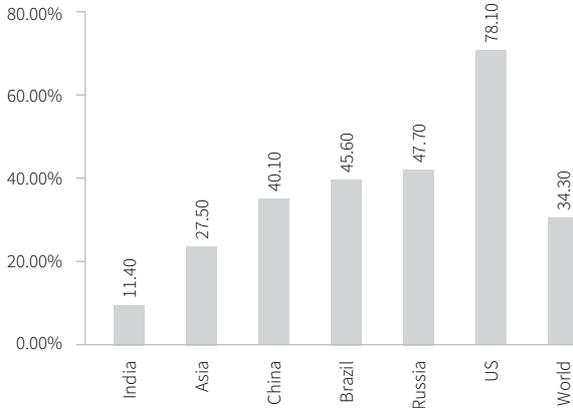
B. Indian advertising market – on a growth trajectory

The Indian advertising market was valued approximately at ₹ 256 billion in 2011 and is expected to grow approximately to ₹ 370 billion by 2015 (Source: Netscribes report, 2012). Currently, advertising through television comprises the largest segment of the total Indian advertising market with a 46% share of the overall market. It is followed by print advertising, outdoor advertising, radio advertising and internet. Of all the above, advertising through the internet platform is the fastest growing, reporting 51% growth between 2011 and 2012.

C. Internet penetration – miles to go

Currently, in India, internet penetration stands at 11% - one of the lowest compared to a majority of developed and developing nations. However, with the emergence of fast technology oriented online medium and rising usage of smartphones, internet penetration has been growing at a steady pace. According to Internet World Stats, the country has only 137 Million internet users as on June 2012, making it the third largest internet population after China and the United States.

Internet Penetration across the world



(Source: Internet World Stats, June 2012)

India's internet penetration is expected to reach 30% by FY16, providing an enormous opportunity for online classifieds business. According to Ernst & Young (E&Y) survey, 43% of the companies in the country use social media for leads, spending 1-5% of their marketing budgets on online leads.

D. Telecom – enabling faster internet growth

The country's telecom customer base stood at 898.02 Million (second only to China) with a tele-density of 73.32% as on March 31, 2013. The country's growing economy is also witnessing an upsurge of mobile internet. This is supported by increasing young and growing urban population.

Smartphones are an emerging phenomenon, which would elevate India's telecom revolution to the next level. According to IDC Asia Pacific Quarterly Mobile Phone Tracker data, the overall mobile phone market in India grew by around 16% during CY 2012. This was driven by an increased sale of smartphones, which grew from around 11 Million units in CY 2011 to 16.3 Million units in CY 2012, a rise of nearly 48%. The country had a 2.5% share of the world's smartphone market in CY 2012, and is expected to capture 8.5% of the market by CY 2016E.

Quick reality check

- As per Kleiner Perkins Caufield & Byers, India recorded a 26% growth y-o-y in 2012 in the number of internet users.
- The population penetration rate for the internet usage in the country is at 11.4% at the end of 2012. China, on the other hand, continues to have the highest number of internet users with 538 Million users, with a population penetration rate of 40%.
- According to Cisco's Visuals Networking Index (VNI) forecast (FY 2012-17), there will be 348 Million internet users by 2017, up from 137 Million in 2012 – growing at a CAGR of 44%.
- Portable devices such as smartphones and tablets will contribute 40% to IP traffic by 2017 – an increase from the current 3%.
- According to Cisco's Visuals Networking Index (VNI) forecast (FY 2012-17) India's internet traffic will reach 2.5 exabytes per month in 2017, up from 393 petabytes per month in 2012.

Note: One petabyte equals one thousand terabytes and one exabyte equals 1 Million terabytes

BUSINESS REVIEW

We are the leader in local search space in India. We provide users of our "Just Dial" search service with information and user reviews from our database of local businesses, products and services across India. Our search service is available to users through multiple platforms: Internet, mobile Internet, telephone (voice) and text (SMS).

As one of the first companies to offer local search services in India, we have a first mover advantage among consumers seeking information on local businesses. We aim to provide fast, free, reliable and comprehensive information to our users, which will create a network effect to attract more search queries. We have established Just Dial as a well known Indian brand on the Internet. In addition, through our easy to remember phone numbers and user friendly mobile phone interface, we have been able to attain significant mind-share with users for their local search needs.





Service platforms

Being the leading local search engine in the country, Just Dial Limited is a one-stop source of information for various businesses, products and services to millions of users. The Company provides its users with fast, user-friendly and free local search service through the following digital medium of communications –

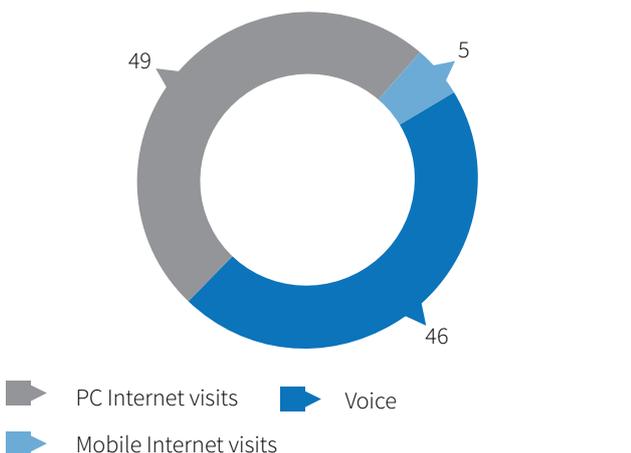
- a. Internet
- b. Mobile Internet
- c. Live operator-assisted phone (voice)
- d. Short messaging service (SMS)

The measurement of traffic on our platform which we refer as usage or search request for each of the above platform is explained below:

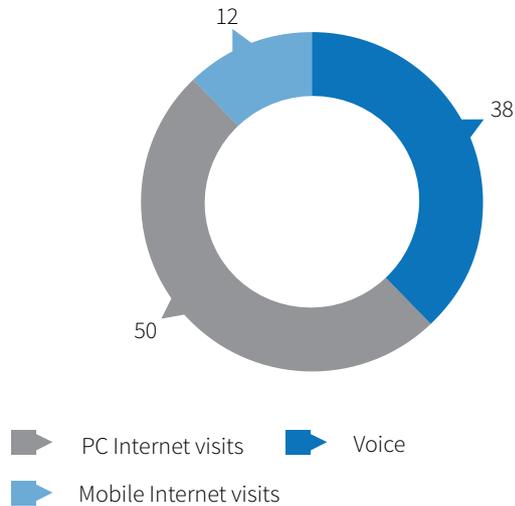
- Internet search request / usage signify the number of visits to the Company’s website and not the number of searches per visit
- Mobile internet visits, which is the number of visits through the mobile platform consisting of WAP and not the number of searches per visit
- Voice search, which is the number of search queries received on telephone.
- SMS search, is the number of SMS search query received by the Company per message

For the FY 2012-13, the Company received a total of 364.5 Million search requests (compared to 254.3 Million search requests in FY 2011-12) from all its users. This comprised 182.6 Million internet visits (compared to 124.3 Million visits in FY 2011-12), 41.9 Million mobile internet visits (compared to 13.6 Million mobile internet visits in FY 2011-12), 139.1 Million voice searches (compared to 115.9 Million search requests in FY 2011-12) and 0.86 Million SMS searches (compared to 0.6 Million search requests in FY 2011-12). These searches were on grounds of size, depth and reliability of the Company’s database, which has resulted in new and repeat customers.

Composition of local searches in FY 2011-12 (%)



Composition of local searches in FY 2012-13 (%)



Internet

For FY 2012-13, the number of visits through internet comprised 50% of the total search requests. Starting with 360,000 visits in FY 2006-07 (when the website was launched), FY 2007-08 saw 9.8 Million visits and then 27.9 Million visits in fiscal 2009. It has increased to 182.6 Million visits in fiscal 2013 at a CAGR of 60% over the period from fiscal 2009 to 2013. A dedicated team of information technology and technical support constantly maintain and upgrade the website (www.justdial.com) to provide a user-friendly experience to its users.

Mobile internet

In FY 2012-13, the Company received approximately 41.9 Million mobile internet visits, comprising 11% of the total search requests during the same period. Through the mobile internet platform, a user can access information instantly, anytime and anywhere. The Company has also developed a ‘master application’ which is in use for Android mobile phones and iPhone (launched in April 2013) and is in process for developing a similar application for Blackberry and Windows Phone as well. Since launch, these apps have been downloaded more than 2 Million times till August 31, 2013.

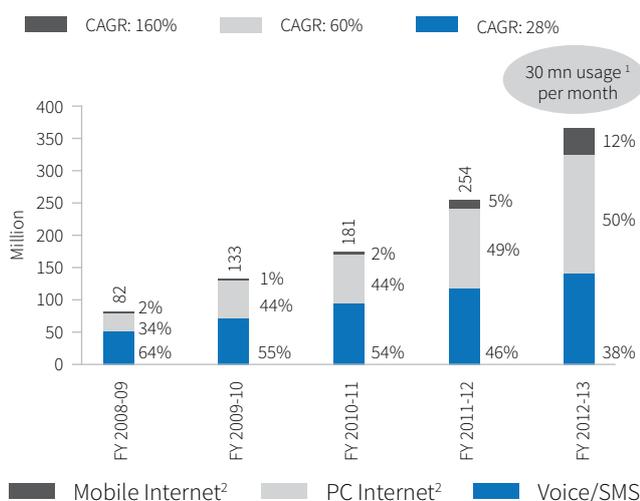
Voice

Since the Company’s inception, voice based search services form an integral part of the business. The service is available 24 hours a day and seven days a week through its hotline number. Apart from the hotline number, it also has eight local numbers specific to certain cities. During the FY 2012-13, the total voice search requests from FY 2011-12 increased by 20% to 139.1 Million searches, comprising 38% of the total search requests for the FY 2012-13. To adhere to the increasing voice search responses, the Company has eight in-house call centres in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune. The Company has more than 1,800 IROs (Information Retrieval Officers), with high fluency in English and regional languages.

SMS

Another quick and easy local search mode, SMS search have been designed for users who seek instant information. Launched in 2007, today the SMS services are available across major telecommunication networks in India. In FY 2012-13, the Company received 859,580 SMS searches, an increase of 47% over the FY 2011-12 and comprised 0.2% of the total search requests.

India's Leading Local Search Engine



1. Usage/search requests, includes search through voice/ SMS and PC and mobile internet visits
2. Represents visits

Customised and user-friendly search

Operating through multiple communication platforms, the Company has emphasized more on ensuring simplicity of search across all platforms. The Company has developed a fast, trouble-free and easy-to-use approach on its entire search media platform to cater to the evolving requirements of its users.

On the internet platform it provides two basic search types - category search and company search. Further, it covers a wide domain of services and products under its gamut, which are categorically divided across macro heads. These macro heads are further subdivided into micro heads for producing better search results.

On the mobile internet platform, the Company has designed icons for popular categories (such as movies, restaurants, hotels, ATMs, petrol stations, doctors, etc.) on the home page of its mobile internet platform. This provides the user to go directly to the specific search requirement of the desired category. The Company further improvised its mobile search with the launch of a location-based search service called "near me". This enables the user to search results using the user's location (detected by using the GPS function on specific mobile phones).

Simplifying the voice enabled local search engine, the Company assists its users with a unique hotline number +91 88-8888-8888 or 6999-9999. It also has specific localised numbers for eight specific cities, like 022-2888-8888 for Mumbai and 011-2222-2222 for New Delhi and a pan-India number of 6999-9999.

Similar to the voice based service, the Company has simplified its SMS search in the country with a single number for sending queries across a wide spectrum of multiple telecommunication service providers. The single number +91 88-8888-8888 ensures ease in local search without any hassle.

Listings

The Company generates revenues from the advertisers who list themselves with the Company on various subscription and fee-based campaign packages. A large portion of listings is composed of SMEs from a wide range of industry sectors. The SMEs, with limited marketing resources, find the perfect platform with the Company at the micro level in a cost effective mode. The Company has a total of 9.1 Million listings as on March 31, 2013, against 4.5 Million listings as on March 31, 2010, growing at a CAGR of 26%. In the paid listings, the Company offers the advertisers with two main packages – platinum and diamond, which fall under premium listings. As of March 31, 2013, approximately 22% of the total campaigns were of Premium category. Similarly, the total active campaigns were ~206,500, which comprised 2.27% of the total listings.

Content and information

Giving a whole new dimension to crowd sourcing, or obtaining information from a large group of people, and especially from an online community, the Company ensures its database is updated with relevant information on all businesses. During the year, the Company added 1.9 Million additional business listings from various towns and cities in India. A dedicated team of 320 employees regularly monitor and update the information of businesses, supplementing with new entries to ensure accuracy of information provided to its users. The data collected (like geographical location, images, videos and category of each business) is thoroughly verified by the database team.

OPERATIONAL REVIEW

Sales and marketing

The Company has a strong 1,000+ sales and marketing executive team supported by 2,700+ tele-sales executives. It conducted regular training programmes to ensure the team converts its free business listings into paid listings. The sales and marketing team works closely with the database team to identify and reach out to potential advertisers.

Marketing and business development

Being the pioneer in voice based local search since 1996, today Just Dial Limited as a brand has a strong recall among a



larger cross-section of people. The Company conducts regular advertising campaigns to strengthen its brand and enhance its exposure to a wider user base. It uses digital marketing tools, such as virtual marketing and online display banners, and has a strong presence across social media platforms (like Facebook and Twitter) as well. As a part of our effort to create increasing awareness of our brand among the SME community, the Company has created a team of marketing executives (372 as on March 31, 2013) called 'Just Dial Ambassadors'. These executives educate the SMEs about the array of services, collect data from the SMEs and market the Just Dial brand.

Technology and infrastructure

The success of the Company's business is highly dependent on efficient and upgraded technology and sound infrastructure. These two factors are integral to our achievement in operations and management of assets. The Company has a team of around 150 technology experts with wide industry experience. We have a separate R&D team in Bangalore which develops new applications that are used towards strengthening our engagement with the user community.

The systems infrastructure, internet and database are continuously monitored by a strong engineering support team.

The open source platforms are powered by more than 800 servers for various intranet and extranet applications. The strong information technology system allows the Company to promptly process user inquiries and requests in the shortest possible time.

Security

Possessing information of the buyers and advertisers, the Company maintains a stringent security on the information database. It has strong controls, policies and procedures pertaining to information security, which ensure prevention of any fraud or loss of information. All the installed servers of the Company at all data centres and offices are secured with firewalls to prevent hacking.

FINANCIAL REVIEW

In FY 2012-13, the Company continued with its focus on adding new listings and expanding its area of services to a large number of people. It is focused on increasing its presence in more cities and towns. The overall operational and technological excellence has led to consistent increase in revenues and profitability over the years.

5-year financial performance as per standalone financials

	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10	FY 2008-09	In ₹ Million
	Audited	Audited	Restated	Restated	Restated	CAGR
Revenue from operations	3,627.68	2,620.61	1,839.33	1,309.07	859.22	43.34%
Other income	135.27	131.54	37.27	38.56	58.92	23.09%
Total income	3,762.95	2,752.15	1,876.60	1,347.63	918.14	42.28%
Profit before tax from continuing operations (after exceptional items)	984.28	713.44	422.97	292.23	99.82	77.20%
Profit for the year	684.57	505.81	288.25	193.25	75.41	73.58%

Revenue (from continuing operations of search and other related services) increased by 38.43% from ₹ 2,620.61 Million in FY 2011-12 to ₹ 3,627.68 Million in FY 2012-13. The growth in revenue is driven by increase in active campaigns from ~171,000 as of March 31, 2012 to ~206,500 as of March 31, 2013 - a growth of 21% over FY2011-12 and also on account of increasing realization from our existing advertisers. The increase in revenue demonstrates the robustness of our business model and the efficiency of the product offerings to suit the requirements of advertisers. The rate of increase in the number of active campaigns signed up is a function of increasing awareness among the SME community about our platform for quality lead generation, our efforts to reach out to increasing number of SMEs across various geographies, the usage pattern of various category key words, our ability to get more share of the advertising spend of SMEs and our ability to work with SMEs to create a effective and efficient campaign for them.

Other Income increased by 2.84% from ₹ 131.54 Million in FY 2011-12 to ₹ 135.27 Million in FY 2012-13, primarily due to increase in profit from sale of current investments. The current investments are disposed of and reinvested in more efficient investment portfolios on an ongoing basis.

The **Total Income** increased by 36.73% from ₹ 2,752.15 Million in FY 2011-12 to ₹ 3,762.95 Million in FY 2012-13, representing the overall growth in business during the FY 2012-13.

The **Operating EBIDTA** rose by 50% from ₹ 672.30 Million in FY 2011-12 to ₹ 1008.35 Million. The **EBIDTA** rose by 42.27% from ₹ 803.84 Million in FY 2011-12 to ₹ 1,143.62 Million in FY 2012-13. The operating leverage present in the business model had curtailed the proportionate increase in expenses (as a percentage of increase in revenue) resulting in higher profits for the FY 2012-13.

Profit before tax and exceptional items from continuing operations increased by 40.10% from ₹ 713.44 Million in fiscal 2011-12 to ₹ 999.53 Million in FY 2012-13 and Profit before tax from continuing operations (after exceptional items) increased by 37.96% from ₹ 713.44 Million in FY 2011-12 to ₹ 984.28 Million in FY 2012-13.

Profit after tax for the year from continuing operations increased by 35.77% from ₹ 504.22 Million in FY 2011-12 to ₹ 684.57 Million in FY 2012-13. Profit after tax for the year (from continuing operations and discontinued operations) increased by 35.34% from ₹ 505.81 Million in FY 2011-12 to ₹ 684.57 Million in FY 2012-13.

Basic Earnings per share increased to ₹ 10.30 in FY 2012-13 as compared to ₹ 8.93 in FY 2011-12 despite the increase in the average weighted number of shares from 51.91 Million shares in FY 2011-12 to 66.49 Million in FY 2012-13. Diluted Earnings per share increased to ₹ 9.95 in FY 2012-13 as compared to ₹ 7.78 in FY 2011-12.

Revenue

Revenue from local search operations is derived from various service offerings to Small and Medium Enterprises (SMEs). The SMEs subscribe to priority listings (Platinum and Diamond listings) and premium listings by paying the listing fees through upfront payments or installment under Electronic Clearing Systems (ECS).

The Company operates a prepaid revenue model and advances are received from advertisers as listing fees. The difference between the collected revenue and accrued revenue is accounted as unearned revenue in the Balance Sheet. The unearned revenue has increased to ₹ 1,354.88 Million in FY 2012-13 from ₹ 1,099.42 Million in FY 2011-12 demonstrating the faith reposed by customers on an ongoing basis as a result of the premium quality services provided by the Company. The Company generates revenues across multiple categories spread across geographic locations. There is no specific concentration on any particular category in the revenue model. We generate a large portion of our revenues from the services sector.

Pricing for various campaigns varies depending on the category and geographic locations. Average realisation per campaign is a factor of multiple variables including category/keyword, geographic location, spend by advertiser, geographic mix, among others. Due to this, the rate of change of realisation and its impact on the overall revenues may not be exactly quantifiable.

Other income

Other income increased by 2.84% from ₹ 131.54 Million in FY 2011-12 to ₹ 135.27 Million in FY 2012-13. The profit from sale of current investments has increased to ₹ 102.28 Million in FY 2012-13 from ₹ 42.29 Million in FY 2011-12. The Company switches out its investments from funds based on performance of such funds and reinvests the amount in other funds to optimise the yield on current investments. The profit from sale of current investments is a result of this strategy. The dividends from investments have decreased to ₹ 11.87 Million in the FY 2012-13 from ₹ 43.55 Million in the FY 2011-12 as majority of the current investments have been switched to growth funds.

Employee benefit expense

The employee benefits expense increased by 35.94% to ₹ 1,778.60 Million in FY 2012-13 from ₹ 1,308.37 Million in

FY 2011-12 primarily due to increase in employee strength. The increase in local searches and the upsurge in revenue had raised the requirement for augmentation of employee strength. The employee benefits expense as a percentage of total expense has marginally increased to 64.36% in FY 2012-13 from 64.18% in FY 2011-12. The employee benefits expense as a percentage of total revenue has decreased to 47.27% in FY 2012-13 from 47.54% in FY 2011-12. The number of employees has increased to 7,342 employees in FY 2012-13 from 6,201 employees in FY 2011-12.

Finance costs

As the Company has no debt on its Balance Sheet, there is no interest burden on the Company. The interest on loan appearing in the financials is on a vehicle loan which was fully repaid in FY 2012-13.

Depreciation and amortisation expense

The depreciation and amortisation expense increased by 59.64% to ₹ 144.04 Million in FY 2012-13 from ₹ 90.23 Million of the FY 2011-12. The Company has been investing in fixed assets for modernisation of its facilities. Of the additions to fixed assets during the year 2012-13 of ₹ 406.12 Million, ₹ 283.14 Million (about 70% of the total outlay) has been on Information Technology Hardware & Software ₹ 86.98 Million (about 21% of the total outlay) has been on increase and upgradation of the technology required for conducting efficient operations. The Company's intent is to complement the increase in employee strength with best possible technological support for attaining a niche position in conducting the operations.

Other expenses

Other expenses increased by 31.38% to ₹ 840.73 Million in FY 2012-13 from ₹ 639.94 Million of the FY 2011-12. The increase in other expenses is due to increase in power and fuel, rent, insurance, repairs, advertising, travelling expenses, communication costs and other miscellaneous expenses.

Income taxes

The Income Tax Provision increased to ₹ 299.71 Million in FY 2012-13 from ₹ 209.21 Million in FY 2011-12, primarily due to increase in profits. The effective tax rate increased to 30.45% in FY 2012-13 from 29.32% in FY 2011-12. This is due to decrease in dividend income (exempt income) to ₹ 11.87 Million in FY 2012-13 from ₹ 43.55 Million in FY 2011-12 and also as a result of increase in income tax rates

Fixed assets

Although the Company is not into a capital intensive business, it has invested in fixed assets during the year to support business expansion. The addition to fixed assets during the year was ₹ 406.12 Million in FY 2012-13 as compared to ₹ 167.11 Million in FY 2011-12. The purchase of computer hardware, related peripherals and software increased to ₹ 283.14 Million in FY 2012-13 compared to ₹ 99.02 Million in FY 2011-12. The increase in plant and machinery related to operations increased to ₹ 86.98 Million in FY 2012-13 compared to ₹ 47.97 Million in FY 2011-12.

Current investments

The Company has substantial liquid cash reserves to support the growth of its business. The Company's investments in mutual funds increased to ₹ 4,857.92 Million in FY 2012-13 from ₹ 1,568 Million in FY 2011-12. The significant increase in current investments is on account of investment of the proceeds from



issue of shares to a private equity by the Company of ₹ 2,510 Million. The Company has deployed its current investments in debt based mutual funds to attain a balance between returns and preservation of capital. The funds are available for redemption as per the fund requirements of the Company. We have consistently maintained high quality of our investments as evidenced by CRISIL's rating which has rated our portfolio as Very Good (highest safety from credit default on CRISIL's 4 point scale) for the period from August 2012 to March 2013.

Additional share capital

The Company raised additional share capital (including share premium) to the tune of ₹ 2,510 Million in July 2012. During the year it also converted all the preference shares into equity shares. Post the year end, the Company floated its first Initial Public Offer through a secondary offering where the existing shareholders disposed approximately 25% of their holding to the public.

RISK MANAGEMENT

The Company's strong risk mitigation strategy is based on an in-depth insight of all possible risks. It has a detailed risk mitigating procedure with an effective monitoring framework.

Technological risk

With operations spanning in India and providing services across multiple platforms, the Company's performance is dependent on efficient technology and sound infrastructure systems.

Mitigation

The Company continuously upgrades and monitors its systems, infrastructure and technologies to provide diverse services. The constant up-gradation and monitoring help deliver quality, uninterrupted service and unmatched customer satisfaction. A robust technology platform enables fast, efficient and user-friendly information service for its users.

Product risk

The Company provides services and products of more than 9.1 Million business listings through its platforms. It is important to ensure that its services are marketed and made available to users in minimal time. Failure to upgrade the overall experience and reach to users might result in attrition of advertisers.

Mitigation

The Company has constantly improvised its offerings to its users in order to facilitate the reach of local commercial industry operators. It has always launched new, innovative, simpler and faster ways to disseminate information to its users. Apart from its existing offerings (voice, internet, mobile internet and SMS), the Company launched new platforms to connect to a large number of people. It launched the 'Just Dial' mobile application to provide its search services. It is also in the process of upgrading itself as an enabler to allow users to complete bookings or purchases in addition to search results.

Geographic risk

Concentration in few cities can jeopardize the business in the long run.

Mitigation

The Company started its operations in 1996 and currently, it has presence across various cities and towns and offices in 11

major cities of the country. It has leveraged its 'Just Dial' brand in order to expand its operations and capitalise on opportunities in emerging markets.

Customer attrition risk

Advertisers may not renew the listing service on the Company's portal in case of low return on investments.

Mitigation

The Company offers a wide range of membership packages for listing. It has developed and expanded its categories into finer details to create additional and customised searches for its listing partners. In order to strengthen its relationships with SMEs, it educates and explains them the benefits of running campaigns and advertising on our platform.

Competition risk

Other market operators can erode the Company's market share and adversely impact its sustainability.

Mitigation

The Company has pioneered local search in India and hence enjoys a strong brand recall. It has leadership in voice searches and is among the leader in internet/mobile local search segment. A significant portion of our revenues comes from existing customers, reaffirming their trust in the Company's quality of services. The Company enjoys a dominant position when it comes to local search, connecting million of users with businesses (primarily SMEs). Its website is ranked as 32nd among the top websites in India and is the leader in its segment. It has the advantage of being the first mover, supported by its accurate and updated database, making it an industry leader.

HUMAN RESOURCE MANAGEMENT

Employee relations continued to be cordial and peaceful throughout the year. The number of employees as on March 31, 2013 was 7,342. During 2012-13, 1,141 employees joined the Company across various departments

INTERNAL AUDIT AND CONTROLS

The Company adopted adequate measures of internal control for maintaining optimum quality of service. Amongst the Company's other steps taken for efficient internal control are achieving efficiency in operations and effective monitoring thereof whilst complying with all applicable laws. The internal control mechanism comprises a well-defined organization structure, predetermined authority levels, risk assessment and segregation of duties. The internal control systems are supplemented by established policies, procedures and reviews carried out by the Company's internal audit function, which reports to the management and the Audit Committee of the Board. The internal audit ensures that the systems designed and implemented, provide adequate internal control commensurate with the Company's size and operations. The status of internal control environment, internal audit and risk management policy are reviewed by the Audit Committee.

Directors' Report

Dear Members,

We, the Directors of Just Dial Limited are delighted to present 19th Annual Report along with the audited accounts of the Company for the year ended March 31, 2013.

FINANCIAL HIGHLIGHTS

	₹ in Million	
	2012-13	2011-12
Revenue from operations	3,627.68	2,620.61
Other Income	135.27	131.54
Total Revenue	3,762.95	2,752.15
Profit/Loss before depreciation	1,143.57	803.67
Less: Depreciation	144.04	90.23
Profit before tax before prior year adjustments	999.53	713.44
Less: Exceptional Items	15.25	-
Profit before tax after prior year adjustments	984.28	713.44
Less: Provision for tax	299.71	209.22
Profit after tax from continuing operations	684.57	504.22
Add: Profit after tax from discontinuing operations	-	1.59
Profit for the Year	684.57	505.81
Add: Balance brought forward	532.87	425.43
Balance Available for Appropriation	1,217.44	931.24

OPERATIONS

The Revenue from the operation has increased by about 38.43% on accrual basis to ₹ 3627.68 Million in the year ended March 31, 2013 as compared to ₹ 2620.61 Million in the year ended March 31, 2012.

The Company's earning before interest, depreciation and taxes (EBIDTA) margin stands at 30.39% of the total income in the year ended March 31, 2013. The Profit before tax and exceptional Items from continuing operation increased by about 40.10% to ₹ 999.53 Million in the year ended March 31, 2013 as compared to ₹ 713.44 Million in the year ended March 31, 2012.

The Company's profit after tax (PAT) increased by 35.34% to ₹ 684.57 Million in the year ended March 31, 2013 as compared to ₹ 505.81 Million in the year ended March 31, 2012.

A detailed discussion on Company's overview has been given in the section on 'Management Discussion and Analysis' (MDA).

DIVIDEND

Your Directors do not recommend any dividend on Equity Shares for the period under review.

TRANSFER TO GENERAL RESERVE

As the Company has not declared dividend for the financial year ended March 31, 2013, there is no requirement to transfer any amount to General Reserve account of the Company under the Companies (Transfer of Profit to Reserve Rules), 1975.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any unpaid/unclaimed amount which is required to be transferred, under the provisions of Companies Act, 1956 and rules framed thereunder, into the Investor Education and Protection Fund (IEPF) of the Government of India.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial positions of the Company have occurred between 1st April, 2013 and the date on which this report is signed. However, subsequent to the closure of financial year, the Company had undertaken an Initial Public Offer through offer for Sale ("IPO") of 17,497,458 Equity Shares of ₹ 10/- each through a 100% book building route. The (A) promoters of the Company: Mr. V.S.S. Mani, Mr.



Ramani Iyer and Mr. V. Krishnan, (B) Investors: Sequoia Capital India Investments III, SAIF II Mauritius Company Limited, Tiger Global Four JD Holdings, Tiger Global Five Indian Holdings, EGCS Investment Holdings and SAPV (Mauritius) Limited, had offered part of their shareholding in the IPO. The Shares were issued at a price of ₹ 530/- per equity share (discount of ₹ 47/- per Equity Share was offered to retail individual bidders). The aggregate amount of the IPO was ₹ 9,191 Million.

SHARE CAPITAL

During the year under review, there was no change in the Authorised Share Capital of the Company.

During the financial year, the Company has converted its 1,163,626 Preference Shares of series A, B and C into Equity Shares of ₹ 10/- each in the ratio of 1:1 and made suitable adjustments by issuing and allotting 10,756,075 Equity Shares of ₹ 10/- each as bonus shares to the preference shareholders of series A in the ratio of 55:1 as per the terms of the Shareholders Agreement and in accordance with shareholders resolution dated April 24, 2010. The Company also allotted 5,136,486 Equity Shares of ₹ 10/- each to private equity investors. The Company also allotted 163,759 Equity Shares of ₹ 10/- each to the employees of the Company upon exercise of options granted to them under ESOP and made suitable adjustments by issuing and allotting 375,210 Equity Shares of ₹ 10/- each as bonus shares to eligible employees in the ratio of 55:1 in accordance with Shareholders Resolution dated April 24, 2010.

Subsequent to closure of the financial year, the Company has allotted 123,588 Equity Shares of ₹ 10/- each to the employees of the Company upon exercise of options granted to them under ESOP and made suitable adjustments by issuing and allotting 245,740 Equity Shares of ₹ 10/- each as bonus shares to eligible employees in the ratio of 55:1 in accordance with Shareholders Resolution dated April 24, 2010.

As on the date of this report, the Paid-up Share Capital of the Company is ₹ 698,727,500/-.

SUBSIDIARIES

The Company does not have any subsidiary as on the date of this report.

BOARD OF DIRECTORS

Mr. Sandeep Singhal resigned from the Board with effect from May 7, 2012, your Directors' place on record deep appreciation and wishes to thank him for his immense and fruitful contribution during his tenure as Director on the Board.

Mr. Shailendra Jit Singh has been appointed as an Additional Director w.e.f. June 21, 2012 and has been appointed as Director by the shareholders at their extra ordinary general meeting on July 31, 2012.

In terms of provisions of the Companies Act, 1956 and Articles of Association of the Company Mr. B. Anand and Mr. Sanjay Bahadur, shall retire and being eligible, offer themselves for re-appointment.

Brief resume/details of the Directors who are to be re-appointed as mentioned hereinabove shall be furnished along with Notice of the ensuing Annual General Meeting.

The Board recommends their re-appointment at the ensuing Annual General Meeting.

As on date of this report, there are eight Directors on the Board of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors Responsibility Statement, the Directors' confirm to the best of their knowledge and belief that:

- In the preparation of annual accounts, the applicable accounting standards have been followed and there are no material departures from the same.
- Appropriate accounting policies have been selected and applied consistently and made such judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date.
- Proper and sufficient care has been taken 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.
- The annual accounts have been prepared on a going concern basis.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A detailed Chapter on, 'Management Discussion & Analysis' (MDA), pursuant to Clause 49 of the Listing Agreement is annexed and forms part of this Annual Report.

CORPORATE GOVERNANCE

A separate report, on Corporate Governance as stipulated under Clause 49 of the Listing Agreement, together with Certificate from V. B. Kondalkar & Associates, Practicing Company Secretary for compliances of conditions of Corporate Governance, forms part of the Annual Report.

INTERNAL CONTROL SYSTEM

The Company has a proper and adequate system of internal controls. This ensures that all assets of the Company are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly.

AUDIT COMMITTEE RECOMMENDATION

During the year under consideration, there were no specific recommendations from the Audit Committee. Hence, there is no need for the disclosure of the same in this report.

LISTING

The Equity Shares of the Company are listed on The National Stock Exchange of India Limited, BSE Limited and MCX Stock Exchange Limited.

FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits within the meaning of Section 58A and 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

Clause ix (b)

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, income-tax, sales tax, employees' state insurance, wealth tax service tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, *except in case of ESIC, which has not been deposited till date as per following table*. The provisions relating to excise duty are not applicable to the Company.

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
ESIC Act	ESIC	30,251,804	April 2006 to March 2010.	21st of every month	Not yet paid (Refer Note 31 to the financials)

Management's response: In January 2011, the Company received a show cause notice for the applicability of Employees' State Insurance Act ("ESI Act"), subsequent to which an assessment order was issued by the ESIC authorities, which assessed a liability of ₹ 6.53 Million against us for the period up to September 2010. The order, however, preserves the ESIC's right to inspect our records and determine our contribution under the ESI Act on the basis of inspection.

The Company in Financial year 2010-11 has already deposited ₹ 4.47 Million with the ESIC under protest and is contesting the remaining ₹ 2.06 Million assessed against the Company. The Company has appealed against the ESIC assessment order before the Employees' Insurance Court, Mumbai claiming that the provisions of the ESI Act are not applicable to us. However, we have recorded a provision of ₹ 30.25 Million in our books of accounts for any liability that may arise under the ESI Act.

PARTICULARS OF EMPLOYEES

The relations between the employees and the management remain cordial during the period under review. The Directors hereby place on record their appreciation of the efficient and

AUDITORS

The term of the present statutory auditors of the Company, S. R. Batliboi & Associates LLP, Mumbai, expires at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. The Board recommends, S. R. Batliboi & Associates LLP, Mumbai, for re-appointment as Statutory Auditors to hold office up to the date of next Annual General Meeting.

AUDITOR'S OBSERVATIONS

The Statutory Auditors of the Company have made the following observations in their audit report for the year ended March 31, 2013:

dedicated services rendered by the employees of the Company at all levels.

Information in accordance with the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975, as amended, is given in Annexure A.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Information required to be provided under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 in relation to conservation of energy and Technology Absorption are currently not applicable to the Company.

FOREIGN EXCHANGE EARNINGS' AND OUTGO

The Company has not earned any foreign exchange during the financial year under review. The foreign exchange outgo during the year is as under:



Sr. No		2012-13	2011-12
1	Travel expenses	426,640	286,569
2	Communication expenses	2,894	45,294
3	Advertisement expenses	3,062,014	2,696,722
4	Others	-	346,946

EMPLOYEES STOCK OPTIONS PLAN

With a view to provide an incentive to attract and reward employees and enhance their motivation, enable employees to participate in the long term growth and financial success of the Company and to act as a mechanism for retention of employees, your Company has adopted Employee Stock Option Scheme. As on the date of this report, Just Dial Private Limited Employee Stock Option Scheme, 2010 is in force. Details in respect of Just Dial Private Limited Employee Stock Option Scheme 2010 are provided in the Annexure B and forming part of the Director's Report. Please take note that this ESOP Scheme is not in Compliance with the provisions of SEBI ESOP Guidelines and the Company does not intend to grant any further options under this Scheme.

CORPORATE SOCIAL RESPONSIBILITIES

In performing the corporate social responsibilities, Just Dial has adopted a School, namely, Sri Sri Ravi Shankar Vidhya Mandir at Dharavi, Mumbai which schools 292 children from the nearby slums, run by the Art of Living Foundation. It is an English

Medium school, having modern education techniques. Costs of the entire functioning of this school and all the necessary support and resource mobilization in many areas, including infrastructure, facilities support, monitoring and evaluation, providing computer, teacher's salary, staff salary, maintenance cost, security costs, lunch, teaching aids, stationery, telephone bills, books and 100% of its other operational costs are being borne by the Company. The thrust of the project involves bettering the education and learning experience of the child. We contribute approximately ₹ 0.4 Million per month towards this cause and hope to create a lasting impact on the lives on these children and contribute to the society in a humble way.

ACKNOWLEDGEMENTS

Your Directors take the opportunity to express our deep sense of gratitude to all customers, vendors, Government and non-governmental agencies and bankers for their continued support in Company's growth and look forward to their continued support in the future.

Your Directors would also like to express their gratitude to the shareholders for reposing unstinted trust and confidence in the management of the Company.

Registered Office:

Just Dial Limited

501/B, 5th Floor,
Palm Court, Building M,
Besides Goregaon Sports Complex,
New Link Road, Malad (West),
Mumbai - 400 064
Dated: July 22, 2013

For and on behalf of the Board

V.S.S. Mani
Managing Director

V. Krishnan
Whole-time Director

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's corporate governance philosophy is to develop a fair, transparent and accountable system which enhances the Shareholders' value and which makes the Company a value driven organization. The Company endeavors to maintain faith of investors, regulating authorities, customers and general public in the organization. The Code of Corporate Governance prescribed by SEBI is a guiding code for the organization to adopt best governance practices which has been adopted by the Management of the Company.

The Equity Shares of the Company have been listed on June 5, 2013, which is after the completion of financial year under consideration. Even though, the provisions of Clause 49 of the

Listing Agreement were not applicable for the financial year under consideration, the Company has complied with nearly all the provisions of Clause 49 of the Listing Agreement, to the extent possible. The detailed report on Corporate Governance is set out below.

BOARD OF DIRECTORS

Board Composition

As at March 31, 2013 the Board consisted of eight Members, two of whom are Executive Directors and six Non-Executive Directors in which three directors are Independent Directors. The Company has a Non-Executive Chairman, hence one third of the Board is of Independent Directors, and therefore the composition of the Board is in compliance with the requirements of Clause 49 of the Listing Agreement.

The particulars relating to the composition of the Board, attendance at Board Meetings held during the year and the last Annual General Meeting, number of Directorships in other companies and Memberships in committees across various companies of which the Director is a Member/Chairman are given below:

Name of the Director	Number of Board Meetings held during his tenure and attended by him		Attendance at Annual General Meeting	Directorship/Membership as on March 31, 2013		
	Held	Attended		No. of outside Directorships held	Other Committee Positions (Excluding Private Companies, Foreign Companies and Section 25 Companies)	
					No. of Committee Memberships (including Chairmanship) held	No. of Committee Chairmanships held
Executive Directors						
Mr. V.S.S. Mani	12	12	Present	3	-	-
Mr. V. Krishnan	12	9	Present	1	-	-
Non-Executive Directors						
Mr. Ramani Iyer	12	12	Present	1	-	-
Mr. Ravi Adusumalli	12	3	Absent	13	-	-
Mr. Sandeep Singhal ¹	1	-	NA	11	-	-
Mr. Shailendra Jit Singh ²	7	1	Absent	10	-	-
Non-Executive and Independent Directors			Absent			
Mr. B. Anand	12	3	Absent	4	5	3
Mr. Sanjay Bahadur	12	5	Absent	5	1	-
Mr. Malcolm Monteiro	12	3	Absent	2	1	-

Notes:

1. Resigned w.e.f May 7, 2012
2. Appointed w.e.f June 21, 2012



None of the above named Non Executive Directors has had any pecuniary relationship or has entered into any transactions with the Company, except for the sitting fees drawn, if any, by the Non-Executive Directors for attending the Meetings of the Board.

Board Meetings

During the period ended on 31st March, 2013, 12 Board meetings were held on the following dates: 2nd April, 2012, 11th May, 2012, 11th June, 2012, 18th June, 2012, 21st June, 2012, 21st July, 2012, 8th August, 2012, 11th August, 2012, 18th September, 2012, 28th September, 2012, 13th December, 2012 and 23rd January, 2013.

The minutes of the Board meetings disclose the time at which the meeting was held.

Shareholding of Non-Executive Directors as on March 31, 2013

Name of Director	Category	No. of Shares Held
Mr. Ramani Iyer	Non-Executive Director	2,033,285
Mr. Ravi Adusumalli	Non-Executive Director	-
Mr. Shailendra Jit Singh	Non-Executive Director	-
Mr. B. Anand	Non-Executive and Independent Director	-
Mr. Sanjay Bahadur	Non-Executive and Independent Director	-
Mr. Malcolm Monteiro	Non-Executive and Independent Director	-

Information placed before the Board:

As per clause 49 Annexure I (A) the information placed before the Board includes:

- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee or any other committees of the Board.
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary and Compliance Officer.
- Any show cause notice, demand notices, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

- Sale of material nature of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Code of Conduct

The Board has approved and adopted a Code of Conduct for all Board Members and senior management of the Company, which has been posted on the website of the Company at www.justdial.com. All Board Members and senior management personnel have affirmed compliance with the Code of Conduct.

Code of Conduct for prevention of Insider Trading:

The Company has laid down Code of Conduct for prevention of insider trading, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The basic intention of the Code of Conduct is to prohibit employees or any other person from dealing in the Equity Shares of the Company while they are in possession of price sensitive information.

COMMITTEES OF THE BOARD

The Company has following four Board Committees:

- Audit Committee;
- Compensation/Remuneration Committee;
- Shareholders/Investors Grievances Committee; and
- Management Committee.

AUDIT COMMITTEE

A) Composition

As per the requirement of Section 292A of the Companies Act, 1956 and clause 49 of the Listing Agreement, the Composition of Audit Committee is as follows:

1.	Mr. B. Anand	Chairman (Non-Executive & Independent)
2.	Mr. Sanjay Bahadur	Member (Non-Executive and Independent)
3.	Mr. Malcolm Monteiro	Member (Non-Executive and Independent)
4.	Mr. Ravi Adusumalli	Member (Non-Executive)

Currently, the Company has setup a qualified and independent Audit Committee which consists of four Non-Executive Directors, three of whom are independent. All the Directors are literate in corporate and project finance, accounts and Company law. The Audit Committee held 3 meetings during the financial year. The Audit Committee also advises the management on the areas where internal audit is concerned. The Audit Committee invites executives, as it considers appropriate to be present at the meetings of the Audit Committee.

Mr. Sachin Jain, the Company Secretary and Compliance Officer of the Company, acts as Secretary to the Audit Committee. The minutes of the meetings of the Audit Committee are placed before the Board.

B) Terms of reference

The terms of reference of the Audit Committee are as per Section 292A of the Companies Act, 1956 and the guidelines set out in the listing agreement entered into with the Stock Exchanges and include interalia:

- a. Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Reviewing with the management the annual financial statements before submission to the Board for approval, with particular reference to:
 - (i) Matters required to be included in the director's responsibility statement to be included in the Board' report in terms of clause (2AA) of section 217 of the Companies Act;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;
 - (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions;
 - (vii) Qualifications in the draft audit report.
- e. Reviewing with the management the quarterly financial statements before submission to the Board for approval;
- f. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the initial public offer of our Company;
- g. Reviewing with the management the performance of statutory and internal auditors and the adequacy of internal control systems;
- h. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- i. Discussion with internal auditors any significant findings and follow up there on;
- j. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- k. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- l. To look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- m. To review the functioning of the whistle blowing mechanism, in case the same is existing;
- n. Approval of appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function or discharging that function) after assessing, amongst others, the qualifications, experience and background of the candidate; and



- o. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The powers of the Audit Committee shall include the power to:

- Investigate any activity within its terms of reference;
- Seek information from any employee;
- Obtain outside legal or other professional advice; and
- Secure attendance of outsiders with relevant expertise, if it considers necessary.

C) Meetings and Attendance

During the financial year 2012-2013, the Audit Committee met three times, on 11th June, 2012, 8th August, 2012 and 6th December, 2012. The attendance of the Members at these meetings is as follows:

	Name of the Member	No. of Meetings	
		Held	Attended
1.	Mr. B. Anand	3	3
2.	Mr. Sanjay Bahadur	3	3
3.	Mr. Malcolm Monteiro	3	2
4.	Mr. Ravi Adusumalli	3	-

COMPENSATION/REMUNERATION COMMITTEE

A) Brief description of terms of reference

- To fix and finalise remuneration including salary, perquisites, benefits, bonuses and allowances;
- Fixed and performance linked incentives along with the performance criteria;
- Increments and promotions;
- Service contracts, notice period, severance fees;
- Ex-gratia payments; and
- To formulate detailed terms and conditions of employee stock option schemes including details

The below mentioned table gives details of the remuneration paid /to be paid to Directors. During the year under consideration, the Company did not advance any loans to any of its directors.

Name of Director	Salary (₹)	Benefits (₹)	Sitting Fees (₹)	Commission (₹)	Total
Executive Directors					
Mr. V.S.S. Mani	2,699,200	5,577,419	-	3,405,823	11,682,442
Mr. V. Krishnan	5,834,000	-	-	5,096,058	10,930,058
Non-Executive Directors					
Mr. Ramani Iyer	-	-	-	-	-
Mr. Ravi Adusumaali	-	-	-	-	-
Mr. Shailendra Jit Singh	-	-	-	-	-
Non-Executive and Independent Directors					
Mr. B. Anand	-	-	90,000	-	90,000
Mr. Sanjay Bahadur	-	-	140,000	-	140,000
Mr. Malcolm Monteiro	-	-	80,000	-	80,000
Total	8,533,200	5,577,419	310,000	8,501,881	22,922,500

Note: Non-Executive Directors have decided not to take any sitting fees for attending the meetings of the Board or its Committee.

pertaining to quantum of options to be granted, conditions for lapsing of vested options, exercise period, adjustments for corporate actions and procedure for cashless exercise.

B) Composition

Composition of Compensation/Remuneration Committee is as follows:

1.	Mr. Malcolm Monteiro	Chairman (Independent & Non-Executive)
2.	Mr. Sanjay Bahadur	Member (Independent & Non-Executive)
3.	Mr. Ravi Adusumali	Member (Non-Executive)

C) No. of Meetings and Attendance

During the year under consideration, there was one meeting of Compensation/Remuneration Committee held on June 18, 2012, which was attended by all the Members.

D) Remuneration Policy

The remuneration of the Managing Director and Whole-time Director are decided by the Compensation/Remuneration Committee based on the Company's performance vis-à-vis the industry performance/track record of the Managing Director and Whole-time Director and the same is reported to the Board. The Company pays remuneration by way of salaries, perquisites and allowances to its Managing Director and Whole-time Director. Increments are decided by the Compensation/Remuneration Committee within the salary scale approved by the Members and are effective as per the relevant Agreements.

The Company has not granted any options to the Directors of the Company under Employee Stock Option Schemes.

The Non-Executive Directors of the Company are paid sitting fees of ₹ 20,000 for each Meeting of the Board and ₹ 10,000 for each meeting of committee of the Board.

SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

A) Composition and Functions of the Committee

The Company under Chairmanship of Independent Director Mr. Sanjay Bahadur has constituted Shareholders/Investors Grievance Committee with Mr. V.S.S. Mani and Mr. Ramani Iyer as Members. This Committee is responsible for the redressal of shareholder grievances. The terms of reference of the Shareholders/Investors Grievance Committee includes the following:

- To approve requests for transfer and transmission of shares;
- To approve dematerialization and rematerialization of shares;
- To consider and approve, split, consolidation and issuance of duplicate shares;
- To review from time to time the overall working of the secretarial department of the Company relating to the shares of the Company and the functioning of the share transfer agent and other related matters.

There were no meetings of the Committee during the year under review.

B) Compliance Officer

Mr. Sachin Jain, Company Secretary, has been appointed as the Compliance Officer.

C) Shareholders' Complaints

The Company has not received any investors' complaint during the year under review.

GENERAL BODY MEETINGS

A) Annual General Meetings

The Annual General Meetings of the Company during the preceding three years were held at 501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Complex, New Link Road, Malad (West), Mumbai – 400064.

The date and time of Annual General Meetings held during the preceding three years and special resolutions passed thereat are as follows:

Financial Year	Date	Time	Special Resolution passed
2011-12	July 31, 2012	10.00 a.m.	1
2010-11	August 2, 2011	9.30 a.m.	None
2009-10	September 30, 2010	3.00 p.m.	None

B) Special Resolutions passed through Postal Ballot

No Special Resolution was passed through postal ballot during the financial year 2012-2013. No Special Resolution is proposed to be conducted through Postal Ballot.

DISCLOSURES

A) Disclosure on material related party transactions

During the financial year ended March 31, 2013, there were no material related party transactions that may have potential conflict with the interests of the Company at large.

B) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Equity Shares Company have been listed on June 5, 2013, hence, there has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and there are no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

C) Whistle Blower policy and affirmation that no personnel has been denied access to the audit committee.

The Company is in process of formulating a Whistle Blower policy. There is no denial of access to the Audit Committee for any personnel.

D) Details of compliance with mandatory requirements and adoption of the non mandatory requirements of this clause.

Mandatory requirements

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

Adoption of Non-Mandatory requirements

The Company has adopted only the non-mandatory requirement of Constitution of Compensation/ Remuneration Committee.

CEO & CFO CERTIFICATION

Certificate from Mr. V.S.S. Mani, Managing Director & CEO and Mr. Ramkumar Krishnamachari, CFO, Pursuant to provisions of Clause 49 (V) of the listing Agreement, for the year under review was placed before the Board of Directors of the Company at its meeting held on July 22, 2013. A copy of the certificate on the financial statements for the financial year ended March 31, 2013 and on the Code of Conduct is annexed along with this Report.

MEANS OF COMMUNICATION

The Quarterly financial results of the Company will be published in the news papers namely The Financial Express and Navshakti news paper. At the same time the results are also displayed on the website of the Company www.justdial.com.

The Company has created an exclusive E-mail id investors@justdial.com for the investors. The investors can directly send their grievances to the Compliance Officer.

GENERAL SHAREHOLDERS INFORMATION

A) Annual General Meeting

Day, Date, Time & Venue	Monday, September 30, 2013 at 4.30. P.M. at West Banquet Hall, Goregaon Sports Club, Link Road, Malad (West), Mumbai – 400 064
Financial Year	April 1 to March 31
Financial Calendar	Results are likely to be announced on (Tentative and subject to change)
1 st quarter ending June, 2013	By First week of August, 2013
2 nd quarter ending September, 2013	By First week of November, 2013
3 rd quarter ending December, 2013	By First week of February, 2014
4 th quarter ending March, 2014	By First week of May, 2014
Dividend Payment Date	N.A
Book closure	Thursday, 26 th September, 2013 to Monday, 30 th September, 2013 (both days inclusive)
Email ID for Investors	investors@justdial.com

B) Listing On Stock Exchanges

The Equity Shares of the Company are listed on National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and MCX Stock Exchange Limited (MCX-SX).

C) Stock Code

S.No.	Stock Exchange	Code
1	NSE	JUSTDIAL
2	BSE	535648
3	MCX-SX	JUSTDIAL

D) Market Price Data: High, Low during each month in last financial year and performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.

The Shares of the Company got listed on June 5, 2013, hence the market price data and performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc. for the financial year, 2012-13 are not available.

E) Registrar and Transfer Agents:

The Company has appointed M/s Karvy Computershare Private Limited as its Registrar and Share Transfer Agent.

For any assistance regarding Share Transfers, Transmissions, change of address, duplicate/missing Share Certificate and

other relevant matters, please write to the Registrar and Share Transfer Agent of the Company, at the address given below:

Karvy Computershare Private Limited
Unit: Just Dial Limited
Plot no. 17 to 24 , Vittal Rao Nagar
Madhapur, Hyderabad – 500 081
Phone: +91-40-23420815- 824
Fax: +91- 40- 23420814
E-mail : einward.ris@karvy.com
Website: www.karvy.com

F) Share Transfer System

All matters pertaining to Share Transfer are being handled by M/s Karvy Computershare Private Limited. The Share Transfer requests received are processed by them and a Memorandum of Transfer is sent to the Company for approval. The average time taken for processing Share Transfer requests including dispatch of Share Certificates is less than 15 days, while it takes a minimum of 15 days for processing dematerialization requests. The Company's representatives visit the office of the Registrars and Share Transfer Agents to monitor, supervise and ensure that there are no delays or lapses in the system.

G) Distribution of Shareholding as on March 31, 2013

Category (Nominal Value)	No. of Share Holders	% of Total Share Holders	No. of Shares Held	% of Total Shareholding
Upto 5,000	365	89.46	119,746	0.17
5,001-10,000	8	1.96	50,120	0.07
10,001-20,000	4	0.98	55,600	0.08
20,001-30,000	6	1.47	149,200	0.21
30,001-40,000	4	0.98	135,600	0.20
40,001-50,000	0	0.00	0	0.00
50,001-100,000	6	1.47	360,157	0.52
Above 100,001	15	3.68	68,632,999	98.75
Total	408	100.00	69,503,422	100.00

H) Shareholding Pattern (Categories of Shareholders) as on March 31, 2013

Category	No. of Shares Held	% of Total Shareholding
Promoters	25,957,175	37.35
FII's	42,275,484	60.92
Domestic Companies	0	0.00
Others	1,270,763	1.83
Total	69,503,422	100.00

I) Dematerialisation of Shares and Liquidity

Category	No. of Shares Held	% of Total Shareholding
Shares held in Demat Form	69,307,436	99.72
Shares held in Physical Form	195,986	0.28
Total	69,503,422	100.00

Note: The information provided at para g), h) and i) above are as on the date of March 31, 2013 i.e. before the listing of Equity Shares of the Company on Stock Exchanges.

J) Outstanding GDR'S/ ADR'S Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity:

There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments issued by the Company.

K) Plant Location

The Company has 15 offices across India (including one each in Mumbai, Ahmedabad, Chandigarh, Chennai, Coimbatore, Hyderabad, Jaipur, Kolkata, two each in Pune and Noida and three in Bengaluru).

Address For Correspondence
Registered Office

501/B, 5th Floor, Palm Court,
 Building M, Besides Goregaon Sports Complex,
 New Link Road, Malad (West), Mumbai – 400064
 Tel: +91 -22-28884060
 Fax: +91-22-28823783

Certificate on Corporate Governance

To
 The Members of
 Just Dial Limited

We have examined the compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement for the financial year ended on March 31, 2013.

The Compliance of conditions of Corporate Governance is the responsibility of the management, our examination was limited to procedures and implementation thereof, adopted by Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

The Equity Shares of the Company have been listed on June 5, 2013, which is after the completion of financial year under consideration.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the management, even though, the provisions of Clause 49 of the Listing Agreement were not applicable for the financial year under consideration, we certify that, the Company has complied with nearly all the provisions of Clause 49 of the Listing Agreement, to the extent possible.

We further 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.

For **V. B. Kondalkar & Associates**
 Practicing Company Secretaries

Vijay B. Kondalkar
 Proprietor
 (M. NO. 15697)
 (CP NO. 4597)

Place : Mumbai
 Dated : July 22, 2013



Certification by Chief Executive Officer and Chief Financial Officer of the Company

We, V.S.S. Mani, Managing Director & Chief Executive Officer (CEO) and Ramkumar Krishnamachari, Chief Financial Officer (CFO) of Just Dial Ltd., to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement of the Company for the year ended March 31, 2013 and to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - b. 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.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control system of the Company pertaining to the financial reporting and have disclosed to the Auditors and Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee that during the year:
 - a. there has not been any significant change in internal control over financial reporting;
 - b. there has not been any significant changes in accounting policies; and
 - c. there have been no instances of significant fraud of which we are aware that involve management or other employees having significant role in the Company's internal control system over financial reporting.

V.S.S. Mani

Managing Director & CEO

Ramkumar Krishnamachari

Chief Financial Officer

Place : Mumbai

Dated : July 22, 2013

Annexure-A

Information pursuant to section 217(2A) of the Companies Act 1956 read with Companies (Particulars of Employees) Rules 1975

Sr No	Name of the Employee	Age (yrs)	Designation	Remuneration Received (in ₹)	Nature of Employment	Other Terms & conditions	Nature of Duties	Qualification	Experience (in years)	Date of Commencement of Employment	Last date of employment with the Company	Previous Employment	Percentage of Equity Share held	Relationship with Director/ Manager
1	V.S.S.Mani	47	Managing Director	11,682,442	Full Time	Nil	Formulation of corporate strategy and planning, overall execution and management	Discontinued B. Com.	24	Since Inception	-	NA	30.69	Brother of Directors Mr. Ramani Iyer & V. Krishnan
2	V. Krishnan	42	Whole Time Director	10,930,058	Full Time	Nil	Business development, business expansion, operations, strategic planning and execution	Discontinued B. Com.	19	October 28, 2005	-	NA	2.95	Brother of Directors Mr. V.S.S. Mani & Mr. Ramani Iyer
3	Sandipan Chattopadhyay	40	Chief Technology Officer	7,809,891	Full Time	Nil	Development of software and Technology up gradation	Bachelor's degree in Statistics from the Indian Statistic-al Institute, Kolkata and Post-Graduate Diploma in Computer Aided Management from IIM, Kolkata	16	January 1, 2009	-	E Dot Solutions India Private Limited	0.4	Nil
4	Ramkumar Krishnamachari	46	Chief Financial Officer	7,466,939	Full Time	Nil	Finance and Accounts	CA, ICWA, CPA & CFA	22	August 8, 2010	-	Royal Sundaram General Insurance Allied Company Limited	0.08	Nil
5	Shyam S. Khitar	42	Vice President	7,063,390	Full Time	Nil	Sales	MBA International Business	21	July 1, 1997	April 10, 2013	RPG PAGING	0.1	Nil
6	Koora Srinivas	37	Dy. Chief Financial Officer	7,313,284	Full Time	Nil	Finance, Accounts and HR	B.Com & MBA	13	December 1, 1999	-	NA	0.18	NA

Annexure-B

DETAILS OF OPTIONS GRANTED UNDER EMPLOYEE STOCK OPTION PLAN – 2010

Sr. No.		Details
a	Options granted	1,027,675
b	The pricing formula	The options were issued at exercise price mentioned as under: <ul style="list-style-type: none"> • Category – I (82,936 options) - ₹ 80 per option. • Category – II (640,727 options) – ₹ 80 per option. • Category – III (155,176 options) - ₹ 10 per option. • Category – II (138,525 options) – ₹ 80 per option. • Category – II (10,311 options) – ₹ 80 per option.
c	Options vested	345,528
d	Options exercised	278,857
e	The total number of shares arising as a result of exercise of option	955,112 (net of options forfeited lapsed/cancelled)
f	Options lapsed	72,563
g	Variation of terms of options	N.A
h	Money realised by exercise of options	₹ 19,049,850
i	Total number of options in force	676,255
j	Employee wise details of options granted to	
	(i) Senior managerial personnel;	Please see Note 1 below.
	(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	Please see Note 2 below.
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant;	N.A
k	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	₹ 9.95 (As on March 31, 2013 based on unconsolidated financials).
l	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed	Impact on profit (from the date of grant till date): Profit would be less by ₹ 24,397,921. Impact on EPS (basic) for fiscal 2012-13: ₹ 0.10. Impact on EPS (diluted) for fiscal 2012-13: ₹ 0.10.
m	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Weighted average exercise price: ₹ 69. Weighted average fair value: ₹ 37.

DETAILS OF OPTIONS GRANTED UNDER EMPLOYEE STOCK OPTION PLAN – 2010

Sr. No.		Details
n	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:	Our Company has adopted the Black Scholes method to estimate the fair value of the options with the following assumptions:
	i. Risk-free interest rate,	i. Risk free interest rate: 7.74%, 7.69%, 7.66% and 7.66% for each of the four vesting dates.
	ii. Expected life,	ii. Expected life: seven years.
	iii. Expected volatility,	iii. Expected volatility: Nil.
	iv. Expected dividends, and	iv. Expected dividends: Nil.
	v. The price of the underlying share in market at the time of option grant	V. Price of underlying share in market at the time of grant of option: N.A.

Note 1: Details regarding options granted to senior managerial personnel

Name of Director/ key management personnel / other management personnel	Total No. of options granted	No. of options exercised	Total No. of options outstanding
Mr. Ramkumar Krishnamachari	155,176	46,553	108,623
Mr. Srinivas Koora	45,976	34,482	11,494
Mr. Shreos Roychowdhury	35,000	10,500	24,500
Mr. Sachin Jain	4,000	1,200	2,800

Note 2: Employees who received a grant in any one year of options amounting to 5% or more of the options granted:

Name of Employee	No. of options granted
Mr. Ramkumar Krishnamachari	155,176



Independent Auditor's Report

To

The Members of Just Dial Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Just Dial Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W

per **Govind Ahuja**

Partner

Membership Number : 48966

Place of Signature : Mumbai

Date : July 22, 2013

Annexure referred to in paragraph [1] under section Report on Other Legal and Regulatory Requirements of our report of even date

Re: Just Dial Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no disposal of a substantial part of fixed assets during the year.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 4(ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas. The activities of the Company do not involve purchase of inventory and the sale of goods.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year 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.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act for the products of the Company.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, income-tax, sales tax, employees' state insurance, wealth tax service tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, *except in case of ESIC, which has not been deposited till date as per following table*. The provisions relating to excise duty are not applicable to the Company.

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
ESIC Act	ESIC	30,251,804	April 2006 to March 2010.	21st of every month	Not yet paid (Refer Note 31 to the financials)



- (c) According to the information and explanations given to us, there are no dues of sales-tax, wealth tax, service tax, custom duty and cess which have not been deposited on account of dispute. The provisions relating to excise duty are not applicable to the Company. According to the records of the Company, the dues outstanding of income-tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,385,521	A.Y.2003-04	Income Tax Appellate Tribunal
		1,105,201	A.Y.2005-06	Income Tax Appellate Tribunal
		6,248,385	A.Y.2006-07	Income Tax Appellate Tribunal
		4,888,204	A.Y.2007-08	Income Tax Appellate Tribunal
		10,507,539	A.Y.2008-09	Income Tax Appellate Tribunal
		610,184	A.Y.2009-10	Commissioner of Income Tax (Appeals)
		146,193	A.Y.2011-12	Commissioner of Income Tax (Appeals)

*Against the above cases, the Company has deposited ₹ 15,008,516 under protest or adjusted by Income Tax Department against which rectifications are pending.

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank. The Company does not have any dues to financial institution or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issue.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **S. R. Batliboi & Associates LLP**

ICAI Firm registration number: 101049W

Chartered Accountants

per **Govind Ahuja**

Partner

Membership No.: 48966

Place: Mumbai

Date: July 22, 2013

Balance Sheet as at March 31, 2013

₹

	Notes	March 31, 2013	March 31, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	695,034,220	530,718,920
Reserves and surplus	5	3,556,284,067	541,696,048
		4,251,318,287	1,072,414,968
Share application money pending allotment	6	7,768,320	-
Non-current liabilities			
Deferred tax liabilities (Net)	7	9,485,975	-
Other long term liabilities	8	29,600,401	22,952,358
		39,086,376	22,952,358
Current liabilities			
Trade payables	9	67,054,306	43,953,689
Other current liabilities	10	1,690,748,193	1,325,502,622
Short-term provisions	11	18,160,530	12,918,557
		1,775,963,029	1,382,374,868
Total		6,074,136,012	2,477,742,194
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	12	535,494,323	326,976,377
Intangible assets	12	72,172,486	21,398,272
Capital work-in-progress		-	3,184,703
Intangible assets under development	12	15,599,676	8,724,477
		623,266,485	360,283,830
Deferred tax assets (Net)	13	-	9,142,894
Long term loans and advances	14	205,843,135	203,495,050
		829,109,620	572,921,774
Current assets			
Current investments	15	4,857,915,817	1,568,001,904
Trade receivables	16	8,919,737	-
Cash and bank balances	17	239,285,709	237,343,282
Short term loans and advances	18	112,082,171	58,997,391
Other current assets	19	26,822,958	40,477,843
		5,245,026,392	1,904,820,420
Total		6,074,136,012	2,477,742,194
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financials statements

As per our report of even date

For and on behalf of the Board of Directors of Just Dial Limited

For **S. R. Batliboi & Associates LLP**

ICAI Firm registration number: 101049W

Chartered Accountants

V. S. S. Mani

Managing Director

V. Krishnan

Director

per **Govind Ahuja**

Partner

Membership no. 48966

Place : Mumbai

Date : July 22, 2013

Ramkumar Krishnamachari

Chief Financial Officer

Sachin Jain

Company Secretary



Statement of Profit and Loss for the year ended March 31, 2013

	Notes	March 31, 2013	March 31, 2012
₹			
INCOME FROM CONTINUING OPERATIONS			
Revenue from operations	20	3,627,675,293	2,620,606,783
Other income	21	135,274,887	131,541,351
Total revenue		3,762,950,180	2,752,148,134
Expenses			
Employee benefits expense	22	1,778,601,609	1,308,365,900
Finance costs	23	49,506	172,898
Depreciation and amortisation expense	12	144,043,024	90,232,718
Other expenses	24	840,726,474	639,939,319
Total expense		2,763,420,613	2,038,710,835
Profit before tax and exceptional items from continuing operations		999,529,567	713,437,299
Exceptional items	39	(15,247,758)	-
Profit before tax from continuing operations		984,281,809	713,437,299
Tax expense			
Current tax		278,866,000	205,957,971
Deferred tax		18,628,869	3,255,675
Tax for earlier years		2,216,504	-
Total tax expense		299,711,373	209,213,646
Profit for the year from continuing operations (A)		684,570,436	504,223,653
Discontinued operation			
Profit before tax from discontinuing operations	38	-	2,300,782
Tax expense of discontinuing operations		-	710,313
Profit for the year from discontinued operations (B)		-	1,590,469
Profit for the year (A + B)		684,570,436	505,814,122
Earnings per share			
Basic [Nominal value of shares ₹ 10]	25	10.30	8.93
Diluted [Nominal value of shares ₹ 10]	25	9.95	7.78
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financials statements

As per our report of even date

For and on behalf of the Board of Directors of Just Dial Limited

For **S. R. Batliboi & Associates LLP**

ICAI Firm registration number: 101049W

Chartered Accountants

V. S. S. Mani
Managing Director

V. Krishnan
Director

per **Govind Ahuja**

Partner

Membership no. 48966

Place : Mumbai

Date : July 22, 2013

Ramkumar Krishnamachari
Chief Financial Officer

Sachin Jain
Company Secretary

Cash Flow Statement for the year ended March 31, 2013

₹

	March 31, 2013	March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax from continuing operations	984,281,809	713,437,299
Net profit before tax from discontinued operations	-	2,300,782
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	144,043,024	90,232,718
Employee stock compensation expense	3,634,291	5,598,746
(Profit)/Loss on sale of fixed assets (net)	2,574,581	(52,719)
Profit on sale of current investments	(102,278,378)	(42,290,672)
Loss on sale of long term investment	-	477,956
Interest income	(4,064,524)	(4,298,739)
Dividend income	(11,869,982)	(43,550,527)
Interest expense	49,506	172,898
Operating profit before working capital changes	1,016,370,327	722,027,742
Movements in working capital:		
Decrease/(increase) in trade receivables	(8,919,737)	599,225
Decrease/(increase) in short term loans and advances	(53,084,780)	(1,659,566)
Decrease/(increase) in long term loans and advances	(24,509,345)	(4,263,473)
Decrease/(increase) in other current assets	(1,096,798)	2,512,403
(Decrease)/increase in trade payables	23,100,618	(5,336,835)
(Decrease)/increase in other current liabilities	366,732,186	452,494,858
(Decrease)/increase in other non current liabilities	6,648,043	7,346,782
(Decrease)/increase in short term provisions	5,241,973	(7,675,262)
Cash generated from operations	1,330,482,486	1,166,045,874
Direct taxes paid (net of refunds)	(307,303,795)	(208,835,171)
Net cash from operating activities (A)	1,023,178,691	957,210,702
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(361,432,069)	(230,844,595)
Proceeds from sale of fixed assets	214,362	200,000
Purchase of current investments	(8,248,972,387)	(3,932,443,775)
Purchase of long term investments	-	(579,999,700)
Sale/redemption of current investments	5,061,336,850	3,421,702,646
Loans given	-	(111,744,050)
Proceeds from loan repaid	-	156,029,939
Investment in bank deposit (with maturity more than three months)	(2,038,412)	(24,528,446)
Redemption/maturity of bank deposit (with maturity more than three months)	-	22,810,923
Interest received	4,166,676	4,238,051
Proceeds from sale of investment in subsidiary	-	22,027,500
Dividends received	11,869,982	43,550,527
Net cash used in investing activities (B)	(3,534,854,998)	(1,209,000,980)



Cash Flow Statement for the year ended March 31, 2013

	March 31, 2013	March 31, 2012
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of long term borrowings	(1,486,614)	(1,670,446)
Receipts from issuance of preference shares (including premium)	-	333,864,533
Share Application money pending allotment	7,768,320	-
Receipts from issuance of equity shares (including premium)	2,550,627,189	224,000
Share issue expenses	(45,279,067)	(40,907,273)
Interest paid	(49,506)	(172,898)
Net cash from financing activities (C)	2,511,580,322	291,337,916
Net increase in cash and cash equivalents (A + B + C)	(95,985)	39,547,638
Cash and cash equivalents at the beginning of the year	214,532,359	174,984,721
Cash and cash equivalents at the end of the year	214,436,374	214,532,359
Components of cash and cash equivalents		
Cash on hand	-	5,885,286
Cheques in hand	46,541	12,128,353
With banks - on current account	214,389,833	196,518,720
Cash and cash equivalents (Refer note 17)	214,436,374	214,532,359
Summary of significant accounting policies	3	

As per our report of even date

For and on behalf of the Board of Directors of Just Dial Limited

For **S. R. Batliboi & Associates LLP**

ICAI Firm registration number: 101049W

Chartered Accountants

V. S. S. Mani

Managing Director

V. Krishnan

Director

per **Govind Ahuja**

Partner

Membership no. 48966

Place : Mumbai

Date : July 22, 2013

Ramkumar Krishnamachari

Chief Financial Officer

Sachin Jain

Company Secretary

Notes to financial statements for the year ended March 31, 2013

1. NATURE OF OPERATIONS

Just Dial Limited ('the Company') was incorporated in India with limited liability on December 20, 1993 under the name A&M Communications Private Limited. The Company provides local search related services to users in India through multiple platforms such as the internet, mobile internet, over the telephone (voice) and text (SMS).

Subsequent to April 1, 2013, the Company completed the IPO through offer for sale of equity shares by certain shareholders. The equity shares of the Company were listed on The National Stock Exchange of India Limited, The BSE Limited and MCX Stock Exchange Limited on June 5, 2013.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year

3.3 Depreciation on tangible fixed asset

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the Management, or at the rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher as follows:

	Estimated Useful life	Depreciation Rates (SLM) (%)
Buildings	20 Years	5.00
Plant and Machinery	6 Years	16.67
Computers	5 Years	20.00
Furniture and Fittings	7 Years	14.29
Motor Car	5 Years	20.00
Headsets	3 Years	33.33
Office Equipment	7 Years	14.29

Depreciation on assets purchased/sold during the period is proportionately charged. Individual assets costing less than ₹ 5,000 are depreciated in full in the year of purchase. The lease hold improvements are written off over the period of lease, ranging from 1 to 9 years, or useful life whichever is lower.

3. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3.2 Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.



Notes to financial statements for the year ended March 31, 2013

3.4 Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects the current market assessments of the time value of money and risk specific to the asset.

3.5 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less accumulated amortisation.

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an internally generated intangible assets are recognised as an intangible asset, when the Company can demonstrate all the following:

- (i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) Its intention to complete the asset;
- (iii) Its ability to use or sell the asset;
- (iv) That the asset will generate future economic benefits;
- (v) The availability of adequate resources to complete the development and to use or sell the asset; and
- (vi) The ability to reliably measure the expenditure attributable to the intangible asset during its development.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortises the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Accounting standard 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

A summary of amortisation policies applied to the Company's intangible assets is as below:

Goodwill

Goodwill is amortised on a straight line basis over a period of five years. Carrying value of goodwill is reviewed for impairment annually and otherwise when events or changes in circumstances indicate that the goodwill may be impaired.

Software

Application software acquired by the Company which provide long term benefits to the Company are capitalised at cost and amortised equally over a period of 5 years being the estimated useful life.

Website development costs

Website development costs are amortised on a straight line basis over a period of five years being the estimated useful life.

Unique telephone numbers

Unique telephone numbers are amortised on a straight line basis over a period of five years being the estimated useful life.

Application development

Application development cost capitalised are amortised on a straight line basis over the period of 3 years being the estimated useful life of the asset

Notes to financial statements for the year ended March 31, 2013

3.6 Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

3.7 Borrowing costs

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. All borrowing cost are expensed in the period they occurred.

3.8 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as non current investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties, as applicable.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Non Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

3.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

3.9.1 Income from Services

Sale of Search Related Services

Revenues from tenure based contracts are recognised pro-rata over the contract period and from lead based contracts as per provision of leads to the customer.

Sale of Review and Rating Certification Services

Revenues from sale of review and rating certification services are recognised at the time of issuance of the document to the customer

Other Operating Revenue

Other Operating revenue comprises revenue from

reseller providing data collection services to the Company.

Revenue from resellers constitutes a one-time registration fee and an annual fee. The one-time registration fee is recognised when the contract with reseller is entered into and the annual fee is recognised on a prorata basis over the period of the contract.

3.9.2 Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.9.3 Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

3.9.4 Service Charges

Revenue from service charges is recognised upon rendering of services.

3.10 Foreign currency translation

3.10.1 Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

3.10.2 Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

3.10.3 Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the Company at rates different from those, at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

3.11 Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit



Notes to financial statements for the year ended March 31, 2013

payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset

Gratuity liability are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

3.12 Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses,

all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

3.13 Employee stock compensation cost

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method and recognised, together with a corresponding increase in the "Stock options outstanding account" in reserves. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense

Notes to financial statements for the year ended March 31, 2013

recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

3.14 Segment reporting policies

The Company's activities are currently carried out in India and all the services provided by the Company fall in a single business segment.

As there are no separate reportable primary and secondary segments, the disclosures required by Accounting Standard 17 - Segment reporting have not been provided in these financial statement.

3.15 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and related attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.16 Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3.17 Contingent liabilities.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

3.18 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

₹

	As at March 31, 2013	As at March 31, 2012
4 SHARE CAPITAL		
Authorised		
Equity share capital		
100,000,000 (March 31, 2012: 100,000,000) equity shares of ₹ 10/- each	1,000,000,000	1,000,000,000
Preference share capital		
1,200,000 (March 31, 2012: 1,200,000) preference shares of ₹ 10/- each	12,000,000	12,000,000
	1,012,000,000	1,012,000,000
Issued, subscribed and fully paid up shares		
Equity shares		
69,503,422 (March 31, 2012: 51,908,266) equity shares of ₹ 10/- each fully paid	695,034,220	519,082,660
6% non cumulative compulsory convertible preference shares Series C		
Nil (March 31, 2012: 968,060) 6% non cumulative compulsory convertible preference shares Series C of ₹10/- each fully paid	-	9,680,600



Notes to financial statements for the year ended March 31, 2013

	As at March 31, 2013	As at March 31, 2012
4 SHARE CAPITAL (CONTD.)		
6% cumulative redeemable preference shares (Optionally Convertible) of Series A		
Nil (March 31, 2012: 195,565) 6% cumulative redeemable preference shares (Optionally Convertible) of Series A of ₹ 10/- each fully paid	-	1,955,650
0.1% non cumulative redeemable convertible preference shares (Optionally Convertible) of Series B		
Nil (March 31, 2012: 1) 0.1% non cumulative redeemable convertible preference shares (Optionally Convertible) of Series B of ₹ 10/- each fully paid	-	10
Total issued, subscribed and paid up share capital	695,034,220	530,718,920

a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2013		March 31, 2012	
	Number	₹	Number	₹
Equity shares				
Shares outstanding at the beginning of the year	51,908,266	519,082,660	51,905,466	519,054,660
Shares issued during the year	5,136,486	51,364,860	-	-
Shares issued during the year - Conversion of preference shares	1,163,626	11,636,260	-	-
Shares issued during the year - ESOP exercised	163,759	1,637,590	2,800	28,000
Shares issued during the year - Bonus on conversion of preference shares (Note I)	10,756,075	107,560,750	-	-
Shares issued during the year - Bonus on ESOP exercised (Note II)	375,210	3,752,100	-	-
Shares outstanding at the end of the year	69,503,422	695,034,220	51,908,266	519,082,660
6% cumulative redeemable preference shares (Optionally Convertible) of Series A				
Shares outstanding at the beginning of the year	195,565	1,955,650	195,565	1,955,650
Shares converted into equity shares during the year	(195,565)	(1,955,650)	-	-
Shares outstanding at the end of the year	-	-	195,565	1,955,650
0.1% non cumulative redeemable convertible preference shares (Optionally Convertible) of Series B				
Shares outstanding at the beginning of the year	1	10	1	10
Shares converted into equity shares during the year	(1)	(10)	-	-
Shares outstanding at the end of the year	-	-	1	10
6% non cumulative compulsory convertible preference shares Series C				
Shares outstanding at the beginning of the year	968,060	9,680,600	-	-
Shares Issued during the year	-	-	968,060	9,680,600
Shares converted into equity shares during the year	(968,060)	(9,680,600)	-	-
Shares outstanding at the end of the year	-	-	968,060	9,680,600

Notes:

- I) As per the terms of issue of Preference shares, Preference shareholders were eligible for bonus shares approved by Shareholders on equity shares. During the year ended March 31, 2011, Shareholders had approved bonus shares whereby 55 shares were issued for each share held. In the current year, on conversion of preference shares the Company allotted bonus shares to the preference shareholders in the same ratio
- II) Employees holding 6,822 ESOP options under Pool 2 and Pool 3 were also eligible for the above mentioned bonus shares approved by Shareholders on equity shares.

Notes to financial statements for the year ended March 31, 2013

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

	As at (No of Shares)	
	March 31, 2013	March 31, 2012
Equity shares		
Equity Shares allotted as fully paid up bonus shares	62,048,195	50,916,910

In addition the Company has issued total 178,455 shares (March 31, 2012: 18,250) during the period of five years immediately preceding the reporting date on exercise of option granted under the employee stock option plan (ESOP) wherein part consideration was received in the form of employee services.

c) Disclosure of shareholders holding more than 5% of the shares in the Company

A) 6% cumulative redeemable preference shares (Optionally Convertible) of Series A of ₹ 10 each fully paid (shareholders holding more than 5% of this series of shares)

Name of Shareholder	March 31, 2013		March 31, 2012	
	No of Shares held	% of Holding of the respective series	No of Shares held	% of Holding of the respective series
Saif II Mauritius Company Limited	-	-	159,598	81.61
Tiger Global Four JD Holdings	-	-	35,967	18.39

B) 0.1% non cumulative redeemable convertible preference shares (Optionally Convertible) of Series B of ₹ 10/- each fully paid (shareholders holding more than 5% of this series of shares)

Name of Shareholder	March 31, 2013		March 31, 2012	
	No of Shares held	% of Holding of the respective series	No of Shares held	% of Holding of the respective series
Mr. V. S. S. Mani	-	-	1	100.00

C) 6% non cumulative compulsory convertible preference shares Series C of ₹ 10/- each fully paid (shareholders holding more than 5% of this series of shares)

Name of Shareholder	March 31, 2013		March 31, 2012	
	No of Shares held	% of Holding of the respective series	No of Shares held	% of Holding of the respective series
SAP Ventures (Mauritius)	-	-	484,030	50.00
EGCS Investment Holdings	-	-	484,030	50.00

d) Disclosure of shareholders holding more than 5% of the share capital of the Company in aggregate

Equity share capital

Name of Shareholder	March 31, 2013		March 31, 2012	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Mr. V. S. S. Mani	21,331,669	30.69	22,313,944	42.99
Saif II Mauritius Company Limited	13,777,232	19.82	4,839,744	9.32
Tiger Global Four JD Holdings	8,582,112	12.35	6,567,960	12.65
Sequoia Capital India Investments III	6,608,784	9.51	6,608,784	12.73
Tiger Global Five Indian Holdings	5,321,008	7.66	5,321,008	10.25

Notes to financial statements for the year ended March 31, 2013

Preference share capital

Name of Shareholder	March 31, 2013		March 31, 2012	
	No of Shares held	% of Holding	No of Shares held	% of Holding
SAP Ventures (Mauritius)	-	-	484,030	41.60
EGCS Investment Holdings	-	-	484,030	41.60
Saif II Mauritius Company Limited	-	-	159,598	13.72

e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company (Refer note 32)

f) Terms, Rights and restrictions attached to equity shares

Voting Rights

Each holder of equity shares having a par value of ₹ 10 per equity share is entitled to one vote per equity share.

Rights as to Dividend

The equity shareholders have right to receive dividend when declared by the Board of Directors subject to approval in the ensuing Annual General Meeting subject to the provisions of section 205 of the Act.

Rights pertaining to Repayment of Capital

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be according to the shareholders rights and interests in the Company.

Other Rights and Restrictions

The other rights and restrictions to certain shareholders specified below at March 31, 2013, have been terminated on the date of filing of the prospectus i.e May 28, 2013 in respect to the public issue of the Company with Registrar of Companies ('ROC').

Anti dilution rights and Right of First Refusal

Investors, (Comprising of institutional investors) as defined in the Articles of association ("the AOA") had right of first refusal to the equity shares proposed to be sold by other shareholders, subject to certain exceptions and other applicable conditions.

In case of a fresh issue by the Company, investors were given the right to subscribe to shares in proportion to their existing shareholding. Investors had the right to exercise certain co sale rights in case of Mr VSS Mani along with three individual shareholders (together "the promoters") propose to transfer any shares to third party in certain

case as defined in the AOA. In such cases, transfer, was not allowed below the value specified in the AOA of the Company.

Any fresh issue of capital or transfer of shares by the Company other than permitted transfers under the AOA required the prior approval of the investors in writing.

In addition to the above Sequoia Capital India Growth Investments Holding I, SCI Growth Investments II and SAP Ventures (Mauritius) had anti dilution rights including rights to be allotted proportionate shares at lower value in case of certain events as described in the shareholders agreement.

Other Rights

Investors had a right to cause the Company to undertake a qualified initial public offering as per the conditions specified in the AOA of the Company.

Investors had rights to have their representative on the Board of Directors.

g) Terms/Rights attached to preference shares

The Company had three series of preference shares having par value of ₹ 10 each. Series A, Series B and Series C during the year ended March 31, 2012. During the year ended March 31, 2013, all the above preference shares have been converted into equity shares. Accordingly all rights and restrictions attached to such preference shares have ceased to exist post conversion of the same. The following were rights and restrictions attached to preference shares.

Voting Rights

To the extent not prohibited by applicable law and except for certain specific matters, all preference share holders of all series of preference shares were entitled to vote with the holders of all outstanding Equity Shares on an as-converted basis except:

- Certain shareholders holding an aggregate of 8,713 preference shares of Series A were entitled to voting rights equivalent to 5 equity shares (as adjusted for any stock splits, bonus, dividends, recapitalisations, and other similar events).

Notes to financial statements for the year ended March 31, 2013

- b) Series B preference shareholders were entitled to voting rights so that total voting rights together with their 27,312,450 equity shares is equivalent to 51.13% of the total voting of the Company on a fully diluted basis.
- c) Tiger Global Four JD Holdings holding an aggregate of 35,967 preference shares of Series A were not entitled to vote on an as converted basis till conversion of the said preference shares.

Rights as to Dividend

All preference share holders holding Series A preference share holders had right to receive cumulative dividend, in preference to any dividend to equity shareholders as and when declared by the Board of Directors.

All preference share holders holding Series B and Series C shareholders had right to receive dividend for the period, in preference to any dividend to equity shareholders as and when declared by the Board of Directors.

Rights pertaining to repayment of capital

Upon any liquidation, dissolution, or winding up of the Company, all series of Preference Share holders had preference to receive prior to any distribution to the holders of the equity shares, an amount per Preference Share equal to the Original Issue Price plus all declared and unpaid dividends on the Preference Shares (as adjusted for any stock splits, bonus, dividends, recapitalisations, and other similar events) for each outstanding Preference Share. Any amounts remaining after satisfying the above requirements was then to be distributed pro rata among all of the holders of the Preference Shares and the Equity Shares.

Other Rights

Series A Preference shares had right of representation on the Board of Directors and decisions on certain reserved matters such as change in the share capital of the Company, undertaking any merger, acquisition, consolidation/amalgamation and change in the composition of Board of Directors were subject to an affirmative vote from such Directors.

Terms of conversion/redemption of Preference shares.

The preference shares, at the option of preference shareholders, were convertible into fully paid equity shares of ₹ 10/- each at any time in the ratio of 1:1 subject to adjustment of stock splits, bonus, dividends, recapitalisation and other similar events.

Series A and Series B preference shares were optionally convertible at the option of the holder. At the option of Series A preference share holders, the preference shares were redeemable in three annual installments beginning on April 30, 2013, at an original issue price of US\$ 57.78 (₹ 2,632) and US\$ 111.908 (₹ 4,597) for 150,885 and 44,680 shares respectively plus declared and unpaid dividends.

At the option of Series B preference share holders the preference shares were redeemable any time at the option of the preference share holder.

Series C Preference Shares had the option to request the Company to buyback the said preference shares in three annual installments beginning on the 4th anniversary of the closing date i.e., May 23, 2011, at a price equal to the original issue price plus declared and unpaid dividends.

₹

	As at March 31, 2013	As at March 31, 2012
5 RESERVES AND SURPLUS		
Securities premium account		
Balance as per last financial statements	-	4,395,580
Add: received on issue of preference shares	-	324,183,933
Add: received on issue of equity shares	2,458,630,389	-
Add: additions on ESOPs exercised	38,994,350	196,000
Add: transferred from stock options outstanding	4,043,395	14,000
Less: utilised for bonus shares issued on exercise of ESOPs (Refer note II of note 4(a))	(3,752,100)	-
Less: share issue expense	(59,928,598)	(2,147,275)
Less: utilised for adjustment as per the demerger scheme (Refer note 37)	-	(326,642,238)
Closing balance	2,437,987,436	-



Notes to financial statements for the year ended March 31, 2013

		As at March 31, 2013	As at March 31, 2012
5	RESERVES AND SURPLUS (CONTD.)		
	Stock options outstanding account		
	Gross employee stock compensation for options granted in earlier years	15,989,064	16,003,064
	Less: transferred to securities premium on exercise of stock options	(4,043,395)	(14,000)
	Less: reversal of stock compensation cost on account of option lapse	(423,717)	
	Less: deferred employee compensation outstanding	(3,106,784)	(7,164,793)
	Closing balance	8,415,168	8,824,271
	Surplus in the statement of profit and loss		
	Balance as per last financial statements	532,871,777	425,432,645
	Add: net profit for the year	684,570,436	505,814,122
	Less: utilised for bonus shares issued on conversion of Preference Shares (Refer note I of note 4(a))	(107,560,750)	-
	Less: adjustment pursuant to demerger (Refer note 37)	-	(398,374,990)
	Net surplus in the statement of profit and loss	1,109,881,463	532,871,777
	Total Reserves and Surplus	3,556,284,067	541,696,048

6 SHARE APPLICATION MONEY PENDING ALLOTMENT

Share Application money represents amount received on various dates between January to March 2013 towards exercise of 97,104 (March 31, 2012 – Nil) options as per the ESOP Plan. Subsequent to balance sheet date, on April 4, 2013, 97,104 equity shares of ₹ 10 each were allotted against these options to the option holders at an exercise price of ₹ 80 each. On allotment of equity shares the equity share capital and securities premium will stand increased by ₹ 6,797,280 respectively.

		As at March 31, 2013	As at March 31, 2012
7	DEFERRED TAX LIABILITIES		
	Deferred tax assets		
	Effect of expenditure debited to statement of profit and loss in the current year but allowed for tax purposes in following years	10,282,588	-
	Effect of lease accounting	11,754,404	-
	Effect of preliminary expenses	882,776	-
	Gross deferred tax assets	22,919,768	-
	Deferred tax liabilities		
	Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	32,405,743	-
	Gross deferred tax liabilities	32,405,743	-
	Net deferred tax liabilities	9,485,975	-

Notes to financial statements for the year ended March 31, 2013

	As at March 31, 2013	As at March 31, 2012
8 OTHER LONG TERM LIABILITIES		
Provision for lease obligation	29,600,401	22,952,358
Total other Non Current Liabilities	29,600,401	22,952,358

	As at March 31, 2013	As at March 31, 2012
9 TRADE PAYABLES		
(a) Total outstanding dues of Micro and Small enterprises (Refer note 30)	-	-
(b) Total outstanding dues of trade payables other than Micro and Small enterprises	67,054,306	43,953,689
Total Trade Payables	67,054,306	43,953,689

	As at March 31, 2013	As at March 31, 2012
10 OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	-	1,486,614
(Term loan represents loan for purchase of vehicles taken in F.Y. 2009-10 and carries a rate of interest of 7.2 % p.a which is secured against the hypothecation of car and repayable in 36 equated monthly installment of ₹ 153,612/- on 7th day of every month till completion of loan)		
Unearned revenue	1,354,881,246	1,099,421,123
OTHER PAYABLES		
Salary and reimbursements payable	179,930,894	127,141,078
Other statutory dues (employee related liabilities) (Refer note 31)	37,959,575	37,852,804
Other payables (other than trade)	88,029,804	40,537,619
Service tax payable	542,637	-
Tax deducted at source payable	24,227,459	16,915,378
Deposit from franchisees	195,032	270,032
Provision for lease obligation	4,981,546	1,877,974
Total other Current Liabilities	1,690,748,193	1,325,502,622

	As at March 31, 2013	As at March 31, 2012
11 SHORT TERM PROVISIONS		
Provision for compensated absences	18,160,530	12,918,557
Total Short Term Provisions	18,160,530	12,918,557



Notes to financial statements for the year ended March 31, 2013

12 FIXED ASSETS Tangible Assets

	Leasehold Improvements	Buildings	Plant and Machinery	Office Equipment	Furniture and Fittings	Motor Car	Computer	Total
Cost								
At April 1, 2011	45,018,122	680,000	124,695,065	32,704,212	37,762,293	11,256,597	171,342,062	423,458,352
Additions	5,436,779	-	47,974,017	10,516,983	4,154,997	-	89,922,944	158,005,720
Disposals	-	-	(260,000)	-	-	(2,207,912)	(565,702)	(3,033,614)
At March 31, 2012	50,454,901	680,000	172,409,082	43,221,195	41,917,290	9,048,685	260,699,304	578,430,458
Additions	15,033,625	-	86,976,195	12,710,466	8,260,218	-	220,507,561	343,488,065
Disposals	(1,826,777)	-	(7,358,299)	(5,256,485)	(5,800,214)	(24,818)	(6,849,336)	(27,115,929)
Other adjustments	-	-	-	-	-	-	-	-
At March 31, 2013	63,661,749	680,000	252,026,978	50,675,176	44,377,294	9,023,867	474,357,528	894,802,593
Depreciation								
At April 1, 2011	10,758,244	156,902	47,564,852	12,819,605	19,269,621	6,292,686	72,653,997	169,515,907
Charge for the year	9,167,637	11,084	25,118,530	4,974,816	6,013,393	1,382,377	37,875,932	84,543,768
Disposals	-	-	(91,919)	-	-	(2,207,912)	(305,764)	(2,605,595)
At March 31, 2012	19,925,881	167,986	72,591,463	17,794,421	25,283,014	5,467,151	110,224,165	251,454,080
Charge for the year	11,492,996	381,229	34,538,895	6,471,363	7,171,097	1,233,264	70,892,332	132,181,176
Disposals	(864,649)	-	(7,233,675)	(4,775,544)	(4,864,668)	(24,818)	(6,563,631)	(24,326,986)
At March 31, 2013	30,554,228	549,215	99,896,683	19,490,239	27,589,442	6,675,597	174,552,867	359,308,270
Net Block								
At March 31, 2012	30,529,020	512,014	99,817,619	25,426,774	16,634,276	3,581,534	150,475,139	326,976,377
At March 31, 2013	33,107,521	130,785	152,130,295	31,184,937	16,787,852	2,348,270	299,804,661	535,494,323

Notes to financial statements for the year ended March 31, 2013

Intangible Assets

	Goodwill	Computer software	Website	Application Development	Unique telephone numbers	Total
Cost or valuation						
At April 1, 2011	1,600,000	9,013,720	8,221,220		10,010,000	28,844,940
Additions	-	9,099,875	-		-	9,099,875
At March 31, 2012	1,600,000	18,113,595	8,221,220	-	10,010,000	37,944,815
Additions	-	52,898,178	-	9,737,885	-	62,636,063
At March 31, 2013	1,600,000	71,011,773	8,221,220	9,737,885	10,010,000	100,580,878
Depreciation						
At April 1, 2011	1,600,000	1,147,928	7,132,564		977,101	10,857,593
Charge for the year	-	2,598,294	1,088,656		2,002,000	5,688,950
Disposals	-	-	-		-	-
Other adjustments	-	-	-		-	-
At March 31, 2012	1,600,000	3,746,222	8,221,220	-	2,979,101	16,546,543
Charge for the year	-	8,908,387	-	951,461	2,002,000	11,861,848
Disposals						-
At March 31, 2013	1,600,000	12,654,609	8,221,220	951,461	4,981,101	28,408,391
Net Block						
At March 31, 2012	-	14,367,373	-	-	7,030,899	21,398,272
At March 31, 2013	-	58,357,163	-	8,786,424	5,028,899	72,172,486

Notes:

- 1) Intangible assets under development comprise of following
 - a) expenditure incurred in relation to implementation of ERP system for modules that have not yet been implemented.
 - b) expenditure incurred in relation to In house development of mobile application.
- 2) Total depreciation and amortisation expense charged for the year:

	March 31, 2013	March 31, 2012
Depreciation of Tangible assets	132,181,176	84,543,768
Amortisation of Intangible assets	11,861,848	5,688,950
Total	144,043,024	90,232,718



Notes to financial statements for the year ended March 31, 2013

		As at March 31, 2013	As at March 31, 2012
13	DEFERRED TAX ASSETS		
	Deferred tax assets		
	Effect of expenditure debited to statement of profit and loss in the current year but allowed for tax purposes in following years	-	9,815,198
	Effect of lease accounting	-	8,056,201
	Effect of preliminary expenses	-	1,263,974
	Gross deferred tax assets	-	19,135,373
	Deferred tax liabilities		
	Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	-	9,992,479
	Gross deferred tax liabilities	-	9,992,479
	Net deferred tax assets	-	9,142,894

		As at March 31, 2013	As at March 31, 2012
14	LONG TERM LOANS AND ADVANCES		
	Unsecured, considered good		
	Capital advances	21,154,799	69,537,354
	Security deposits	100,784,270	77,059,550
	Security deposits to related parties	1,850,000	1,850,000
	Prepaid expenses	8,894,516	8,109,891
	Other loans and advances		
	Advance taxes (net of provision for taxation ₹ 767,464,556 (March 31, 2012: ₹ 489,217,556))	73,159,550	46,938,255
	Total Long Term Loans and Advances	205,843,135	203,495,050
	Loans and advances due by directors and relatives of directors:		
	Security deposits include:		
	Dues from Key Management Personnel	925,000	925,000
	Dues from Relatives of Key Management Personnel	925,000	925,000

		As at March 31, 2013	As at March 31, 2012
15	CURRENT INVESTMENTS		
	Current portion of long term investments (unquoted valued at cost)		
	Investments in preference shares		
	Nil (March 31, 2012: 306,495) optionally convertible preference shares at ₹ 472.30 each fully paid in Just Dial Global Private Limited	-	144,757,589
	Nil (March 31, 2012: 305,263) optionally convertible preference shares at ₹ 1,900 each fully paid in Just Dial Global Private Limited	-	579,999,700

Notes to financial statements for the year ended March 31, 2013

	As at March 31, 2013	As at March 31, 2012
15 CURRENT INVESTMENTS (CONTD.)		
	-	724,757,289
Less : Adjusted pursuant to demerger		724,757,289
	-	-
Current investments		
Current Investments in mutual funds (valued at lower of cost and fair value) (other than trade unquoted)	4,857,915,817	1,568,001,904
	4,857,915,817	1,568,001,904
	4,857,915,817	1,568,001,904

Name of body Corporates	No. of units		₹	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Birla Quarterly Series 4 Dividend payout	-	4,998,450	-	50,000,000
Birla Sun life Dynamic bond- Retail - Growth - Regular Plan	14,212,613	5,988,761	273,991,293	106,939,509
Birla Sun life Dynamic bond- Retail - Growth	8,126,441	-	150,000,000	-
Birla sun life fixed term plan series EV growth	10,000,000	10,000,000	100,000,000	100,000,000
Birlasunlife fixed term plan series EW growth	-	5,000,000	-	50,000,000
Birlasunlife fixed term plan series FM growth	5,000,000	-	50,000,000	-
Birlasunlife short term fund growth - Regular Plan	1,240,015	-	49,984,505	-
Birla sunlife Fixed term plan -Series FF growth	10,000,000	-	100,000,000	-
Birlasunlife Interval Income fund Annual plan 2 - Growth Direct	10,211,021	-	102,110,210	-
Birla Sunlife Government Securities Long term regular plan	3,160,160	-	105,000,100	-
Birlasunlife fixed term plan series EY growth	6,065,272	6,065,272	60,652,726	60,652,720
HDFC Short term plan - Growth Plan	4,874,337	2,965,465	106,938,638	60,727,388
HDFC Short term plan - Growth Optional Plan	7,096,493	-	150,000,000	-
HDFC Income fund	4,254,957	-	110,000,000	-
HDFC high interest fund - Short term plan - Growth Option	9,268,700	-	200,000,000	-
HDFC FMP 370D January 2012 (19)- 4 Growth	-	10,022,550	-	100,225,499
Templeton India short term income plan institutional - Growth	84,894	-	150,000,000	-
Templeton India Low Duration fund - Growth	-	10,409,723	-	114,353,319
Kotak FMP series 80 - Growth	10,000,000	10,000,000	100,000,000	100,000,000
Kotak Bond (Short term fund) Monthly Dividend	-	6,484,490	-	65,914,091
Kotak FMP series 73- Growth	4,500,000	4,500,000	45,000,000	45,000,000
Kotak Quarterly Interval plan Series 2- Dividend	-	8,994,693	-	90,000,000
UTI fixed Term income fund Series X - VII (368 days)	-	10,000,000	-	100,000,000
UTI Short term Income Fund -Insttutional Option- Growth	7,947,451	-	111,107,759	-
Relaince Fixed horizon fund - XXI- Series 11 Growth Plan	7,709,730	7,709,730	77,097,300	77,097,300
Relaince Fixed horizon fund - XXI- Series 6 Growth Plan	-	5,000,000	-	50,000,000
Religare Fixed maturity plan - Series XVII Plan A (17Months) Growth Plan	10,000,000	-	100,000,000	-
Reliance fixed horizon XXI series 18 growth plan	10,002,480	10,002,480	100,024,801	100,024,801
Reliance fixed horizon Xxi series 16 growth plan	-	3,206,889	-	32,068,897



Notes to financial statements for the year ended March 31, 2013

Name of body Corporates	No. of units		₹	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Reliance floating rate- short term plan growth	8,653,314	-	150,000,000	-
Reliance fixed horizon fund XXII series 14 Growth Plan	5,000,000	-	50,000,000	-
Relaince- Income fund -Growth option- bonus option	11,589,096	-	125,000,000	-
Relaince Dynamic bond fund -growth plan	4,530,404	-	71,010,005	-
Reliance fixed horizon fund XX1 Series 2 Growth plan	-	4,500,000	-	45,000,000
ICICI Prudential Gilt Fund Treasury Regular Plan Growth	2,300,079	-	65,000,000	-
ICICI Prudential institutional short term plan -cumulative option	6,569,180	-	150,000,000	-
ICICI Prudential long term Regular Plan Growth	16,704,391	-	200,000,000	-
ICICI Prudential Income Regular Plan Growth	1,823,650	-	65,000,000	-
ICICI Prudential FMP series 63 - 3 years plan M Cumulative	4,000,000	-	40,000,000	-
ICICI Prudential FMP series 63 - 3 years plan M Cumulative	16,000,000	-	160,000,000	-
ICICI Prudential Gilt Fund linvestment Regular Plan Growth	2,528,874	-	100,000,000	-
ICICI Prudential FMP series 66-420 days plan A Regular Plan Cumulative	10,000,000	-	100,000,000	-
ICICI Prudential Interval Fund - Annual Interval VI - Plan A - Direct Plan Growth	10,000,000	-	100,000,000	-
ICICI Prudential FMP Series 54- 18 Months Plan A Cumulative	-	5,000,000	-	50,000,000
Sundaram fixed term plan CG 18 months Growth	3,999,838	3,999,838	39,998,380	39,998,380
SBI Debt fund series -370 days- 14 Dividend	-	3,000,000	-	30,000,000
DWS FMP - Series 5 - Growth	-	5,000,000	-	50,000,000
DWS short maturity fund institutional plan - Growth	11,405,977	-	150,000,000	-
IDFC - Super Sever Income Fund - Short Term - Plan C - Growth	7,916,841	-	100,000,000	-
IDFC dynamic bond fund Plan B growth	11,680,151	-	150,000,000	-
Canara Robeco Short Term Fund Institutional Plan Growth	3,901,769	-	50,000,000	-
JP Morgan India Short Term Income Fund Growth Option	50,000,000	-	500,000,100	-
JP Morgan India Short Term Income Fund Growth	8,347,733	-	100,000,000	-
DWS premier bond fund - Regular Plan Growth	5,313,948	-	100,000,000	-
L&T FMP - VII (February511D A) - Direct Growth	5,000,000	-	50,000,000	-
Fidelity Annual FMP series VI- Plan C -Growth	-	5,000,000	-	50,000,000
Total	351,019,808	147,848,343	4,857,915,817	1,568,001,904

Aggregate market value of investment in mutual funds of ₹ 5,139,856,830 (March 31, 2012: ₹ 1,594,091,542)

16 TRADE RECEIVABLES (UNSECURED, CONSIDERED GOOD)	₹	
	As at March 31, 2013	As at March 31, 2012
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other trade receivables	8,919,737	-
Total trade receivables	8,919,737	-

Notes to financial statements for the year ended March 31, 2013

₹

	As at March 31, 2013	As at March 31, 2012
17 CASH AND BANK BALANCES		
Cash and cash equivalents		
Cash on hand	-	5,885,286
Cheques/drafts on hand	46,541	12,128,353
Balance with Bank		
- on current accounts	214,389,833	196,518,720
	214,436,374	214,532,359
Other bank balances		
Bank deposits with original maturity of more than 12 months (Held as guarantee ₹ 10,000,000 (March 31, 2012: ₹ 10,000,000))	24,849,335	22,810,923
Total Cash and Bank Balances	239,285,709	237,343,282

₹

	As at March 31, 2013	As at March 31, 2012
18 SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Advances recoverable in cash or kind or for value to be received	26,647,450	9,328,946
Security deposits	2,989,603	5,505,500
Other Loans and Advances		
Service tax input credit	25,769,751	9,821,102
Prepaid gratuity	825,547	2,418,881
Prepaid expenses	53,411,957	30,238,378
Advance to vendors	2,437,863	1,684,584
Total Short Term Loans and Advances	112,082,171	58,997,391

₹

	As at March 31, 2013	As at March 31, 2012
19 OTHER CURRENT ASSETS		
Interest accrued on fixed deposit	405,850	508,002
Amount due from related parties (Refer note 26)	2,306,641	1,209,843
Share issue expenses (to the extent not written off or adjusted)	-	38,759,998
Other receivables (Refer note 39)	24,110,467	-
Total Other Current Assets	26,822,958	40,477,843
Loans and advances due by Enterprises owned or significantly influenced by Key Management Personnel or their relatives:		
Amount due from related parties:		
Just Dial Global Private Limited	2,306,641	1,209,843



Notes to financial statements for the year ended March 31, 2013

		₹	
		For the year ended March 31, 2013	For the year ended March 31, 2012
20	REVENUE FROM OPERATIONS		
	Sale of search related services	3,576,681,723	2,593,975,541
	Sale of other related services	49,401,759	-
	Other operating revenue	1,591,811	26,631,242
	Total Revenue	3,627,675,293	2,620,606,783

		₹	
		For the year ended March 31, 2013	For the year ended March 31, 2012
21	OTHER INCOME		
	Interest income on		
	Bank deposits	2,157,639	1,972,610
	Others	1,906,885	2,326,129
	Dividend income on current investment	11,869,982	43,550,527
	Profit on sale of current investments	102,278,378	42,290,672
	Other Non-Operating Income		
	Service Charges	13,778,003	31,058,698
	Exchange Difference (net)	-	2,031,781
	Royalty Income	-	29,051
	Miscellaneous income	3,284,000	8,281,883
	Total Other Income	135,274,887	131,541,351

		₹	
		For the year ended March 31, 2013	For the year ended March 31, 2012
22	EMPLOYEE BENEFITS EXPENSE		
	Salaries, wages and bonus	1,685,298,839	1,224,097,357
	Contribution to provident fund and other funds	53,672,413	46,716,861
	Employee stock option plan (ESOP) expense (Refer note 32)	3,634,291	5,598,746
	Gratuity expenses (Refer note 33)	14,037,637	16,965,947
	Staff welfare expenses	21,958,429	14,986,989
	Total Employee Benefits Expense	1,778,601,609	1,308,365,900

		₹	
		For the year ended March 31, 2013	For the year ended March 31, 2012
23	FINANCE COST		
	Interest on vehicle loan	49,506	172,898
	Total Finance Cost	49,506	172,898

Notes to financial statements for the year ended March 31, 2013

		₹	
		For the year ended March 31, 2013	For the year ended March 31, 2012
24	OTHER EXPENSES		
	Bank Charges	10,650,471	9,008,300
	Transportation expenses	1,087,865	659,628
	Power and fuel	74,437,816	51,184,046
	Rent	155,925,158	119,439,247
	Rates and taxes	2,660,768	3,136,263
	Insurance	19,299,782	16,879,874
	Repairs and maintenance		
	- Plant and machinery	12,025,125	6,376,911
	- Building	370,297	236,882
	- Others	29,470,500	24,043,255
	Advertising and sales promotion	245,218,937	199,415,012
	Brokerage & commission	8,377,474	9,087,299
	Travelling and conveyance	11,730,206	7,253,534
	Communication costs	176,933,282	114,086,429
	Printing and stationery	11,495,128	6,543,001
	Legal and professional fees	25,815,841	20,930,035
	Registration & membership fees	1,557,693	998,079
	Payment to auditor		
	As auditor:		
	Audit fee	1,300,000	4,000,000
	Tax audit fee	300,000	150,000
	Re-imbursment of expenses	-	40,649
	Other Services (certification fees)	4,605,146	
		6,205,146	
	Less: Fees for IPO issue related services grouped under other receivables (Refer note 39)	4,605,146	1,600,000
		6,675,293	4,891,951
	Recruitment expenses	13,419,584	11,291,699
	Data base expenses	2,338,360	608,042
	Sundry balance write off	15,188,798	13,214,047
	Office expenses	12,377	-
	Exchange difference (net)	2,335,652	8,628,591
	Hire charges	4,925,000	4,895,000
	Donation	2,574,581	-
	Loss on discarding/sale of assets (net)	-	477,956
	Loss on sale of long term investments	4,600,486	2,463,589
	Miscellaneous expenses		
	Total Other Expenses	840,726,474	639,939,319



Notes to financial statements for the year ended March 31, 2013

		₹	
		For the year ended March 31, 2013	For the year ended March 31, 2012
25	EARNINGS PER SHARE (EPS)		
	Basic		
	Net Profit as per statement of profit and loss	684,570,436	505,814,122
	Less: Dividends on convertible preference shares and tax thereon	-	42,018,620
	Net profit for calculation of basic EPS	684,570,436	463,795,502
	Weighted average number of equity shares in calculating basic EPS	66,488,923	51,907,807
	Earning per Share	10.30	8.93
	Diluted		
	Net Profit as per statement of profit and loss	684,570,436	505,814,122
	Weighted average number of equity shares in calculating basic EPS	66,488,923	51,907,807
	Equity shares arising on grant of stock options under ESOP	1,029,395	1,311,944
	Weighted average number of potential equity shares on the conversion of preference shares	1,306,269	11,761,003
	Total no of shares outstanding (weighted average) (including dilution)	68,824,586	64,980,754
	Earning per Share	9.95	7.78

26 RELATED PARTIES

26.1 Names of Related Parties

Names of related parties where control exists irrespective of whether transactions have occurred or not

Subsidiary Company	Just Dial Inc. (Till July 21, 2011)
Key Management Personnel	Mr. V. S. S. Mani Mr. V. Krishnan Mr. Ramani Iyer (Till May 31, 2011)
Relatives of Key Management Personnel	Mrs. Anita Mani
Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Just Dial Global Private Limited Just Dial Inc. (From July 22, 2011)

26.2 Transactions with Related Parties.

		₹	
		March 31, 2013	March 31, 2012
Sr. No			
1	Subsidiary Company		
A	Loans and advances given	-	66,743,750
B	Interest received on loans	-	2,133,798
C	Loans and advances received back	-	100,814,760
2	Key Management Personnel		
A	Remuneration		
	Mr. V. S. S. Mani (including rent free accommodation)	11,682,442	9,586,626
	Mr. V. Krishnan	10,930,058	9,719,824
	Mr. Ramani Iyer	-	1,706,025
		22,612,500	21,012,475
B	Lease Rent		
	Mr. V.S.S. Mani	2,759,897	2,429,426

Notes to financial statements for the year ended March 31, 2013

26.2 Transactions with Related Parties. (Contd.)

		₹	
Sr.No		March 31, 2013	March 31, 2012
3	Relatives of Key Management Personnel		
A	Lease Rent Mrs Anita Mani	2,759,897	2,429,426
4	Enterprises owned or significantly influenced by Key Management Personnel		
A	Investment in preference shares in Just Dial Global Private Limited	-	579,999,700
B	Transfer of IT testing business and investments to Just Dial Global Private Limited	-	725,017,228
C	Loans and advances given Just Dial Global Private Limited	-	45,000,300
D	Loans received back Just Dial Global Private Limited	-	55,401,217
E	Service charges (other income) Just Dial Global Private Limited	13,778,003	31,058,698
F	Interest received on loans Just Dial Global Private Limited	-	192,331
G	Royalties received (other income) Just Dial Inc.	-	29,051
H	Sale of Investment in Just dial Inc to Just Dial Global Private Limited	-	22,027,500

		₹	
Balance outstanding at the year end		March 31, 2013	March 31, 2012
1	Key Management Personnel		
A	Remuneration Payable Mr. V.S.S. Mani	168,770	1,026,415
	Mr. V. Krishnan	1,482,610	1,238,037
		1,651,380	2,264,452
B	Security Deposit Mr. V.S.S. Mani	925,000	925,000
2	Relatives of Key Management Personnel		
A	Security Deposit Mrs Anita Mani	925,000	925,000
3	Enterprises owned or significantly influenced by Key Management Personnel or their relatives		
A	Royalties receivable from Just Dial Inc.	-	29,051
B	Receivable from Just Dial Global Private Limited towards service charges	2,306,641	1,180,792
		2,306,641	1,209,843



Notes to financial statements for the year ended March 31, 2013

27 LEASES

Operating Lease

Office premises are obtained on operating lease. The lease rent is payable as per the terms of the lease agreements. The lease terms are different for each of the leases and the maximum lease term ranging from 1 year to 9 years. Some of the leases are renewable for further 5 years at the option of the Company. There are escalation clauses in the lease agreement for which rent is provided on straight lining basis. There is a lock in year of minimum 3 years in some lease agreements. There are no subleases.

Details of lease payments during the year ended and future commitments on non-cancellable operating leases are as follows:

	Operating Lease	
	March 31, 2013	March 31, 2012
Lease payments for the year	155,925,158	119,439,247
Minimum Lease Payments:		
Not later than one year	159,603,565	127,137,008
Later than one year but not later than five years	397,810,966	363,648,730
Later than five years	119,584,759	87,889,335

	Operating Lease	
	March 31, 2013	March 31, 2012
28 CONTINGENT LIABILITIES NOT PROVIDED FOR		
Income Tax Demands:		
Income tax in respect of Assessment years 2003-04, 2006-07, 2007-08, 2008-09 and 2009-10 in respect of which the Company has preferred an appeal. Based on judicial pronouncements, the Company's claim is likely to be accepted by appellate authorities.	15,248,795	12,827,564
Tax Deducted at Source (TDS) Demands:		
TDS in respect of Assessment year 2011-12 of which the Company has preferred an appeal.	146,193	-
Preference Dividend:		
Cumulative Dividend on 6% optionally convertible cumulative preference shares including dividend distribution tax of ₹ Nil (2011-12 - ₹ 37,097,129)	-	257,023,079

Note:-

There are certain cases against the Company, since the Company is confident of defending the same and the probability of any liability arising is remote, no contingent liability is disclosed as on March 31, 2013 and March 31, 2012.

	Operating Lease	
	March 31, 2013	March 31, 2012
29 CAPITAL AND OTHER COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account and not provided for	85,383,803	38,983,239

Notes to financial statements for the year ended March 31, 2013

30 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

The Company does not have suppliers who are registered as micro or small enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2013. The information regarding micro or small enterprises has been determined on the basis of information available with the management.

31 PROVISION FOR EMPLOYEE RELATED LIABILITY

At March 31, 2013, provision for Employee State Insurance Contribution aggregates ₹ 30,251,804 (As at March 31, 2012 ₹ 30,251,804) which is based on estimates and as per the provisions of the ESIC Act. This provision will be adjusted/settled on completion of the assessment.

32 EMPLOYEE STOCK OPTION PLANS

1. **The Company has provided various share-based payment schemes to its employees. During the year ended March 31, 2013 and year ended March 31, 2012 ,the following schemes were in operation:**

	Pool	Date of grant	Date of Board/ Shareholders' Approval	Number of options granted	Vesting period	Vesting Conditions
ESOP Scheme 2008	Pool 2	January 31, 2009	January 19, 2009	11,170	4 Years	10%, 20%, 30% & 40% vests in each of the first 4 years from the date of the grant subject to continuance of services
	Pool 3	January 31, 2010	January 27, 2010	400	4 Years	10%, 20%, 30% & 40% vests in each of the first 4 years from the date of the grant subject to continuance of services
ESOP Scheme 2010	Pool 5	April 30, 2010	April 24, 2010	82,936	4 Years	25% vests every year from the grant date subject to continuance of services
	Pool 6	July 27, 2010	July 27, 2010	640,727	4 Years	10%, 20%, 30% & 40% vests in each of the first 4 years from the date of the grant subject to continuance of services
	Pool 6	October 31, 2010	October 20, 2010	155,176	4 Years	10%, 20%, 30% & 40% vests in each of the first 4 years from the date of the grant subject to continuance of services
	Pool 6	December 1, 2010	December 1, 2010	138,525	4 Years	10%, 20%, 30% & 40% vests in each of the first 4 years from the date of the grant subject to continuance of services
	Pool 6	March 25, 2011	March 25, 2011	10,311	4 Years	10%, 20%, 30% & 40% vests in each of the first 4 years from the date of the grant subject to continuance of services

Exercise period for all the above schemes is seven years from the date of vesting of the options.

Notes to financial statements for the year ended March 31, 2013

a) The details of activity under Pool 2 of ESOP Scheme 2008 have been summarised below:

	March 31, 2013		March 31, 2012	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	11,170	4,595	11,170	4,595
Exercised during the year	6,702	4,595	-	-
Outstanding at the end of the year	4,468	4,595	11,170	4,595
Exercisable at the end of the year	4,468	4,595	6,702	4,595
Weighted average remaining contractual life (in years)	3	-	4	-
Weighted average fair value of options granted on the date of grant	48		48	

b) The details of activity under Pool 3 of ESOP Scheme 2008 have been summarised below:

	March 31, 2013		March 31, 2012	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	400	4,500	400	4,500
Forfeited during the year	280	4,500	-	-
Exercised during the year	120	4,500	-	-
Outstanding at the end of the year	-	-	400	4,500
Exercisable at the end of the year	-	-	120	4,500
Weighted average remaining contractual life (in years)	-	-	5	-
Weighted average fair value of options granted on the date of grant	531		531	

c) The details of activity under Pool 5 of ESOP Scheme 2010 have been summarised as below:

	March 31, 2013		March 31, 2012	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	80,136	80	82,936	80
Exercised during the year	31,523	80	2,800	-
Outstanding at the end of the year	48,613	80	80,136	80
Exercisable at the end of the year	7,145	80	17,934	80
Weighted average remaining contractual life (in years)	5	-	6	-
Weighted average fair value of options granted on the date of grant	37		37	

Notes to financial statements for the year ended March 31, 2013

d) The details of activity under Pool 6 of ESOP Scheme 2010 have been summarised below:

	March 31, 2013		March 31, 2012	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year with an exercise price of ₹ 10	155,176	10	155,176	10
Outstanding at the beginning of the year with an exercise price of ₹ 80	789,563	80	789,563	80
Forfeited during the year with an exercise price of ₹ 10	-	-	-	-
Forfeited during the year with an exercise price of ₹ 80	84,588	80	-	-
Exercised during the year with an exercise price of ₹ 10	46,553	10	-	-
Exercised during the year with an exercise price of ₹ 80	78,861	80	-	-
Outstanding at the end of the year with an exercise price of ₹ 10	108,623	10	155,176	10
Outstanding at the end of the year with an exercise price of ₹ 80	626,114	80	789,563	80
Exercisable at the end of the year with an exercise price of ₹ 10	-	10	15,517	10
Exercisable at the end of the year with an exercise price of ₹ 80	137,328	80	78,956	80
Weighted average remaining contractual life (in years)	5	-	6	-
Weighted average fair value of options on the date of grant		44		44

Notes:

Bonus shares: The exercise price for ESOP Pool 2 and 3 and the weighted average fair value of options for Pool 2, and Pool 3 are higher compared to ESOP Pool 5 and Pool 6 as Company had issued bonus shares in the ratio of 55 shares for every 1 share held during the year ended March 31, 2011. The employees holding ESOP under Pool 2 and 3 are eligible to receive bonus shares on exercise of their options.

2. Effect of the employee share-based payment plans on the statement of profit and loss and on its financial position:

	₹	
	March 31, 2013	March 31, 2012
Total employee compensation cost pertaining to share based payment plans (all equity settled) for the year	3,634,291	5,598,746
Employee compensation cost transferred to Share Premium during the year	(4,043,395)	(14,000)
Liability for employee stock option outstanding as at year End	8,415,168	8,824,271

3. Impact on the reported net profit and earnings per share by applying the fair value based method

As per guidance note on 'Accounting for Employees Share Based Payments' issued by the Institute of Chartered Accountants of India, the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements on the reported net profit and earnings per share would be as follows:



Notes to financial statements for the year ended March 31, 2013

	March 31, 2013	March 31, 2012
Profit/(Loss) as reported	684,570,436	505,814,122
Less: Preference Dividend (including Dividend Distribution Tax)	-	(42,018,620)
Add: Employee stock compensation under intrinsic value method	3,634,291	5,598,746
Less: Employee stock compensation under fair value method	(10,581,698)	(15,271,575)
Proforma Profit/(Loss)	677,623,176	454,122,673
Earnings Per Share		
Basic		
- As reported	10.30	8.93
- Pro forma	10.20	8.75
Diluted		
- As reported	9.95	7.78
- Pro forma	9.85	7.64

33 EMPLOYEE BENEFITS

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarise the components of net gratuity benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

Statement of Profit and Loss

Net employees benefit expense (recognised in Employee Cost)

	March 31, 2013	March 31, 2012
Current service cost	8,468,870	7,270,132
Interest cost on benefit obligation	3,575,654	2,189,444
Expected return on plan assets	(3,534,500)	(2,328,878)
Net actuarial loss recognised in the year	5,527,613	9,835,249
Net Benefit expense	14,037,637	16,965,947
Actual Return on Plan Assets	3,685,000	2,620,453

Balance Sheet

Details of Provision for Gratuity

	March 31, 2013	March 31, 2012
Defined benefit obligation	53,499,976	38,587,634
Fair value of plan assets	54,325,523	41,006,515
Plan asset/(liability)	825,547	2,418,881

Notes to financial statements for the year ended March 31, 2013

Changes in the present value of the defined benefit obligation are as follows:

	March 31, 2013	March 31, 2012
Opening defined benefit obligation	38,587,634	20,492,936
Interest cost	3,575,654	2,189,444
Current service cost	8,468,870	7,270,132
Less: benefits paid	(2,810,295)	(1,491,702)
Actuarial losses on obligation	5,678,113	10,126,824
Closing defined benefit obligation	53,499,976	38,587,634

Changes in the fair value of the defined benefit obligation are as follows:

	March 31, 2013	March 31, 2012
Opening fair value of plan assets	41,006,515	29,096,736
Expected return	3,534,500	2,328,878
Contributions by employer	12,444,303	10,781,028
Less: benefits paid	(2,810,295)	(1,491,702)
Less: Actuarial gains/(losses)	150,500	291,575
Closing fair value of plan assets	54,325,523	41,006,515

The Company expects to contribute approximately an additional ₹ 10,000,000 (March 31, 2012: ₹ 5,000,000) to gratuity in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	March 31, 2013 (%)	March 31, 2012 (%)
Investments with insurer	100	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the year over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	March 31, 2013	March 31, 2012
Discount Rate	7.80%	8.35%
Salary Escalation	7%	7%
Withdrawal Rate	0% to 57% depending on age and designation	0% to 57% depending on age and designation

The estimates of future salary increases, considered in actuarial valuation, take account of inflation seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Notes to financial statements for the year ended March 31, 2013

Experience adjustments:

Amounts for the current period and previous four years are as follows:

	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Defined benefit obligation	53,499,976	38,587,634	20,492,936	13,550,353	9,667,923
Plan assets	54,325,523	41,006,515	29,096,736	16,496,582	7,761,130
Surplus / (deficit)	825,547	2,418,881	8,603,800	2,946,229	(1,906,793)
Experience adjustment on plan liabilities	4,130,605	1,649,676	1,674,284	235,252	1,640,707
Experience adjustment on plan assets	150,500	291,575	-	-	-

	March 31, 2013	March 31, 2012
34 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)		
Travel Expenses	426,640	286,569
Communication expenses	2,894	45,294
Advertisement expenses	3,062,014	2,696,722
Others	-	346,946
	3,491,548	3,375,531

	March 31, 2013	March 31, 2012
35 VALUE OF IMPORTS CALCULATED ON CIF BASIS		
Capital goods	-	2,805,430
	-	2,805,430

	March 31, 2013	March 31, 2012
36 EARNINGS IN FOREIGN CURRENCY		
Interest Income	-	2,133,798
Royalty Income	-	29,051
	-	2,162,849

37 DEMERGER OF IT RELATED TESTING BUSINESS, OTHER RELATED SERVICES AND SPECIFIC ASSETS

During the previous year, the Honorable High Court of Bombay vide its order dated October 14, 2011 had approved the demerger of undertaking providing IT testing business and other related services along with the IT infrastructure utilised for providing such services and the Company's investment in Just Dial Global Private Limited ('JD Global') to JD Global.

Pursuant to the Scheme, from the appointed date of August 1, 2011, the book value of assets of IT testing business of ₹ 259,939 and the Company's aggregate investment in preference shares of JD Global of ₹ 724,757,289 were transferred to JD Global. There were no liabilities pertaining to the Demerged Undertaking. The value of the assets including the preference shares held by the Company in JD Global aggregating to ₹ 725,017,228 transferred pursuant to the Scheme was adjusted against balance in the Company's securities premium account to the extent of ₹ 326,642,238 and the balance of ₹ 398,374,990 was adjusted against surplus i.e. the balance in statement of profit and loss during the year ended March 31, 2012.

As a consideration for transfer, the equity and preference shareholders of the Company as on August 1, 2011 received equity shares in JD Global in proportion to their shareholding in the Company.

Notes to financial statements for the year ended March 31, 2013

38 DISCONTINUING OPERATIONS

As indicated in the note 38 above, during the previous year, the Company demerged the IT testing business and other related services along with the IT infrastructure utilised for providing such services. The details of revenue expenses, profits and cash flows relating to the IT related and other related services (discontinuing operations) for the previous year ended March 31, 2012 are as follows:

	IT testing and other related services
Revenue	2,970,000
Expenses	(669,218)
Profit before tax	2,300,782
Tax expense	
Current Tax	(710,313)
Deferred tax credit	
Total Tax Expense	(710,313)
Profit after tax	1,590,469
Net cash flow from operating activities	1,590,469

There were no cash flows from investing and financing activities relating to discontinuing operations.

39 SHARE ISSUE EXPENSES

- (a) Share issue expenses as at March 31, 2012 comprised of expenses incurred in connection with the Draft Red Herring Prospectus dated August 12, 2011 (the "initial DRHP") filed with the Securities and Exchange Board of India (the "SEBI"). During the year ended March 31, 2013, the Company withdrew the initial DRHP and adjusted the expenses of ₹ 39,286,169 against the securities premium account. This was based on the legal opinion obtained and in accordance with Section 78 of the Companies Act, 1956. The balance expense of ₹ 15,247,758 has been charged to the statement of profit and loss as an exceptional item.
- (b) Other receivables as at March 31, 2013 comprises of share issue expenses incurred in connection with the Company's IPO through offer for sale ("the Issue"). As per offer agreement between the Company and the selling shareholders, all expenses with respect to the Issue will be borne by the selling shareholders. Accordingly, the Company has classified the expenses incurred in connection with the Issue as receivable from selling shareholders under Other receivables.

40 UNHEDGED FOREIGN CURRENCY EXPOSURE

	Amount
Others (Royalty receivable)	₹ Nil [Previous year: ₹ 29,051 (US\$ 622.70)]



Notes to financial statements for the year ended March 31, 2013

41 EVENTS SUBSEQUENT TO MARCH 31, 2013

- (a) On April 3, 2013, Board approved the allotment of 97,744 equity shares to employees holding ESOP options under Pool 5 and 6 and the allotment of 250,208 equity shares (including 245,740 bonus equity shares in the ratio of 55:1) to employees holding 4,468 options under Pool 2.
- (b) Further on May 4, 2013, the Board approved the allotment of 21,376 equity shares to employees holding ESOP under Pool 5 and 6.
- (c) The Company completed the IPO through offer for sale of 17,497,458 equity shares of ₹ 10 each at a price of ₹ 530 per equity share for Qualified Institutional Bidders and Non Institutional Bidders and at a price of ₹ 483 per equity share for Retail Individual Bidders aggregating upto ₹ 9,191,414,725 and the equity shares of the Company got listed on The National Stock Exchange of India Limited, The BSE Limited and MCX Stock Exchange Limited on June 5, 2013.

42 Previous year figures have been regrouped/ reclassified, whenever necessary, to conform to current year classification.

As per our report of even date

For **S. R. Batliboi & Associates LLP**
ICAI Firm registration number: 101049W
Chartered Accountants

per **Govind Ahuja**
Partner
Membership no. 48966
Place : Mumbai
Date : July 22, 2013

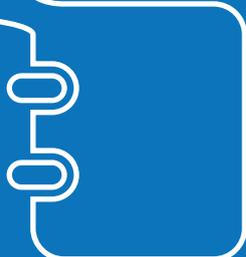
For and on behalf of the Board of Directors of Just Dial Limited

V.S. S. Mani
Managing Director

V. Krishnan
Director

Ramkumar Krishnamachari
Chief Financial Officer

Sachin Jain
Company Secretary



Corporate Information

BOARD OF DIRECTORS

Mr. B. Anand

Chairman (Independent and Non-Executive Director)

Mr. V.S.S Mani

Managing Director

Mr. V. Krishnan

Non-Independent and Executive Director

Mr. Ramani Iyer

Non-Independent and Non-Executive Director

Mr. Ravi Adusumalli

Non-Independent and Non-Executive Director

Mr. Shailendra Jit Singh

Non-Independent and Non-Executive Director

Mr. Malcolm Monteiro

Independent and Non-Executive Director

Mr. Sanjay Bahadur

Independent and Non-Executive Director

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Sachin Jain

EXTERNAL COMPANY SECRETARY

V. B. Kondalkar & Associates

Practicing Company Secretaries,

Mumbai

STATUTORY AUDITORS

S. R. Batliboi & Associates LLP

Mumbai

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Private Limited

Unit: Just Dial Limited

Plot no. 17 to 24 , Vittal Rao Nagar.

Madhapur, Hyderabad – 500 081.

Phone: +91-40-23420815- 824

Fax: +91- 40- 23420814

E-mail : einward.ris@karvy.com

Website: www.karvy.com

REGISTERED OFFICE OF THE COMPANY

501/B, 5th Floor, Palm Court,

Building M, Besides Goregaon Sports Complex.

New Link Road, Malad (West), Mumbai – 400064

Tel: +91 22 2888 4060

Fax: +91 22 2882 3789

Email: investors@justdial.com

BANKERS TO THE COMPANY

HDFC Bank Limited

Axis Bank Limited

Citibank N. A.



Notice

NOTICE is hereby given that the 19th Annual General Meeting of the Members of Just Dial Limited (the "Company") will be held on Monday, 30th day of September, 2013 at 4.30. P.M. at West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and to adopt Audited Profit & Loss Account for the financial year ended 31st March, 2013 and the Balance Sheet as at that date, together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. B. Anand, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Sanjay Bahadur, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint S. R. Batliboi & Associates LLP, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration as may be mutually agreed with the Statutory Auditors.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies, Act, 1956 and subject to approval of such authorities, as may be necessary, the Articles of Association of the Company be, and are hereby altered in the manner and to the extent as hereunder:

- (a) The existing regulations as contained in the Articles of Association of the Company be and are hereby deleted;
- (b) The revised set of Articles of Association of the Company as placed before the meeting and initialed by the Chairman for identification be and are hereby approved and adopted as the new Articles of Association of the Company and shall substitute, in its entirety, the existing Articles of Association of the Company;

RESOLVED FURTHER THAT, for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any duly constituted committee thereof or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things (including making necessary changes and amendments to the Articles of Association of the Company as may be required by statutory/regulatory authorities and stock exchanges) as it may in its absolute discretion deem necessary, appropriate or desirable for such purpose;

RESOLVED FURTHER THAT, the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to a committee of the Board or any person or persons, as it may deem fit in its absolute discretion, in order to give effect to the above special resolutions."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT in accordance with the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 read with Articles of Association of the Company and the provisions contained in the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the Guidelines") (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force), Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board, consent of the Members of the Company be and is hereby accorded to offer, issue and allot up to 3,50,000 (Three Lakhs Fifty Thousand only) Equity Shares under Equity Stock Options Scheme (ESOS) to the eligible present and future employees of the Company, its holding company and subsidiaries, in one or more tranches through ESOS on such terms and conditions as may be fixed or determined, subject to approval of the Board.

RESOLVED FURTHER THAT approval is hereby accorded to frame Just Dial Limited Employee Stock Option Scheme, 2013.

RESOLVED FURTHER THAT the Compensation/Remuneration Committee be and is hereby authorized to appoint a merchant banker registered with the Securities and Exchange Board of India in accordance with the Guidelines.

RESOLVED FURTHER THAT the said Equity Shares may be issued and allotted in accordance with the ESOS framed in that behalf.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted by the Company shall rank pari passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue, allotment or listing of Equity Shares pursuant to the ESOS, the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorised committee thereof for the time being exercising the powers conferred by the Board) and be and are hereby authorised on behalf of the Company to formulate, decide upon and bring into effect the ESOS and make any modifications, changes, variations, alterations or revisions in the said ESOS from time to time or to suspend, withdraw or revive the ESOS from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such

purpose, and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval/consent of such appropriate authorities including that of the Central Government and the Reserve Bank of India, where necessary, the consent of the Company be and is hereby accorded to the Board to make investment, in one or more tranches, by way of subscription, purchase or otherwise, in any securities, namely equity shares, preference shares, debentures whether convertible or non-convertible, or any other financial instruments of any body(ies) corporate, government securities or any other securities including investment in mutual funds or give loans, guarantees and/or provide security up to an amount of ₹ 1,000 Crores over and above the limits of investments, loans, guarantees and provisions of security as stipulated under section 372A of the Companies Act, 1956.

RESOLVED FURTHER THAT the consent of the Company is also accorded for ratification of the aggregate amount of investments or loans already made or guarantees given or security provided by the Company, as existed on the date of this meeting, where such aggregate amount exceeds the limits, if any, stipulated under section 372A of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board be and are hereby authorized to negotiate and finalise the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it deems fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required to be signed, on behalf of the Company, in connection with such investments, loans, guarantees and provision of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of section 198, 309, 349, 350 and other applicable provisions, if any, of the Companies Act, 1956 (the “Act”), a sum not exceeding ₹ 7,00,000/- per annum to each Non-Executive Director of the Company or 1% (One Per Cent) of the net profit of the Company to all Non-Executive Directors, cumulatively, which ever is lower, be paid to Non-Executive Directors of the Company, for a period of five years starting from April 1, 2013 till March 31, 2018, in addition to sitting fees being paid to them for attending the meetings of the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit necessary, proper or desirable in this regard.”

**By Order of the Board
For Just Dial Limited**

**Sachin Jain
Company Secretary**

**Place: Mumbai
Dated: September 3, 2013**

Registered office: 501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Complex, New Link Road, Malad (West), Mumbai – 400064

NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- THE INSTRUMENT OF PROXY IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**
- All documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company, on all days except Saturdays, Sundays and other public holidays, up to the date of the Annual General Meeting, during business hours.
- Re-appointment of Directors:
The details of the Directors, who are to be re-appointed as required under Clause 49 of the Listing Agreement are enclosed herewith in Annexures A and B.
- The Register of Members and Share Transfer Book of the Company will remain closed from Thursday, 26th September, 2013 to Monday, 30th September, 2013 (both days inclusive).
- An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 relating to the Special Business with respect to Item Nos. 5 to 8 of the Notice, to be transacted at the Annual General Meeting is annexed hereto and form part of the Notice.
- Members are requested to address all correspondence to the Registrar and Share Transfer Agent of the Company, M/s. Karyv Computershare Private Limited Plot no. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 in respect of changes, if any, in their respective addresses along with PIN Code Number at an early date. Members are requested to quote folio numbers in all their correspondence and consolidate holding into one folio in case of multiplicity of folios with names in identical order.

8. Non-Resident Shareholders are requested to inform the Company at its Registered Office immediately in relation to:
- The change in the Residential Status on return to India for permanent settlement.
 - The particulars of NRE Bank Account maintained in India with complete name and address of bank if not furnished earlier.
9. Corporate Members are requested to send a duly certified copy of their board resolution, pursuant to Section 187 of the Companies Act, 1956 authorizing their representative to attend and vote at the Annual General Meeting.
10. Members/proxies should bring the enclosed attendance slip duly filled in, for attending the Meeting.
11. Members are requested to bring their copies of the Annual Report for the Meeting.
12. Members desirous of asking any questions at the 19th Annual General Meeting are requested to send in their questions so as to reach the Company's Registered Office at least 7 days before the date of the 19th Annual General Meeting, so that the same can be suitably replied to.
13. Members are requested to send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent at the following address upto the record date:
- Karvy Computershare Private Limited**
Unit: Just Dial Limited
Plot no. 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad – 500 081.
14. Members are entitled to nominate a person to whom his / her share in the Company shall vest in the event of his / her demise by filing up Form No. 2B. The Shareholders are requested to avail of this facility. The duly filled in and signed nomination provided in Form No. 2B should be sent to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited at the address mentioned above.
15. Members seeking any information relating to the Audited Accounts for the financial year ended 31st March, 2013 may write to the Chief Financial Officer of the Company at its registered office or email at investors@justdial.com at least 7 days before the date of the Meeting as to enable the Company to keep the information ready.
16. The Ministry of Corporate Affairs, (MCA) Government of India, through its Circulars 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send documents namely notices of meetings, annual reports and other shareholder communication, to their shareholders, electronically as part of its 'Green Initiative' in corporate governance. A recent amendment to the Listing Agreement with Stock Exchanges also permits sending the aforesaid documents through electronic mode to Members who have registered their e-mail address with the Company or its Registrar and Share Transfer Agent for this purpose. Members are also requested to join the Company in this initiative by registering their e-mail ID with the Company or its Registrar and Share Transfer Agent. A 'Green Initiative' Form can be downloaded from the Company's website www.justdial.com to register a Members e-mail ID.

ANNEXURE A

DETAILS OF THE DIRECTOR, AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT, WHO IS TO BE RE-APPOINTED IN THE ENSUING ANNUAL GENERAL MEETING:

MR. B. ANAND

Name of Director	Mr. B. Anand
Brief Resume	B. Anand is the Chairman and an Independent, Non-Executive Director of our Company. He holds a Bachelor's degree in Commerce from Nagpur University and is an associate member of the ICAI. He has approximately 26 years of experience in the fields of corporate finance, strategy and investment banking. He is currently the Chief Financial Officer of Trafigura India Private Limited. He has previously worked with Future Group, Vedanta Resources plc, Motorola India Private Limited, Credit Lyonnais Bank SA, HSBC Bank plc, Infrastructure Leasing & Financial Services Limited and Citibank N.A.
Expertise in Functional Area	Approximately 26 years of experience in the fields of corporate finance, strategy and investment banking.
List of Other Companies in which Directorships Held	1. Future Ventures India Limited; 2. Nagarjuna Oil Corporation Limited; 3. Staples Future Office Products Private Limited; and 4. TER Commodities Trading Private Limited.
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	9
Shareholding in the Company	NIL

ANNEXURE B

DETAILS OF THE DIRECTOR, AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT, WHO IS TO BE RE-APPOINTED IN THE ENSUING ANNUAL GENERAL MEETING

Mr. Sanjay Bahadur

Name of Director	Mr. Sanjay Bahadur
Brief Resume	Sanjay Bahadur is an Independent, Non-Executive Director of the Company. He holds a Bachelor's degree in Civil Engineering from Delhi College of Engineering. He has approximately 29 years of experience in the field of construction. He is presently the chief executive officer of Pidilite Industries Limited for its Global Constructions and Chemicals division. He has previously worked with Larsen & Toubro Limited, Acons Construction Products Limited, Unitech Prefab Limited and ACC Concrete Limited.
Expertise in Functional Area	Approximately 29 years of experience in the field of construction.
List of Other Companies in which Directorships Held	1. Aaktech Constructions Private Limited; 2. Building Envelope Systems India Limited; 3. Dr. Fixit Institute of Structural Protection and Rehabilitation; 4. NRCA Roofing India Private Limited; and 5. Unitech Limited.
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	1
Shareholding in the Company	NIL

Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 5.

In light of shareholders agreement dated June 21, 2012 and to protect the interest, rights and obligations of the parties to the said agreement, the Members of the Company at the Annual General Meeting held on 31st July, 2012, have approved and adopted new set of Articles of Association, which consist of Parts A and B, said parts shall, unless the context otherwise requires, co-exist with each other.

As per the said Shareholders Agreement and Articles of Association, which states that, "Part B of the Articles of Association shall terminate, cease to remain in effect and shall be inapplicable without any further action immediately on receipt of listing and trading approvals for Shares of the Company granted by any Recognized Stock Exchange or earlier if required under Applicable Law and/or by the SEBI, in order to enable the completion of an IPO or the Qualified IPO in accordance with Applicable Law. In the event the Company is unable to file the Prospectus with the Registrar of Companies or list the Shares on a Recognised Stock Exchange in India in relation to the IPO or Qualified IPO of the Shares of the Company, the provisions of Part B of the Articles shall be the Articles of Association of Company and Part A shall become inapplicable."

As the Equity Shares of the Company got listed on the National Stock Exchange of India Limited, BSE Limited and MCX Stock Exchange Limited, hence, Part B of the Articles of Association ceased to be applicable and could be deleted from the Articles of Association along with all the references to Part A and Part B.

The Directors of the Company are of the view that instead of deletion the references of Part A and Part B and Part B, the Members should adopt new set of the Articles of Association of the Company.

In terms of Section 31 and other applicable provisions of the Companies Act, 1956 the approval of the Members by way of special resolution is required to amend the existing Articles of Association of the Company.

A copy of the Articles of Association of the Company is available at the registered office of the Company for inspection by the Members on all days except Saturdays, Sundays and all other public holidays during business hours.

The Board recommends the resolution in Item No. 5 of the Notice for your approval by way of special resolution.

None of the Directors of the Company are in any way, concerned or interested in the said special resolution, except to the extent of their respective shareholdings in the Company.

Item No. 6.

The Board in order to attract and reward permanent employees of the Company, its holding company and its subsidiaries, for their dedication and enhance their motivation, enable such employees to participate in the long term growth and financial success of the Company and to enhance awareness of creating value for shareholders, attract and retain talent for mutual prosperity, it is proposed to introduce, Just Dial Limited Employee Stock Option Scheme, 2013 (the "Scheme").



The information required as per Clause 6.2 of the SEBI Guidelines is given below:

1	The total number of Options to be granted	Options to be granted under the scheme shall not exceed 3,50,000 (Three Lakhs Fifty Thousand only). One option will be entitled for one equity share of face value of ₹ 10/- each. Suitable adjustment in quantity may be made in case of corporate action like split, bonus, rights, sale of division, merger, demerger etc.
2	Identification of classes of employees entitled to participate in Just Dial Limited Employee Stock Option Scheme, 2013.	A permanent employee of the Participating Companies, whether working in or outside India but excludes (a) an employee who is a Promoter or belongs to the Promoter Group, and (b) a director who either by himself or through his relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding Shares of the Company. Permanent and future employees of Participating Company are eligible for being granted Employee Stock Options. Notwithstanding the generality of the previous sentence, no Employee shall confer upon any Option Grantee any right with respect to continuing the Option Grantee's relationship as Employee with the Company, nor shall it interfere in any way with his or her right or the Company's right to terminate such relationship at any time, for any reason whatsoever. All present & future employees of the Company up to certain level as may be decided by the Compensation/Remuneration Committee constituted for the purpose.
3	Requirements of vesting, period of vesting and maximum period within which Options shall be vested.	<p>The vesting period shall commence after expiry of one year from the date of grant of Options, and extend up to seven years from date of each vesting of options or such further or other period as the Board / Committee may determine, from time to time.</p> <p>The Options would vest subject to continued employment with the Company. In addition to this, the Board / Committee may specify performance criteria / conditions to be met subject to which Options would vest with the employee. The Options may vest in tranches subject to the terms and conditions stipulated by the Compensation/Remuneration Committee.</p>
4	Exercise price and pricing formula	The Exercise Price of the Options shall be price as decided by the Compensation/ Remuneration Committee based on the Market price of the Shares on the date of the Grant.
5	Exercise period and process of exercise	Subject to the provisions of Just Dial Limited Employee Stock Option Scheme, 2013 the Exercise period shall commence from the date of vesting and will, subject to certain circumstances such as termination of employment, death, disability, etc., expire on completion of seven years from the date of vesting. The Option Holder shall make a written application for the exercise of such options. The Option Grantees shall be bound to execute necessary agreements and documents to give effect to the cashless Exercise of Options.
6	The appraisal process for determining the eligibility of employees to Just Dial Limited Employee Stock Option Scheme, 2013.	The eligibility of such employees to receive performance-linked grants will be determined in terms of the Just Dial Limited Employee Stock Option Scheme, 2013. In determining the eligibility of such employees, factors like duration of service, overall performance of the employee and positions held by the employee, shall be given due importance as may be decided by the Compensation/Remuneration Committee.
7	Maximum number of Options to be issued per employee and in aggregate	The maximum number of options that may be granted under the Just Dial Limited Employee Stock Option Scheme, 2013 to an eligible individual Participant shall be 100,000 Options. The number of Options to be issued per employee will be determined by the Compensation/Remuneration Committee.
8	The method the Company shall use to value its options: fair value or Intrinsic value	<p>The Company may use the Fair Value method to value its Options for the purposes of this Clause the Compensation/Remuneration Committee shall cause to be determined the Fair Market Value of the Shares by a professional investment banker, merchant banker or chartered accountant. The Compensation/ Remuneration Committee shall also identify the guidelines to be followed for determining the Fair Market Value. The Fair Market Value once determined shall remain the same until the same is revised by a fresh determination pursuant to this Clause.</p> <p>In case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.</p>

9 Taxes and duties	All taxes arising to the Company on account of the participation of an Employee / Option Grantee under this Scheme shall be borne by such Employee / Option Grantee. In addition the Option Grantee shall reimburse the Company for any withholding taxes that may be applicable from time to time.
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The Company shall confirm to the accounting policies specified in the SEBI Guidelines.

Subject to Approval of the Board, the Compensation/ Remuneration Committee shall have the absolute authority to vary or modify the terms of ESOS in accordance with the regulations and guidelines prescribed by SEBI or regulations that may be issued by any appropriate authority from time to time, unless such variation, modification or alteration is detrimental to the interest of the employees.

Pursuant to requirement of the Guidelines, the shareholders' consent is sought to authorize the Board to issue Equity Shares in the manner set out in the resolution aforesaid.

The Board recommends the resolution in Item No. 6 of the Notice for your approval by way of special resolution.

None of the Directors of the Company are in any way, concerned or interested in the resolution.

Item No. 7.

The Directors of the Company are please to inform you that the investment in various mutual funds and other securities have exceeded ₹ 500 crores and are of the view that the investment may exceed the limit approved by the Members of the Company at their meeting held on August 2, 2011.

The Company has made various investments in mutual funds and other securities and may require to make further investments in various securities/instruments including mutual funds, government securities and also may require to make investment, in one or more tranches, by way of subscription, purchase or otherwise, in any securities comprising of equity shares, preference shares, debenture whether convertible or non-convertible or any other financial instruments of any body(ies) corporate, or give loans, guarantees and/or provide security to Group Companies including companies proposed to be acquired from the Company or Group Companies, which may form part of the Group/Associate/Subsidiary Companies, if any.

Hence, the Directors recommends that an approval of the Members by way of a special resolution in respect of enhancing the existing limit up to ₹ 1,000 crores over and above the limit prescribed under the provisions of the Section 372A of the Companies Act, 1956 for investments made, loans provided, securities and guarantees given by the Company.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

Item No. 8.

The Company is currently paying sitting fees to Non-Executive Directors for attending meeting of the Board. In view of the responsibility and involvement of time of Non-Executive Directors of the Company, it is proposed that the same should be compensated.

The Board proposed to pay a sum of ₹ 7,00,000/- per annum to each Non-Executive Director of the Company, or a sum payable to all the Non-Executive Directors which will not be in excess of 1% of the net profit of the Company calculated in accordance with the provisions of Section 198, 309, 349 and 350 of the Companies Act, 1956.

The Board recommends the Resolution for approval of the Members as an ordinary resolution.

Non-Executive Directors may be considered to be concerned or interested in the proposed resolution to the extent of remuneration that may be received by them. Mr. V. S. S. Mani and Mr. V. Krishnan deemed to be interested to the extent of remuneration to be paid, if any, to Mr. Ramani Iyer.

**By Order of the Board
For Just Dial Limited**

**Sachin Jain
Company Secretary**

**Place: Mumbai
Dated: September 3, 2013**

Registered office: 501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Complex, New Link Road, Malad (West), Mumbai – 400064



India's No.1 local search engine

JUST DIAL LIMITED

Regd. Office : 501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Complex, New Link Road, Malad (West), Mumbai – 400064.

PROXY FORM

I/We.....s/o, w/o, d/o..... residing at.....
.....being
member/member(s) of Just Dial Limited hereby appoint Mr./Ms.
residing at
or failing him/her Mr./Ms. residing at
..... as my / our proxy to vote for me / us and on my / our
behalf at the 19th Annual General Meeting of the Members of Just Dial Limited to be held on Monday, 30th September, 2013 at 4.30 P.M.
at West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064 and at any adjournment thereof.

Signed this day of 2013
Folio No. :
DP ID No. :
Client ID No. :
No. of Shares Held

Affix
Revenue
Stamp of
₹ 1

.....
Signature of Shareholder(s)

Note :

- 1) The Proxy need not be a member.
- 2) The Proxy form duly completed and signed and must reach the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.



India's No.1 local search engine

JUST DIAL LIMITED

Regd. Office : 501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Complex, New Link Road, Malad (West), Mumbai – 400064.

ATTENDANCE SLIP

(To be signed and handed over at the entrance of the meeting hall)

I hereby record and confirm my presence at the 19th Annual General Meeting of the Members of Just Dial Limited held on Monday, 30th September, 2013 at 4.30 P.M. at West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064.

Folio No. : No. of shares held :
Client ID No. : DP ID No. :

.....
Members/Proxy's name in Block Letter Members / Proxy's Signature



Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



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REGISTERED & CORPORATE OFFICE

Just Dial Limited

Palm Court Bldg M, 501/B, 5th Floor, New Link Road,
Besides Goregaon Sports Complex, Malad (W),
Mumbai - 400064.

Call: +91-22-2888 4060 / 39808795

Fax: +91-22-2882 3789