

September 04, 2014

To

**MCX Stock Exchange Limited**

4<sup>th</sup> Floor, Vibgyor Towers, Plot No C 62,

G-Block, Opp. Trident Hotel, Bandra Kurla Complex,

Bandra (E), Mumbai – 400 098.

**Ref. Just Dial Limited (Stock Code JUSTDIAL)**

Dear Sir/Madam,

**Subject: Annual Report for the Financial Year 2013-14.**

With reference to the captioned subject and in accordance with the provisions of clause 31 of the listing agreement, we are enclosing herewith six copies of Annual Report of the Company for the financial year ended as on 31st March, 2014 along with duly signed Form A.

Please take the above information on record.

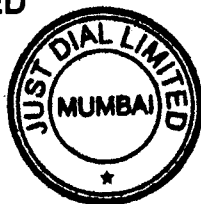
Thanking You,

Yours faithfully,

For **JUST DIAL LIMITED**



**Sachin Jain**  
Company Secretary



**Just Dial Limited**

CIN NO: L74140MH1993PLC150054

Registered & Corporate Office : Palm Court Building M, 501/B, 5th Floor, New Link Road, Besides Goregaon Sports Complex, Malad West, Mumbai - 400064

Tel. : 022-28884060 / 66976666 • Fax : 022-28823789

Mumbai, Delhi, Kolkata, Chennai, Bangalore, Pune, Hyderabad, Ahmedabad, Coimbatore, Jaipur and Chandigarh

☎ 08888888888

| [www.justdial.com](http://www.justdial.com)

## FORM A


**Format of Covering Letter of the Annual Audit Report to be filed with the Stock Exchanges**

1.	Name of the Company:	Just Dial Limited
2.	Annual Financial Statements for the year ended	31st March, 2014
3.	Type of Audit Qualification	Un-qualified
4.	Frequency of Qualification	Not Applicable


**For Just Dial Limited**

  
**V.S.S. Mani**  
Managing Director

  
**B. Anand**  
Audit Committee Chairman

  
**Ramkumar Krishnamachari**  
Chief Financial Officer

**For S. R. Batliboi & Associates LLP**  
Chartered Accountants  
Firm Registration Number: 101049W

  
per **Govind Ahuja**  
Partner  
Membership no.: 48966

**Just Dial Limited**

CIN NO: L74140MH1993PLC150054

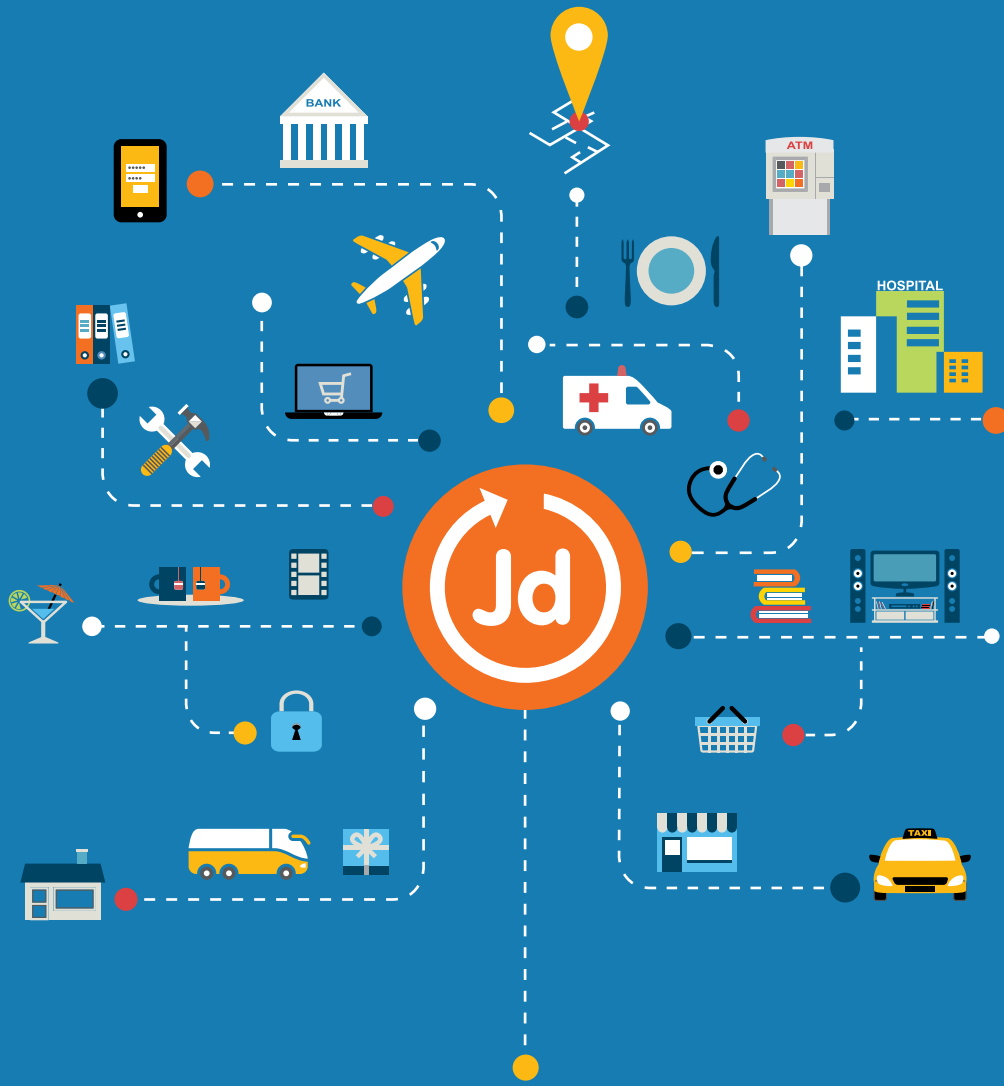
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0888888888

www.justdial.com



Helping  
India make the  
online switch!

## 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.

## Inside this Report

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# Helping India make the online switch!



Just a click. That's all it takes for you to open up a world of services. Go 'online,' and the world is at your doorstep!

At Just Dial, we are on the cusp of this transformative period, and are ready to help India switch to the online platform, by directing you to the 'correct' content at the shortest possible time. We plan to be the one-stop-shop for all your queries. No more looking for the right numbers, calling up friends, checking the papers. We are just a click away.

From ordering your groceries, to looking for a mechanic, scheduling a doctor's appointment to booking a table for eight at the premium restaurant, or calling an ambulance – Just Dial has the correct solutions for all your needs. We have revolutionised search options for the user. Our 'Online to Offline' platform, our 'master app' are all targeted to help our user perform multiple activities on a single platform.

With cheaper handsets, lower tariffs, phenomenal internet penetration across India's cities, we realise the possibilities are endless. We, therefore, plan to help make life easier for the user, by helping them with the best options and the cheapest rates. Our aim is to help integrate every aspect of a user's day-to-day life into that one click.

At Just Dial, we are helping India make the online switch.

# Just Dial at a Glance



## Justdial

### A one-stop search destination

We are India's leading local search engine, and have achieved top-of-the-mind awareness, over the last 17 years of operating history. Being India's default destination for local search, we have enabled thousands of SMEs to get discovered online. We have also transitioned to a platform that includes search plus transactions; we refer to this as 'Search Plus' services.

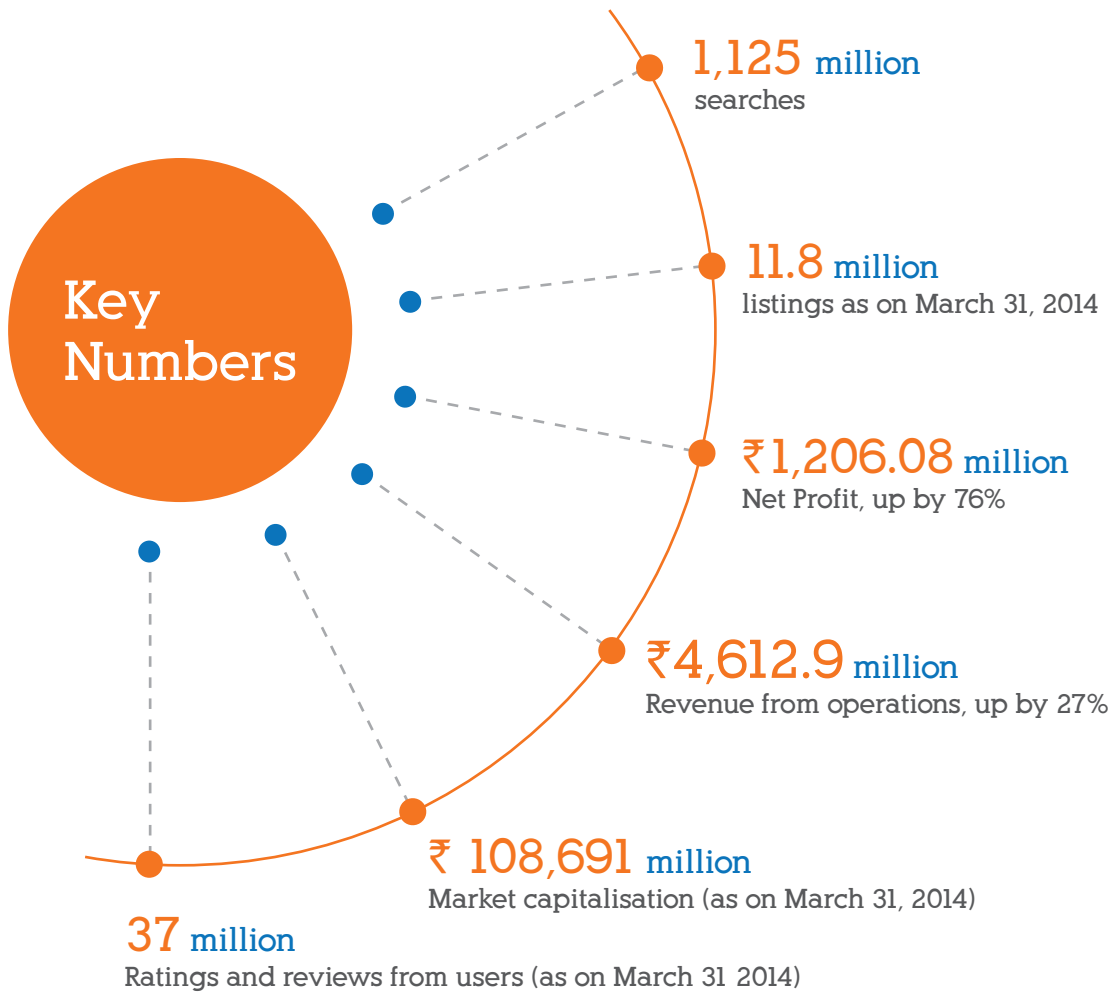
Our registered and corporate office is in Mumbai and we have offices across India in Ahmedabad, Bengaluru, Chandigarh, Chennai, Coimbatore, Delhi, Hyderabad, Jaipur, Kolkata and Pune.

## Mission

To provide fast, free, reliable and comprehensive information to our users, connecting buyers to sellers anytime, anywhere.

FREE





## Multiple Service Platforms



### MOBILE INTERNET

JD (Just Dial) App and WAP services (m.justdial.com)

**21.92 million**  
searches per month

Android, iOS, Windows and WP7 and Blackberry apps



### PC INTERNET

www.justdial.com

**59 million**  
web searches per month

Geo-coded Maps, Ratings, Reviews, Friend's Ratings, Search by company, category or product



### VOICE/SMS

**08888888888**  
A single number across India

**12.75 million**  
Voice Searches per month

**24X7**  
Multi-lingual support

# Value Creation

## An efficient and Profitable Business Model



We have a strong brand recall today. Our experience and expertise in India's local markets and our first mover advantage has enabled us to deliver consistent shareholder value.

Our search is already well monetised. We continue to evolve our business model to ride the mobile internet wave in India with a multi-purpose mobile app, what we call the 'Master App', Search Plus engine and services like Shopfront and reverse auction, enabling order fulfilment and enabling comparison-shopping facility to users, to discover the best price for any branded product needed by them.

We aim to increase the number of vendors on Search Plus to cater to the increasing user traffic and further increase margins and achieve operating leverage.



## Operational highlights



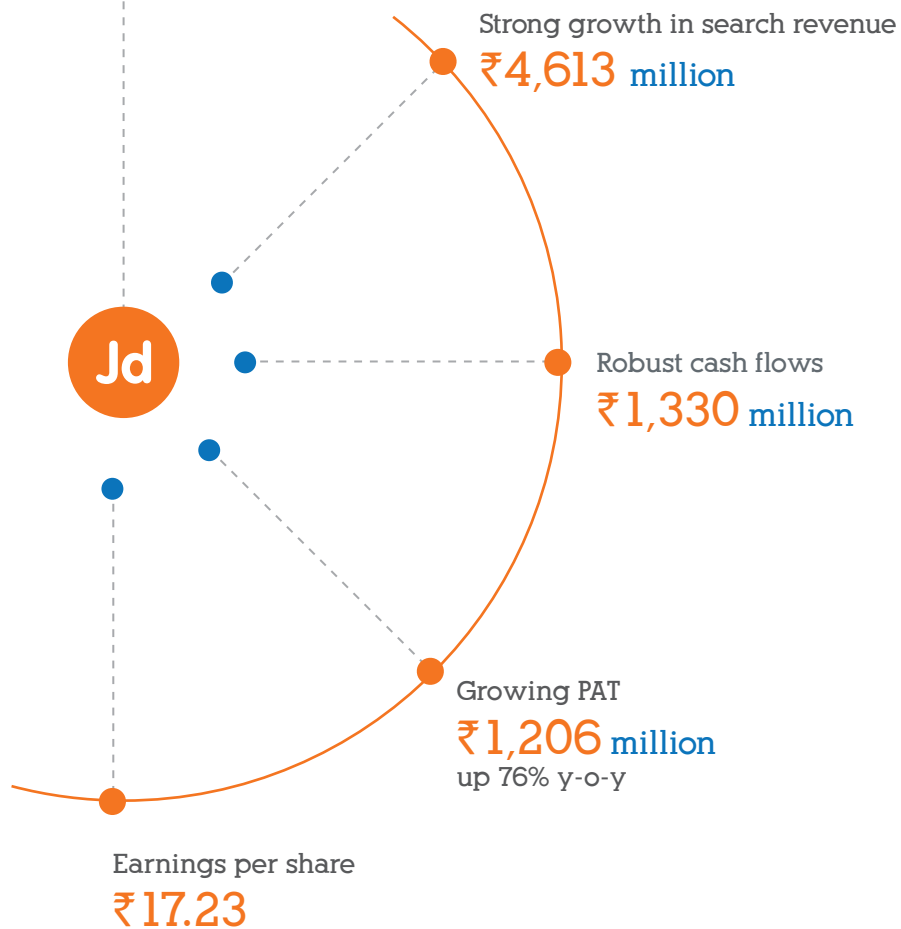
- Phenomenal user traffic; **1,125 million searches** and **37 million ratings** and reviews as on March 31, 2014
- Engagement driven through **innovative and multi-purpose Master App**
- **17 new products** services soft-launched (Search Plus platform)
- Launch of **Shopfront marketplace and Reverse Auction/Price Discover service**
- **11.8 million** business listings
- **262,150** paid campaigns



## Value creation for Shareholders



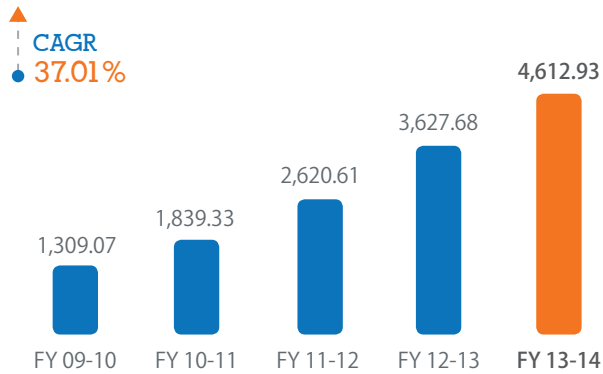
We have high profit margins, dominant market share, growing revenues, and strong brand recognition today. An asset light business model, negative working capital, zero receivables and a debt free balance sheet are some of our other fundamental strengths.



# Financial Performance.

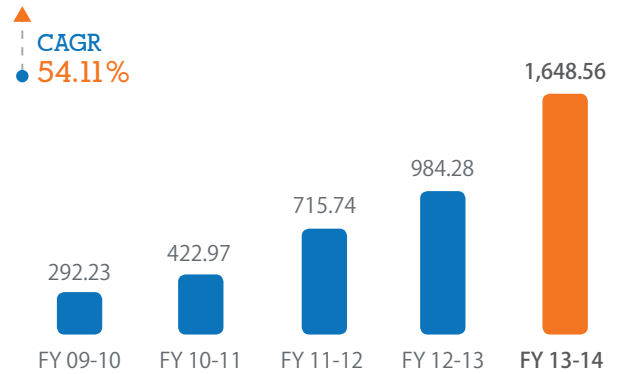
## OPERATING REVENUES

(₹ in million)



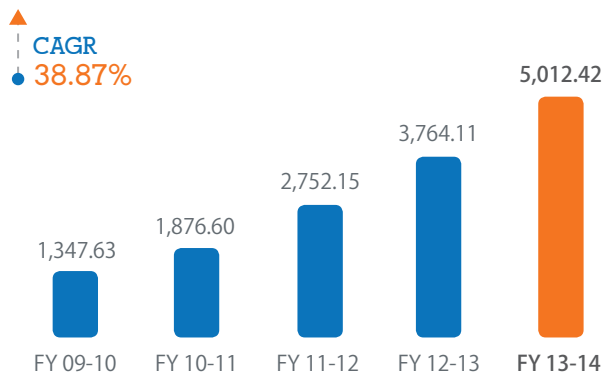
## PROFIT BEFORE TAX

(₹ in million)



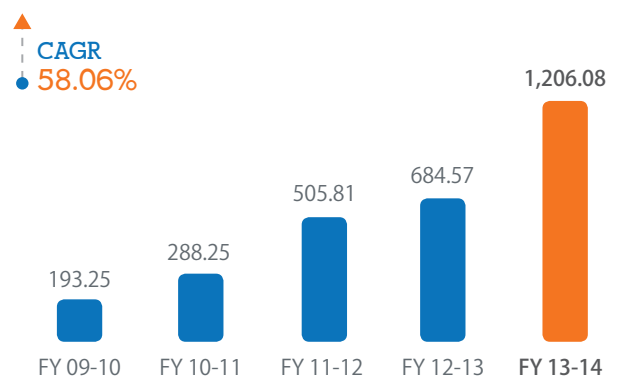
## TOTAL INCOME

(₹ in million)



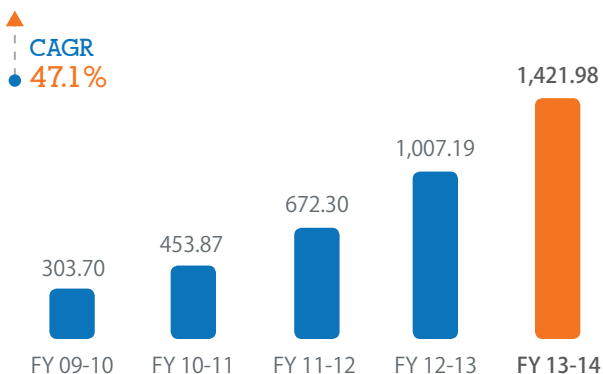
## PROFIT AFTER TAX

(₹ in million)



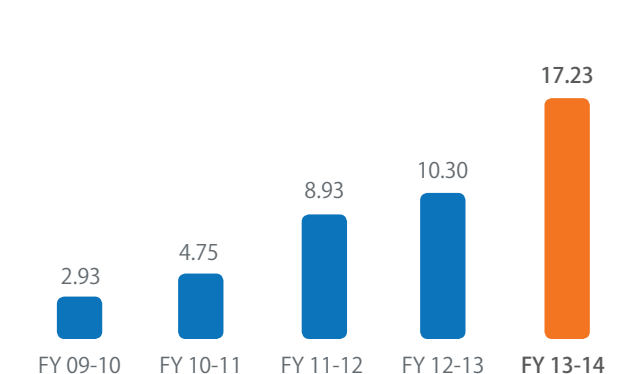
## OPERATING EBITDA\*

(₹ in million)



## EARNINGS PER SHARE (BASIC)

(in ₹)

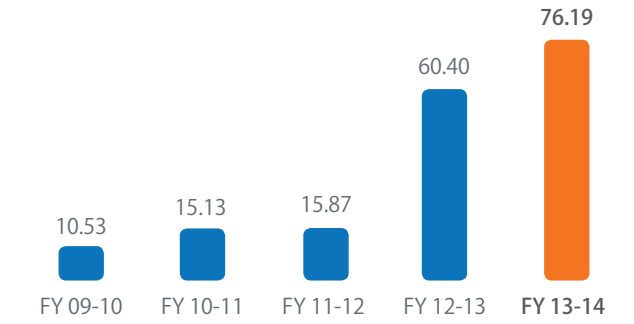


\*Operating EBITDA is arrived at by reducing operating expenses viz. Employee expenses and other expenses from operating revenue. It does not include interest, taxes, depreciation and amortisation expenses or other income



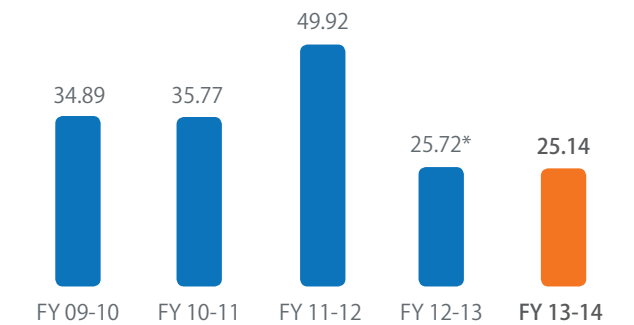
### NET ASSET VALUE PER SHARE

(in ₹)



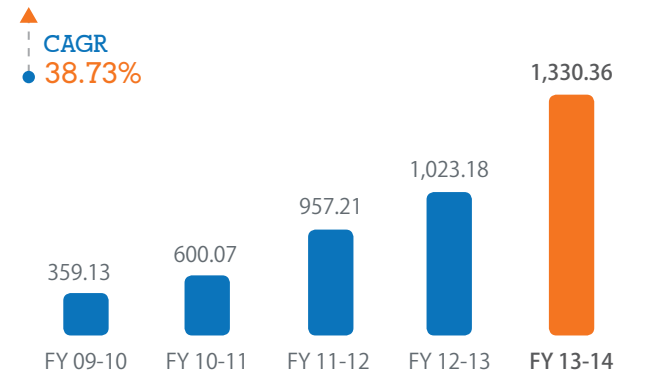
### RETURN ON NET WORTH (RONW)

(in %)



### NET CASH FLOW FROM OPERATIONS

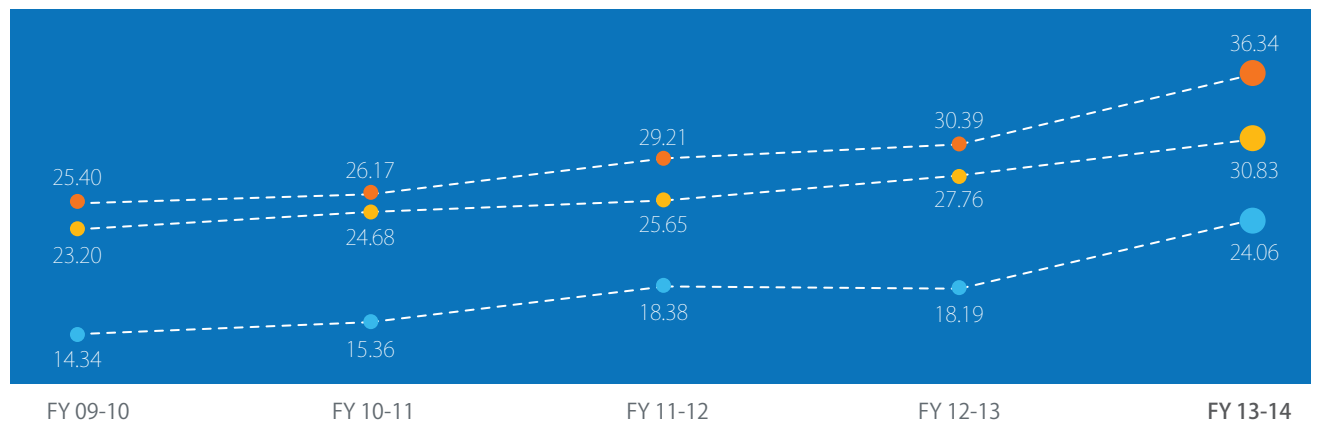
(₹ in million)



\*Note: Fund raising done - Issue of equity shares

### MARGINS

(in %)



---●--- EBITDA margin      ---●--- Operating EBITDA margin      ---●--- Profit after tax margin

# Managing Director's Message



Dear Friends,

Thank you for your ongoing support and continued interest in Just Dial. In the last 17 years, we have expanded our reach and increased our breadth of services. We have laid a strong foundation in the markets we operate and are committed to serve the local community as a caring and responsible corporate citizen.

Currently, we have over 42 million ratings and reviews published on the website. In FY 2013-14, there were 1,125 million searches from users prior to any purchase decision, indicating the mindshare Just Dial has with consumers and SMEs.

The global economy encountered multifarious roadblocks with slowing growth across all countries in the first half of FY 2013-14. Spill-over of economic conditions from advanced to emerging countries in the form of capital flight from emerging markets and currency headwinds were observed. India too was caught in the grip of heightened inflation and sliding rupee. However as the year progressed, demand accelerated in advanced economies and there were signs of stability. We experienced partial easing on inflationary pressures and there was an overall positive outlook towards growth. By year end, India regained macroeconomic stability and was able to curb inflation.

An improvement in political environment and policy stability, pro-growth reforms and fast decision making by the bureaucracy will drive growth in India and kick start capital investment by corporates. The resultant factor will be employment generation and an overall improvement in consumer sentiment. Infrastructure development especially in the telecom sector is another critical ingredient of our economic well-being. India is today inching towards the landmark figure of one billion mobile subscriptions by the year 2014. By the middle of 2013, the Indian mobile subscriber base stood at 875 million and the country contributed over 13 percent to the global subscription base. In spite of its overweight, India is still a part of the unfinished growth story in global voice telephony and subscriber growth. The mobile phone is increasingly becoming the first screen for many people and many a times the only screen, for a large population residing in rural areas. This trend transcends rural-urban boundaries and demographic profiles.

● ——— ●

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**V.S.S. Mani**

● ——— ●  
Managing Director



In 2013-14, we launched our search plus services and with this, we have transitioned from being a 'local search' to a 'search & transact' destination. With our search plus products, users can seamlessly save time and money. These services are meant to cover most of the daily grind of activities and can be grouped into 4 broad categories. (a) Ordering Services (b) Scheduling Services (c) Ticketing / Travel Services (d) Buying Online / Shop-front/ Reverse Auction

Just Dial always benefited by the increasing economic growth & heightened consumer spends. We have also noticed a behavioural and cultural shift amongst populace, for instance, more and more people prefer messaging rather than talking or prefer self help rather than asking others for help/ direction, etc. In this context, we are quite optimistic about our growth prospects and are also well poised to capitalise on the shifting behavioural and accessibility trends of the people at large. As a search destination Just Dial has been successful in empowering users to find anything, anywhere in India. In recent times we have successfully integrated search with the social aspect through our unique reviews and ratings system. Just Dial is perhaps the only search engine to integrate your friend's reviews to your search results. In order to further enrich your experience we have launched our own JD Maps. Very soon JD Maps will have more geo-coded data than any other mapping solution for this country.

I am glad to inform you that we delivered a phenomenal performance in FY 2013-14, despite subdued growth conditions. Our efforts for expanding into Tier 2, Tier 3 cities and deepen penetration into existing cities has yielded very good result and as a result our paid campaigns increased from 206,500 in March 2013 to reach 262,150 in March 2014. We registered 31% EBITDA margins and our PAT margins rose to 24%. Our operating income increased 27% from ₹ 362.8 crores to reach ₹ 461.3 crores. Our profit after tax touched ₹ 120.6 crores from ₹ 68.5 crores in FY 2012-13, up by 76%. Our cash flow increased from ₹ 102.3 crores to ₹ 133 crores over 2013-14.

Overall searches on our platform grew by 44%. It is very clear that the searches are moving online and that is proven by the fact that around 68% of our overall traffic comes from the internet platform. With the increasing affordability and accessibility, more and more searches online are moving to the mobile platform. Reflecting this shift, our mobile searches grew 183% and mobile reflects 31% of our online traffic.

It is imminent that internet penetration in India will grow leaps and bounds from the levels of 15% to 40-45% in the next 3 to 5 years. We also believe that the future is no longer only about relevant, accurate or enriched content but users of search products would prefer to search and transact in the same destination.

In 2013-14, we launched our search plus services and with this, we have transitioned from being a 'local search' to 'search & transact' destination. With our search plus products, users can seamlessly save time and money. These services are meant to cover most of the daily grind of activities and can be grouped into 4 broad categories. (a) Ordering Services (b) Scheduling Services (c) Ticketing / Travel Services (d) Buying Online / Shopfront/ Reverse Auction.

Through our unique online shopping platform, we aim to provide users with the ability to discover best price for any branded goods from various offline local neighbourhood stores, thus ensuring almost instantaneous delivery. JD Shopping and reverse auction will help users save money without compromising



on quality of product and vendors. Our platform will thus provide lakhs of offline stores (which constitute 98-99% of the retail market in India) a level playing field to attract the online buyers – what we metaphorically call – ‘Online To Offline.’

Driven by increasing penetration of affordable smart phones and cheaper data plans, we are quite optimistic about the prospects for our Company as the future beckons convenience through a digitally empowered life. The mobile device is increasingly becoming the fulcrum of all user activities, and we vow to empower the user with an ecosystem that can provide them with world-class services and experience the ‘wow’ effect across all our mediums. Our ‘master app’ will allow the users to perform multiple activities/ transactions on a single platform and to enjoy the convenience of storing multiple details of personal information in a single place. Also, it will solve the problem of ‘App Fatigue’ that is set to plague the users with multiple businesses launching their own app. We also endeavour to reach out to as many businesses as possible to create awareness, and explain the impact of digitalisation and the power of the Just Dial platform and how we can provide the businesses with necessary visibility with richer content like photos, logos, videos, catalogues etc. so they can be easily discovered and transacted.

The opportunity in mobile and local is just staggering because the device we hold in our hands is like a remote control to our lives. And I feel we are entering a transformative period with mass adoption of technology. The confluence of three domains - mobile, social & location based technologies – has created something that can be described as the ‘perfect storm’, an unusual convergence of forces which will enable more info-gratification for users on the go in the near future.

I want to thank internet users and consumers who access Just Dial for their information needs and also thank our SME partners for investing in us. This would not have been possible without the dedicated efforts of the Just Dial team. Hence I would like to congratulate them for the continuous good performance the Company has delivered.

Finally, we believe a satisfied user is the best business strategy of all and our success will rest in how well we are able to keep our users happy across all their interactions with us, on all platforms. We are confident to leverage market opportunities and achieve higher growth and generate greater value for our shareholders.

Regards,

**V.S.S. Mani**  
Managing Director

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# Shopping, Banking. Networking. Dating - have all gone online.

Why should local search be any different?



From a telecom wave to the internet wave and finally the mobile internet wave (with smartphone penetration slated to grow at 91% CAGR till 2016), we have evolved constantly and revolutionised the search experience for India.

We have successfully integrated **SEARCH + CONVENIENCE + SOCIAL + VALUE** for both SMEs and our users and delivered compelling win-win solutions.

We are changing the purchase process for our users in a very user-friendly way. The accessibility of mobile content has led to consumers seeking more information at their convenience through their smartphones. As consumers seek info-gratification anytime, anywhere to explore, evaluate and then purchase, we extend services from search to 'search+transaction' with Search Plus services.

## What do consumers want?



- They want relevant products and services.
- They think, "I am overwhelmed with the plethora of choices, I need unbiased help and the best price possible!"

**Here, we become the guide** - directing users to the correct and most relevant content in their local vicinity, on our platform. We have one of the largest range of categories ranging from plumbers and repairmen to doctors and restaurants which can be searched for. Besides this, we provide multiple sorting options on the basis of geographical vicinity, popularity and/or ratings so that users may benefit from experiences of other users.

Moreover, besides enabling them with advanced search options we also enable them to transact on our platform.

## In the Explore stage

- We understand consumer needs.
- We are a **one-stop search destination** and integrate all user needs on a **single platform** we get **relevant and accurate content with enrichments like photos, logos, operational hours, etc.**



## The Evaluate Stage



Users are more focused now and less stressed but do not want to be sold out by unverified claims. We aid the purchase decision by showcasing various trust factors which will factor in the vendor's reliability and enable any user to make an informed decision. We have added friends' ratings and reviews besides the ratings and reviews from fellow-users providing higher credibility for users' final decision.

## The Experience



- Happy users.
- We gain their trust.
- They send reviews to support other users.

We have garnered over 37 million ratings and reviews (as on March 31, 2014) from users on our portal, reflecting the trust and the positive experience users have had with us.

## Extending a Unique Value Proposition



We offer user-friendly features like ratings and reviews, location-based search, JD Maps for directions and over 37 million ratings and reviews across categories on our portal and unique features like Friend's Ratings and transactional tabs.

Look for a restaurant on one site, read the review on another, order on a third?



**No!** All at one place,  
at the same time, **online** –

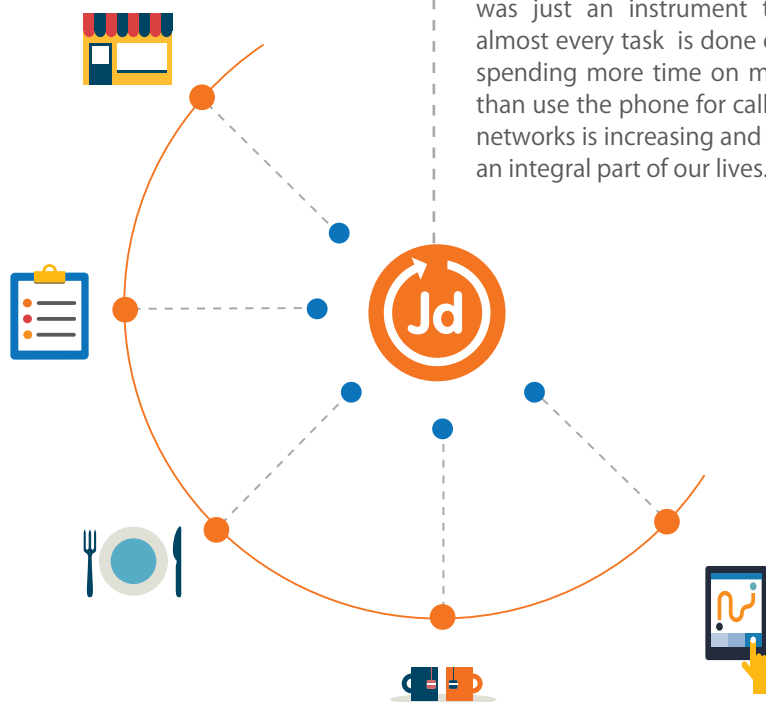


the **Search Plus  
Engine**



Searching for products and services is no longer the onerous task it used to be. The way we search has changed dramatically, spurred by low cost data plans from mobile service providers, broadband penetration across the country, and the introduction of affordable smartphones. We see this change as a huge opportunity for us to take the search experience to a whole new level.

A distinct trend is also shaping search habits among people, our users. Gone are the days when a phone was just an instrument to talk and text; today almost every task is done over a phone. People are spending more time on messenger services rather than use the phone for calling; time spent on social networks is increasing and the internet is here to be an integral part of our lives.





Following this trend of mobility, 24x7 connectivity and the change in habits of people, it was a logical decision for us to not just remain a Search Engine but to become a Search Plus Engine.

According to industry data, 99% of commerce is carried out on an offline platform in India. We recognise that there is a huge potential to create a system which we call 'Online to Offline'. Through this system, we are only an enabler of transactions over our platform while the last mile logistics is taken care of, by a large number of associates (SMEs). We are trying to change the way people do business and the way they buy things.

We have already launched an array of Search Plus services like Order Food Online, Order Wine Online, Book a Doctor's Appointment online, Book Movie Tickets Online, Book a Cab/ Flight/ Bus Online, Order Grocery Online, Schedule a laundry pick-up online, Schedule a courier pick-up online, among others – all on a single platform – available at a click or a call. In total, we have 17 Search Plus services live on our platform (as on March 31, 2014).

We have already launched an array of Search Plus services like Order Food Online, Order Wine Online, Book a Doctor's Appointment online, Book Movie Tickets Online, Book a Cab/ Flight/ Bus Online, Order Grocery Online, Schedule a laundry pick-up online, Schedule a courier pick-up online, among others



## Expanding Product and Services

We plan to expand by including a significant number of businesses for every neighbourhood and every zip-code.

We are also in the process of developing a technology platform that provides users with seamless and integrated search and transact option i.e. a search shop experience on Just Dial for every need of theirs. Our aim is to ensure convenience for our users and save time and money as well. We are popularising Search Plus transactions on a free trial basis.



It used to take at least four phone calls and numerous reminders to friends and relatives to find a decent carpenter



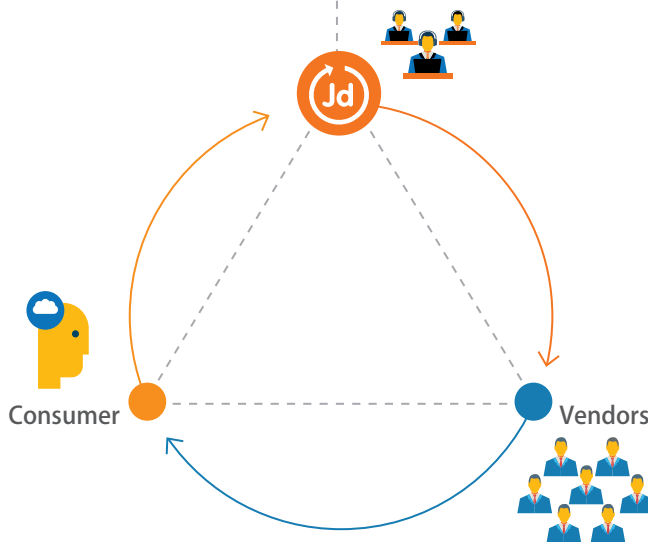
Now it takes just a few seconds online. 

### The Online to Offline Benefits



Two-fold Online to Offline benefits are apparent to both transacting parties. The SME gets a virtual presence to not just be discovered by consumers but also get transactions via the medium. On the other hand the user experiences convenience, like never before, by having a one-stop search destination for most of his/her needs. The opportunities in the domain are immense.

With rising internet penetration, there are more online searches before purchasing a product or service. This also gives us higher operating leverage and better margins.



## Enhancing our Reach in India



We aim to reach more customers and are enrolling fresh vendors on our Search Plus engine, to serve the needs of the users.

We believe that with the changing eco-system and increasing shift towards the mobile medium alongside the affordability of smartphones and reducing costs of data plans the effects of the transition are also felt by the SMEs. They are more receptive to the idea of having a digital and virtual presence. As the most-favoured search destination, Just Dial provides a platform for SMEs to have a greater presence with richer content like photos, logos, catalogues, rate cards, etc. Our aim is thus to sensitise and educate the SMEs to the benefits of being listed with Just Dial.

## Price Discovery – A compelling value proposition for the user



SAVINGS

OFFER

50%  
OFF



Once a user has made a choice of a product, the 'Best Price Discovery' remains the only issue. To counter this concern, Just Dial will offer the users a list of local vendors, along with trust factors and send the offer prices of these local vendors for the selected products to the users, so they may make a well-informed decision.

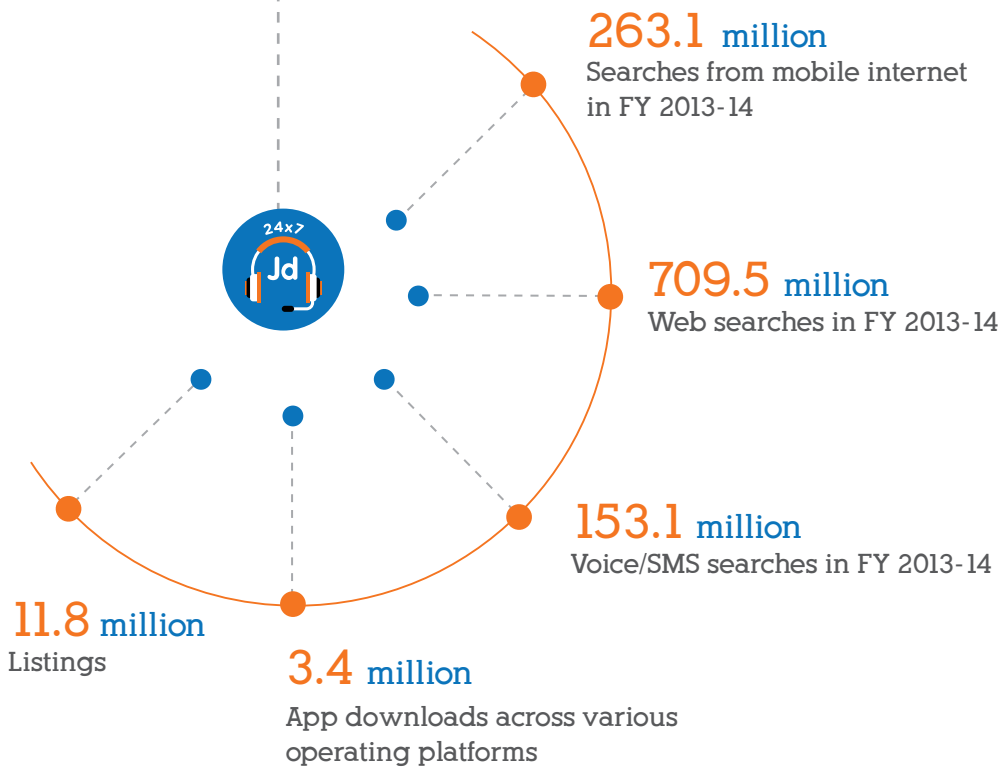
Moreover, since the vendor is local, users are likely to be offered doorstep delivery on the same day or a cash on delivery option.

Instantaneous quotes. From multiple vendors. Welcome to the world of Comparison-shopping.

# Technology Architecture and Teamwork



We have lived up to our users' trust and expectations and efficiently delivered solutions to their queries, whether on voice or internet channels. Our database and search logic is built on strong analytics.



## Customised infrastructure to provide uninterrupted and efficient service



We have developed apps for Android, iOS, Windows, WP7 and Blackberry OS in the mobile internet channel.

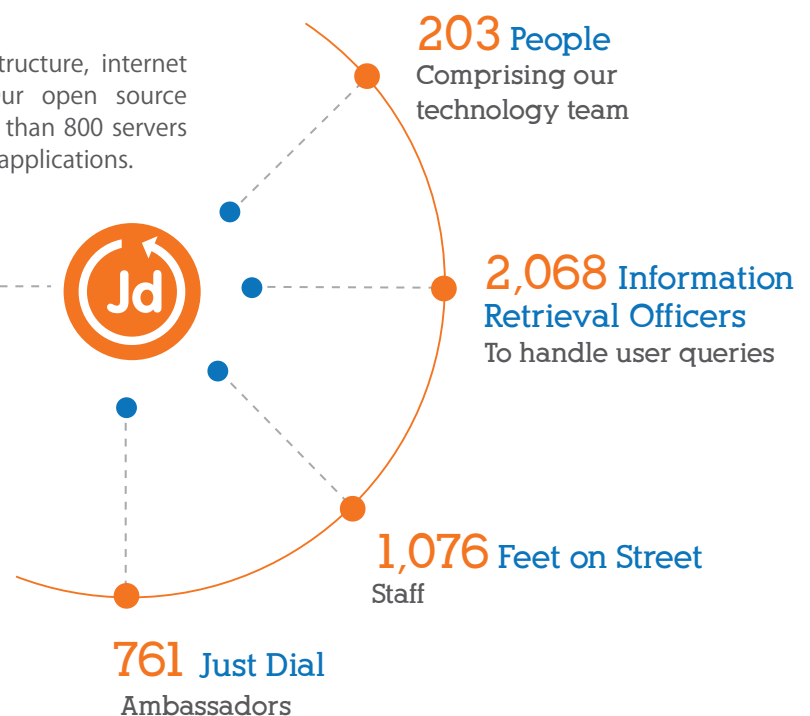
For PC internet, we have instantly answered queries by using open source platforms and have witnessed an increase in web searches since the launch of the website to 59 million web searches per month. In the voice/SMS channel, we have answered user calls promptly and provided multi-lingual support 24x7, for every call in the monthly traffic of 12.75 million calls.

## Robust Technology Foundation



We ensure accuracy and quality of the data. A dedicated team regularly monitors and updates the information and adds the latest entries to ensure accuracy of the information provided to users. Our team also verifies the data collected (like geographical location, images, videos and category of each business).

We monitor the systems infrastructure, internet and database continuously. Our open source platforms are powered by more than 800 servers for various intranet and extranet applications.



# Corporate Social Responsibility



Our contribution to the cause of education reflects our business culture of sharing corporate benefits with the community and growing together. We intend to walk forward on this path and make a marked difference in the society in the years to come.

We began our contribution to society by providing children of our blue-collared employees, education in English medium schools to enable them to be at par with other children. We have borne all the basic costs of their schooling.

This initiative has helped them in becoming employable and gaining sustainable and quality employment when they grow up.

## Providing Quality education



We believe every child has countless ideas and curiosity and with an enabling factor, they can realise their true potential. This resonates with us since we are also driven by ideas and the power of simplicity.

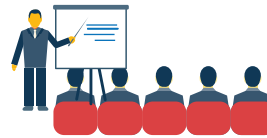
We have adopted a school run by the Art of Living Foundation, Sri Sri Ravi Shankar Vidhya Mandir at Dharavi, Mumbai. The school is an English Medium school, aided by modern education techniques and comprises over 290 children from the nearby slums. We bear all expenses relating to the entire functioning of this school. We also give the necessary support and mobilise resources in many areas, including infrastructure, providing teachers to the school, monitoring and evaluating, providing computers as well as food and nutrition. We sponsor all technological and operational facilities for the school. The thrust of the project involves bettering the education and learning experience of the child.

We contributed ₹ 4.8 million towards the school's operational expenses in FY2013-14.



We have adopted a school run by the Art of Living Foundation, Sri Sri Ravi Shankar Vidhya Mandir at Dharavi, Mumbai. This school is an English Medium school, aided by modern education techniques and comprises over 290 children from the nearby slums. We bear all expenses relating to the entire functioning of this school.

## Training teachers with better teaching methods



We also provide teacher training to upgrade teacher skills so that they can impart quality education for holistic and well-rounded learning of the students.

## Infrastructure Development

We also support activities like renovation and general infrastructure repair and maintenance, landscaping and environmental beautification. It also provides amenities and resources to improve learning conditions- which includes supply of furniture, nutritious food, books and equipment.



# 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 27 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.

## 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.

## 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 and Services and has around 21 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. 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.

**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.

**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.

**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 14 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 17 years of experience in the field of technology. Prior to joining Just Dial, he was associated with E Dot Solutions India Private Limited.

## 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 23 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.

## 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 14 years of experience in the field of finance and accounting.

## 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 M.Sc. degree in Physics from the Indian Institute of Technology, Kanpur. He has around 17 years of experience in the field of technology. Prior to joining Just Dial, he worked with Reliance Big Entertainment Private Limited.

# 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, Beside 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

# Statutory Reports



# Management Discussion and Analysis

## GLOBAL AND INDIAN ECONOMIC REVIEW

Global growth increased in the second half of 2013 as reflected in the increase in global trade and industrial production. This was mostly driven by a moderate fiscal consolidation and supportive monetary policies.

The global economy is today, witnessing growth at different rates. While US and UK have seen a broad-based positive growth, the Eurozone experiences uneven recovery. Emerging markets on the other hand, experienced headwinds due to rising bond rates and better prospects in advanced economies leading to greater investor concerns about vulnerabilities. This led to capital outflows, which recovered by the end of FY 2013-14 and yet remain at lower levels compared to the US pre-tapering announcement.

The IMF predicts global growth at 3.6% in 2014 and this growth will further strengthen to 3.9% in 2015. (Source: International Monetary Fund, World Economic Outlook April 2014)

The Indian economy reported retrenchment of capital inflows after the US Fed's announcement regarding tapering of fiscal stimulus. The high fiscal deficit and high current account deficit (CAD) curtailed the government to implement an expansionary fiscal policy and also prevented RBI from lowering interest rates. High inflation especially food inflation at 9.45% (Source: Office of the Economic Advisor) for the most part of the year dampened consumer sentiments. All these factors resulted in sluggish investment activity. India recorded 4.7% growth in FY 2013-14.

Growth in FY 2013-14 was impacted positively by the agricultural sector which grew at 4.6%. The electricity sector also posted a healthy growth rising at an annual 6.0% in FY 2013-14. The manufacturing sector continued to remain under stress, declining 0.2% year-on-year in FY 2013-14 compared with 1.1% growth in FY 2012-13. The mining sector, which has borne the brunt of policy delays, fell 1.9% year-on-year in FY 2013-14 compared with an annual decline of 2.2% in the year FY 2012-13. (Source: Central Statistics Office)

Going forward, India has regained macroeconomic health as fiscal deficit is reined at 4.6% and CAD is lowered to 1.7%. Robust capital inflows have kept financial conditions comfortable and India has built adequate buffers. Comprehensive policy actions and revival in aggregate demand should help India move forward on the path to sustained growth. India is poised to grow at 5.4% in FY 2014-15. (Source: IMF)

## INDUSTRY OVERVIEW

Commerce in India and worldwide is now being driven by the SoLoMo (social, local and mobile) model. Rapid internet penetration over a mobile platform is changing the way in which business models are being created.

India has more than 160 million Internet users, of which 86 million access Internet using their mobile devices. In the last 3-4 years, 22 million users accessed the Internet through a 3G connection and 36 million smartphone users existed as compared to 60 million PC users. Over 9% of overall Internet page-views in India come from mobile devices, estimated to go up to 28% in 2015 according to Cisco and over 40% of searches on Google originate from mobile devices.

Indians are more open to paying for content on mobile - the paid app market estimated at ₹ 300 crores, is far higher than what Indian consumers have ever been paid for digital content consumption.



Consumers consume more information with continued access to internet and make online searches combining convenience and technology. Search services are evolving with innovative value adds like user-driven ratings system, greater transactional options for the end-user after choosing a particular vendor/service.

## GROWTH DRIVERS

Some of the key growth drivers for the industry are:

### Micro, Small and Medium Enterprises – the new rising force

Micro, Small and Medium Enterprises (MSME) contribute nearly 8% of the country's GDP, 45% of the manufacturing output and 40% of the exports employing 101.3 million people in over 44.8 million units (Source: Government of India, MSME Annual Report, 12-13) throughout India. With rising services share in consumer spending, MSMEs utilise their strengths in entrepreneurship and innovation and serve an increasing middle class.

As demand for their services grows, MSMEs are looking at various online platforms, including search engines, to get discovered and transacted.

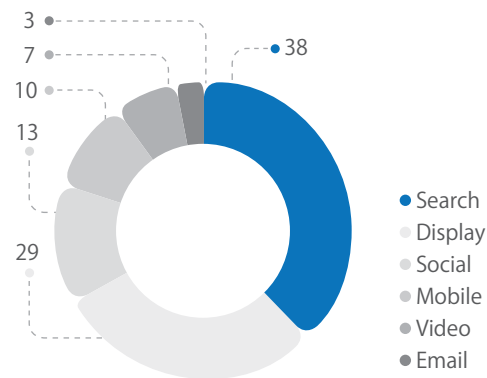
### Mobile-driven Life

Internet penetration is expected to increase above 20% in 2014 and cross 40% by 2020, mainly due to mobile internet. Critical mass will be achieved when users have greater internet access, devices and on-delivery payment options even as they utilise their mobiles for greater information, entertainment and transactions. Businesses spanning e-commerce and digital services gain from this mass usage that extends to search, shopping, travel and beyond over the next few years.

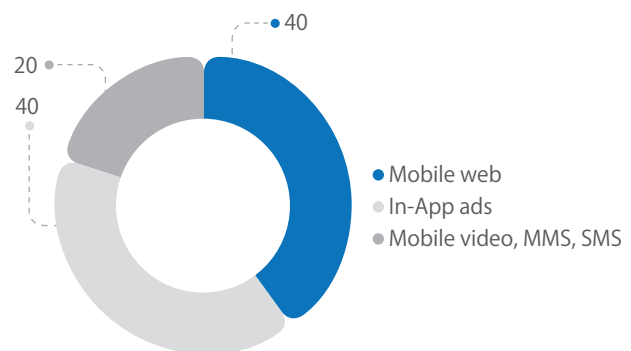
Online advertising led by advertising on video/social networking platforms and independent digital advertising networks (particularly for mobile and video ad placements) in general are well-positioned to gain from this consumer trend. Specialty classifieds' advertising will gain as well. Strong growth in in-app ads and mobile video are also expected.

Digital advertising is likely to achieve a 28% CAGR over FY 2013-18 versus overall advertisement growth of 14% over the same period.

## DIGITAL ADS BY CATEGORY (%)



## MOBILE ADS BY CATEGORY (%)

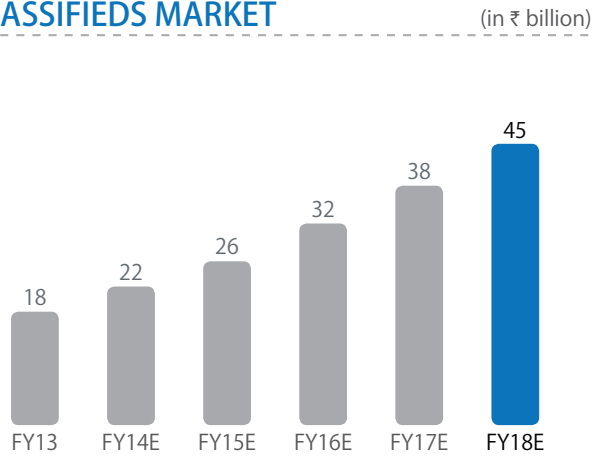


(Source: FICCI-KPMG, IAMAI)

### Online classifieds' advertising

Classifieds are gaining popularity by being specific to the requirements of buyers and sellers. There is a positive trend for verticalised search as well as local business search. Verticalised classifieds in India are formed by a mix of segments with reasonably high online penetration (jobs and matrimonial ads) spurred by economic growth. The classifieds market in India will be fuelled by growing services sector and favorable demographic trends and is poised to grow at 20% CAGR over FY 2013-18.

## INDIAN ONLINE CLASSIFIEDS MARKET



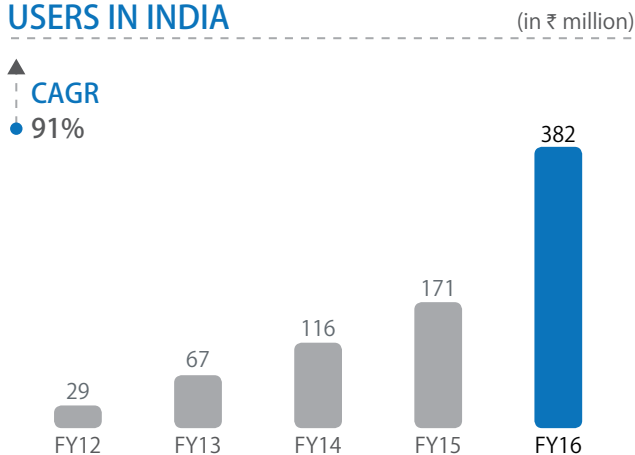
(Source: FICCI-KPMG report)

### Smartphone growth

Increasing use of smartphones will enable more information being consumed online. All three categories of classified advertising (Vertical, Horizontal and Local search) are evolving rapidly. Driven by the growth in smartphones, there is a tremendous amount of activity being noticed in the mobile classifieds segment.

It is expected that there will be a healthy increase in internet users (18% CAGR over FY 2013-18) and within that mobile internet users (22% CAGR over FY 2013-18) is likely to grow rapidly.

## NUMBER OF SMARTPHONE USERS IN INDIA



(Source: IDC and Avendus estimates, Avendus June 2014 report)

## BUSINESS REVIEW

JustDial Limited (JustDial) provides local search related services to users in India and has also initiated its 'Search Plus' Services for the users. These services are aimed at making several day-to-day tasks conveniently actionable and accessible to the users. With this step, Just Dial is transitioning from being purely

a provider of local search and related information to being an enabler of such transactions. Just Dial intends to provide an online platform to thousands of SMEs to get them discovered and fulfil transactions among users and SMEs.

Just Dial is the undisputed leader in 'local search' in India. 44% and 37% CAGR in advertising campaigns and revenues, respectively, over 2010-14 shows that the Company has successfully leveraged its first mover advantage among consumers seeking information about local businesses (particularly SMEs). Despite weak macro-economic environment, revenues posted 33% CAGR over 2012-14, driven by customer additions (24% CAGR). However, SME churn (partly driven by business closures) is something that is characteristic SME behaviour and needs to be managed accordingly.

### Efficient and profitable Business model

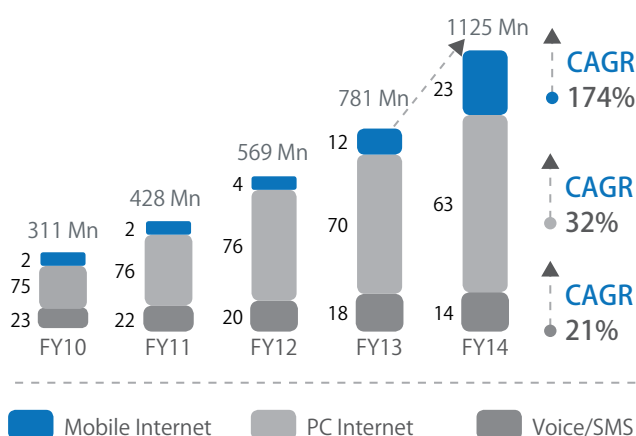
- Negative working capital and positive free cash flow, ensuring that the Company can promote its new products (Search Plus services and marketplace)
- Paid Advertisers primarily across 11 large Indian cities (Contribute to approximately 91% of the Company's revenues)
- Paid Advertisers pay fixed monthly/weekly or annual fees to run search-led advertising campaigns for their businesses on Just Dial's platform
- Two types of paid memberships: Premium (Top 3 positions) and non-premium packages which determine priority of placement in search results
- Just Dial also runs multiple city campaigns for pan-India customers
- 2,979 tele-sales executives and 1,076 'feet on street' and 761 Just Dial Ambassadors selling to SMEs

- **First Mover Advantage in the Indian Local Search Market**
- **Top-of-the mind brand recall with consumers or users**
- **Attractive value proposition for local SME base**
- **Experience and expertise in Indian local markets**
- **Advanced and scalable technology platform**

## Service platforms

The Company aims to be a one stop destination for search and transactions alike and provides its users with fast, user-friendly and free local search service through various mediums like internet, mobile internet, mobile applications, voice and SMS. For the FY 2013-14, the Company received a total of 1,125 million searches. This addition in searches was on grounds of size, depth, relevance and reliability of the Company's database which has resulted in new and repeat users.

## VOICE, PC AND MOBILE INTERNET SEARCHES



### Internet

Approximately 47% of the traffic for FY 2013-14 came through PC Internet which resulted in 709.5 million searches in the year. With features like predictive auto-suggest, maps and directions, ratings and reviews and search by Category, Company and Product, the Company has noticed an increase in web searches since the launch of its website and it handles around 59 million web searches per month. The Company has adopted indigenous technology, using open source platforms and has leveraged the benefits of technological expertise to the hilt to enhance the experience for its digital users.

### Mobile internet

In FY 2013-14, the Company received approximately 21% traffic from mobile internet which resulted in 263.1 million searches from the mobile internet platform. The users can enable the service on their internet browser on their mobile internet enabled devices (<http://m.Justdial.com> or <http://wap.Justdial.com>). The Company also has mobile applications across the operating platforms like Android, iOS, Windows and Blackberry. Since launch, these apps have been downloaded more than 3.4 million times till March 2014. With advanced location based results being displayed, the efficacy of search is enhanced greatly on mobile devices.

## Voice & SMS

Since inception of the Company, voice based search services form an integral part of the business. The multi-lingual service is available 24 hours a day and seven days a week through its hotline number. Apart from the national hotline number, 08888888888, it also has eight local numbers specific to certain cities. Another quick and easy local search mode, SMS search have been designed for users who seek instant information. During the FY 2013-14, the total Voice/SMS search requests increased to 12.75 million per month. The Company has eight in-house call centers in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune.

## SEARCH PLUS

Just Dial is transitioning from being purely a provider of local search and related information to being an enabler of such transactions. These services are aimed at making several day-to-day tasks conveniently actionable and accessible to the users and provide an online platform to thousands of SMEs to get them discovered and transacted. Just Dial already has launched an array of search plus services like Order Food Online, Order Wine Online, Book a Doctor's Appointment online, Book Movie Tickets Online, Book a Cab/ Flight/ Bus Online, Order Grocery Online, Schedule a laundry pick-up online, Schedule a courier pick-up online, among others - all under one single roof - available at a click or a call.

The services may be broadly classified under:

- Ordering Services
- Scheduling Services
- Travel/ Leisure Services
- Buying products/ Price Discovery through Reverse Auction

The Company plans to build a comprehensive list of number of businesses for every neighborhood and every zip-code. It is popularising Search Plus transaction through free trial basis and will start monetising it thereafter. The Company is in the process of developing a technology platform that enables users to search and transact for almost all his/her day-to-day requirements on a single platform in a seamless manner. The aim of the Company is to ensure convenience for its users and save time and money as well.

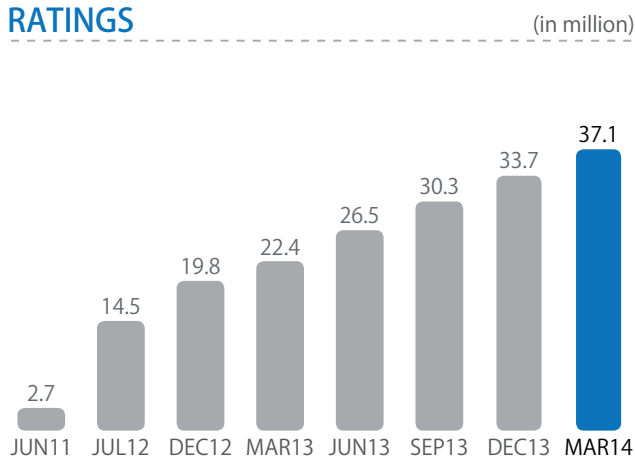
The mobile app helps the Company to deepen engagement with the user community as well as engage vendors/SMEs by providing them with an exclusive marketing tool to run their business efficiently.

By the end of FY 2013-14 the Company has added over 17 Search Plus services live on its platform, from ordering groceries online to scheduling a doctor's appointment and also booking a table at a restaurant.

## Extending Value Proposition

The Company has replaced Google maps with maps solution, JD Maps for directions on its platform. The Company has witnessed a growth of 61% in user ratings and reviews across categories on its portal from 23 million ratings and reviews in FY 2012-13 to over 37 million ratings and reviews in FY 2013-14. In addition to this, with social features like Friend's Ratings, the users get enhanced credibility and confidence to source the right vendors and with functional features like Maps and transactional tabs, the Company is well poised to be a 'one stop destination' for most of the users' day-to-day needs.

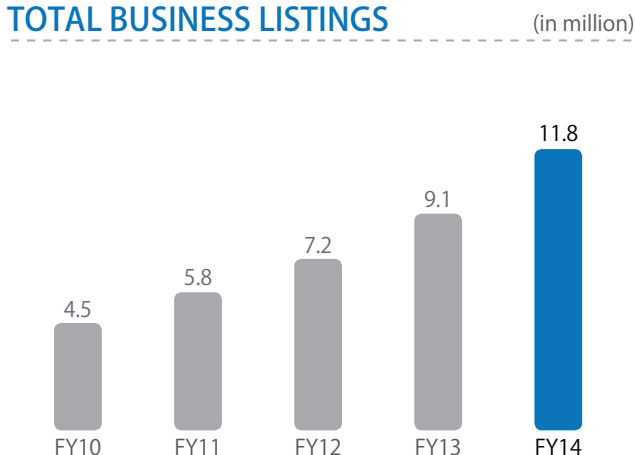
## REVIEWS AND RATINGS



## Listings

The main revenue generation for the Company comes from the advertisers who list themselves with the Company on various subscription and fee-based packages. A large portion of listings comprises SMEs from a wide range of industry sectors. The SMEs, with limited marketing resources, find the perfect platform with the Company to advertise at the micro level in a cost effective mode. In the paid listings, the Company offers the advertisers to choose between Premium and non-Premium packages. Overall, the Company has grown its listings by 30% from 9.06 million in FY 2012-13 to 11.8 million listings in FY 2013-14 and these establishments enjoy access to users and potential buyers.

## TOTAL BUSINESS LISTINGS



## Ensuring Data Integrity and Quality

The Company ensures its database is updated with relevant information on all businesses. A dedicated team regularly monitors and updates the information of businesses, supplementing with new entries to ensure accuracy of the information provided to its users. The data collected (like geographical location, images, videos and category of each business) is periodically verified by the database team. Some of innovative ways in which the Company simplified the searches on its database were as follows:

**Geo-Coding:** Tagging process that facilitates location-based searches

## OPERATIONAL REVIEW

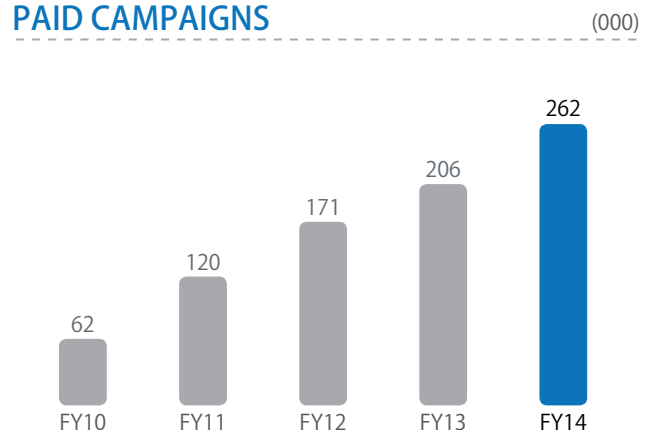
### Sales and Marketing

Having operations in multiple cities across India, the Company has a strong 4,800+ sales and marketing executive team consisting of 2,979 Tele-sales executives, 1,076 Feet-On-Street and 761 Just Dial Ambassadors. The Company conducted regular training programs 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. Various promotional schemes are carried out which are focused on category based SMEs, with customised membership packages to create a cost-effective platform for expanding their businesses.

### Marketing and business development

The Company conducts regular advertising campaigns to strengthen its brand and enhance its exposure to a wider user base. The Company 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 this exercise, the Company has created a team of marketing executives (761 as on March 31st, 2014) called 'Just Dial Ambassadors'. These executives educate the SMEs about the array of services, collect the data from the SMEs and market the Just Dial brand. The Company has seen a growth of 27% in paid campaigns from 206,500 in FY 2012-13 to 262,150 in FY 2013-14.

## PAID CAMPAIGNS



## 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 for the success in operational and management of assets. The Company has a team of 203 technology experts with wide industry experience. The team develops new software applications for daily business operations.

The systems infrastructure, internet and database are secured at IDC plus all centres and 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 centers and offices are secured with firewalls to prevent hacking.

## FINANCIAL REVIEW

In FY 2013-14, the Company continued with its focus on adding new services and expanding its SME base to a large number of vendors. The Company is focused on increasing its presence in more cities and towns. The all-round operational and technological excellence has led to consistent increase in revenues and profitability over the years.

## 5 years' Financial Performance as per standalone Financials

In million	FY 2013-14 Audited	FY 2012-13 Audited	FY 2011-12 Audited	FY 2010-11 Restated	FY 2009-10 Restated	5-year CAGR
Revenue from operations	4,612.93	3,627.68	2,620.61	1,839.33	1,309.07	37.01%
Other income	399.49	136.43	131.54	37.27	38.56	79.41%
Total income	5,012.42	3,764.11	2,752.15	1,876.60	1,347.63	38.87%
Profit before tax	1,648.56	984.28	715.74	422.97	292.23	54.11%
Profit after tax	1,206.08	684.57	505.81	288.25	193.25	58.06%

Revenue (from continuing operations of search and other related services) increased by 27.16% from ₹ 3,627.68 million in FY 2012-13 to ₹ 4,612.93 million in FY 2013-14. The increase in revenue demonstrates the growth in market share that the Company has achieved due to the robustness of its model and the efficiency of the product offerings and services to suit the requirements of its users.

Other income increased by 192.82% from ₹ 136.43 million in FY 2012-13 to ₹ 399.49 million in FY 2013-14 primarily due to increase in profit from sale of current investments. The current investments are disposed off and reinvested in more efficient investment portfolios on an ongoing basis.

The total income increased by 33.16% from ₹ 3,764.11 million in FY 2012-13 to ₹ 5,012.42 million in FY 2013-14 representing the overall growth in business during FY 2013-14.

Profit before tax and exceptional items from continuing operations increased by 64.93% from ₹ 999.53 million in FY 2012-13 to ₹ 1,648.56 million in FY 2013-14 and Profit before tax from continuing operations (after exceptional items) increased by 67.49% from ₹ 984.28 million in FY 2012-13 to ₹ 1,648.56 million in FY 2013-14. The operating leverage of the Company is reflected by the increase in the operating

profit which has grown from 1,007.19 million in FY 2012-13 to 1,421.98 million in FY 2013-14.

Profit after tax for the year increased by 76.18% from ₹ 684.57 million in FY 2012-13 to ₹ 1,206.08 million in FY 2013-14.

The Company has seen increase in cash flows from operations from ₹ 1,023.18 million in FY 2012-13 to ₹ 1,330.36 million in FY 2013-14.

Basic Earnings per share increased to ₹ 17.23 in FY 2013-14 as compared to ₹ 10.30 in FY 2012-13 despite the increase in the average weighted number of shares from 66.49 million shares in FY 2012-13 to 69.99 million in FY 2013-14. Diluted Earnings per share increased to ₹ 17.11 in FY 2013-14 as compared to ₹ 9.95 in FY 2012-13.

## Revenue

Revenue from local search operations is derived from various service offerings to Small and Medium Enterprises (SMEs). The SMEs subscribe to either the premium packages (Platinum, Diamond and Gold) or non-premium packages by paying the listing fees through upfront payments or installments 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 ₹ 1,618.41 million in FY 2013-14 from ₹ 1,354.88 million in FY 2012-13 demonstrating the faith reposed by customers on an ongoing basis as a result of the premium quality services provided by the Company.

### Other income

The profit from sale of current investments has increased to ₹ 348.19 million in FY 2013-14 from ₹ 102.28 million in FY 2012-13 due to gain on sale of mutual funds. 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.

### Employee benefit expense

The employee benefits expense increased by 27.18 % from ₹ 1,797.24 million in FY 2012-13 to ₹ 2,285.71 million in FY 2013-14 primarily due to increase in employee strength. Our focus on enhancing technology infrastructure and expanding our geographic footprint necessitated employee augmentation during the year. The employee benefits expense as a percentage of total expense has increased to 67.95% in FY 2013-14 from 65.01% in FY 2012-13. The employee benefits expense as a percentage of total revenue has decreased from 47.75% in FY 2012-13 to 45.6% in FY 2013-14. The number of employees has increased to 8543 employees in FY 2013-14 from 7,342 employees in FY 2012-13.

### Finance costs

As the Company has no debt on its Balance Sheet, there is no interest burden on the Company.

### Depreciation and amortisation expense

The depreciation and amortisation expense has increased by 20.04% from ₹ 144.04 million in FY 2012-13 to ₹ 172.91 million in the FY 2013-14. The Company has been investing in modernisation of its facilities and has invested ₹ 50.15

million (about 50% of the total outlay) on Information Technology and ₹ 20.84 million (about 21% of the total outlay) on increase and upgradation of the technology required for conducting efficient operations. The Company's resolve 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 have increased by 9.96% from ₹ 823.24 million in FY 2012-13 to ₹ 905.23 million in FY 2013-14. The increase in other expenses is due to increase in database and content charges, rates and taxes, bank collection charges, repairs, travelling expenses and communication costs.

### Income Taxes

The Income Tax provision (current tax) increased from ₹ 299.71 million in FY 2012-13 to ₹ 442.48 million in FY 2013-14, primarily due to increase in profits. The effective tax rate for current tax has reduced from 30.45% in FY 2012-13 to 26.84% in FY 2013-14. This is due to increase in profit from sale of current investments on which indexation benefit leads to lowering of the tax impact and also due to interest on tax free bonds. The profit from sale of investments has increased to ₹ 348.19 million in FY 2013-14 from ₹ 102.28 million in FY 2012-13 and in the interest on tax free bonds is ₹ 30.48 million in FY 2013-14 from ₹ Nil in FY 2012-13.

### Current investments

The Company has substantial liquid cash reserves to support the growth of its business. The Company's investments in mutual funds have decreased from ₹ 4,857.92 million in FY 2012-13 to 4,709.92 million in FY 2013-14. In addition to the Current Investments, the Company has invested in tax free bonds of ₹ 1,547.08 million in FY 2013-14 as compared to ₹ Nil investment in tax free bonds in FY 2012-13. The Company has deployed its current investments in debt based mutual funds and tax free bonds to attain a balance between returns and preservation of capital. The funds are available for redemption as per the fund requirements of the Company.

## RISK MANAGEMENT

The Company has incorporated a strong risk mitigation strategy which is developed by taking into account all the possible risks. It has a detailed risk mitigating procedure with sound monitoring to anticipate and manage the risks.

Risk	Mitigation Strategy adopted
Inability to maintain efficient technology and sound infrastructure to provide services with increasing geographic presence	<ul style="list-style-type: none"> <li>Continuously upgrades and monitors its systems, infrastructure and technologies for the diversity of its services.</li> <li>This helps the Company to deliver quality, uninterrupted service and unmatched customer satisfaction.</li> <li>State-of-the-art technology platform, enabling a fast, efficient and user friendly information service for its users.</li> </ul>

Risk	Mitigation Strategy adopted
Inability to provide improvised services to enable users to search and also get assistance in transactions	<ul style="list-style-type: none"> <li>• Data integrity and seamless delivery of goods and services</li> <li>• Launched new, innovative, simpler and faster ways to disseminate information for its users.</li> <li>• Adding new products and extending the array of categories for the Search Plus services.</li> <li>• In the process of upgrading itself as an enabler to allow users to complete bookings or purchases in addition to search results. And provide them with value adds like friends' ratings and reviews.</li> </ul>
Inability to expand operations into newer regions	<ul style="list-style-type: none"> <li>• The Company's advertiser base primarily is spread across 11 main cities in India, Just Dial is now actively entering about 25-30 Tier II &amp; Tier III cities to capture the markets therein. Also expanding Just Dial brand to capture newer opportunities.</li> <li>• The Company has an evangelist programme, termed as Just Dial Ambassadors (JDAs), which educates SMEs about the power of internet and the benefits of getting listed with the Company.</li> </ul>
High Mortality and churn rate of SME customer base and dependence on SME clients for Search+ app	<ul style="list-style-type: none"> <li>• Wide range of membership packages for listing.</li> <li>• With a large base of SME listings, it has developed and expanded its categories into finer details to create additional and customised searches for its listing partners.</li> <li>• Builds a direct connect with SME base by educating and explaining them the benefits of running campaigns and advertising with the Company.</li> </ul>
Inability to counter competition from other local and larger players like Google and other specialised players	<ul style="list-style-type: none"> <li>• Clear leadership in local search with strong brand recall, leadership in voice searches and leader in internet/mobile local search category</li> <li>• Strong SME database</li> <li>• Rich and differentiated content related to SMEs including logos, videos, photos, catalogues and ratings and reviews from users including friend's ratings.</li> <li>• Initiation of Search+ services and 1,125 million searches in FY 2013-14 coupled with 37 million ratings across various listings.</li> <li>• It's website is ranked as 40th among the top websites in India</li> <li>• Efficient advertising platform and a quality lead generation program as compared to other traditional marketing mediums for SMEs and it also provides a measurable metrics of performance.</li> </ul>

## HUMAN RESOURCE MANAGEMENT

The Company recognises the importance of its human capital. Being a growth oriented and progressive organisation, it recognises the importance of professionalism. The Company has embarked on several human resource initiatives to enhance the productivity of the organisation and each individual. Nurturing people is a key organisational goal and leadership mandate and hence initiatives were taken in order to impart training in various locations of the Company. Attached to the cause of education as a corporate citizen, the Company also ensures that children of all the blue-collared employees of the organisation get an equal opportunity to study and takes responsibility of enrolling them in English medium schools with the basic costs borne by the Company.

## INTERNAL AUDIT AND CONTROLS

The internal control system is designed to ensure that financial and other records are reliable for preparing financial information and other data, and for maintaining accountability of assets. The

internal control system is supplemented by an extensive program of internal audits, reviews by management, and documented policies, guidelines and procedures. The internal audit findings provide input for risk identification and assessment. Further periodic assessment of business risk is carried out to identify significant risks to the achievement of business objectives.

## DISCLAIMER

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations are categorised as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include an onward trend in the telecom and internet infrastructure, competition, employee cost and significant changes in the political and economic environment in India, Environmental standards, tax laws, litigation and labour relations.

# Directors' Report

Dear Members,

We, the Directors of Just Dial Limited are delighted to present 20th Annual Report along with the audited accounts of the Company for the year ended March 31, 2014.

## FINANCIAL HIGHLIGHTS

Particulars	₹ in million	
	2013-2014	2012-2013
<b>Revenue from operations</b>	<b>4612.93</b>	<b>3627.68</b>
<b>Other Income</b>	<b>399.49</b>	<b>136.43</b>
<b>Total Revenue</b>	<b>5012.42</b>	<b>3764.11</b>
Profit/Loss before depreciation	1821.47	1143.62
Less: Depreciation	172.91	144.04
<b>Profit before tax before prior year adjustments</b>	<b>1648.56</b>	<b>999.53</b>
Less: Exceptional Items	-	15.25
<b>Profit before tax after prior year adjustments</b>	<b>1648.56</b>	<b>984.28</b>
Less: Provision for tax	442.48	299.71
<b>Profit for the Year</b>	<b>1206.08</b>	<b>684.57</b>
Add: Balance brought forward	1109.88	532.87
<b>Balance Available for Appropriation</b>	<b>2315.96</b>	<b>1217.44</b>

## OPERATIONS

The Revenue from the operation has increased by about 27.16% on accrual basis to ₹ 4612.93 million in the year ended March 31, 2014 as compared to ₹ 3627.68 million in the year ended March 31, 2013.

The Company's operating earnings before interest, depreciation and taxes (EBITDA) margin stands at 30.83% of the total income in the year ended March 31, 2014. The Profit before tax and exceptional Items increased by about 67.49% to ₹ 1648.56 million in the year ended March 31, 2014 as compared to ₹ 984.28 million in the year ended March 31, 2013.

The Company's profit after tax (PAT) increased by 76.18% to ₹ 1206.08 million in the year ended March 31, 2014 as compared to ₹ 684.57 million in the year ended March 31, 2013.

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

## DIVIDEND

Your Board has recommend a dividend of ₹ 2/- per share of face value of ₹ 10/- each for the Financial Year ended on March 31, 2014.

## TRANSFER TO GENERAL RESERVE

The Company has transferred ₹ 120.61 Mn. to the General Reserve of the Company for the Financial Year ended on March 31, 2014, which signifies and affirm the financial strength of the Company.

Indians are more open to paying for content on mobile - the paid app market estimated at ₹ 300 crores, is far higher than what Indian consumers have ever been paid for digital content consumption.



## 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. However, there is an outstanding unclaimed share application money pending for refund of an amount of ₹ 1,217,436 as on March 31, 2014. As on April 30, 2014, outstanding unclaimed share application money pending refund is ₹ 1,091,811.50. The Company will transfer the unclaimed amount, if any, lying in aforesaid refund account on completion of 7 years from the date it become due for refund.

## MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial positions of the Company have occurred between 1st April, 2014 and the date on which this report is signed.

## 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 also allotted 401,388 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.

Subsequent to closure of the financial year, the Company has allotted 17,888 Equity Shares of ₹ 10/- each to the employees of the Company upon exercise of options granted to them under ESOP.

As on the date of this report, the Paid-up Share Capital of the Company is ₹ 701,684,380/-

## SUBSIDIARIES

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

## BOARD OF DIRECTORS

There is no change in composition of Board of Directors during the financial year.

In terms of provisions of the Companies Act, 2013 and Articles of Association of the Company Mr. Shailendra Jit Singh, shall retire and being eligible, offer himself for re-appointment.

Brief resume/details of the director who is to be appointed/re-appointed shall be furnished along with Notice of the ensuing Annual General Meeting.

As on date of this report, there are eight directors on the Board of the Company out of which 3 directors are Independent Directors.

In accordance with the provisions of Companies Act, 2013, all the independent directors require appointments in the general meeting and the terms of appointments and other conditions in respect of appointments of Independent Directors needs to be set out

The Board recommends their appointments at the ensuing Annual General Meeting.

## 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:

- (a) In the preparation of annual accounts, the applicable accounting standards have been followed and there are no material departures from the same.
- (b) 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, 2014 and of the profit of the Company for the year ended on that date.
- (c) 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.
- (d) 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 unauthorised 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.

## 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.

S. R. Batliboi & Associates LLP, Mumbai has provided the written consent to act as a Statutory Auditor of the Company and a

certificate to the effect that their appointment, if made, shall be in accordance with the prescribed condition and criteria as provided in section 141 of the Companies Act, 2013

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board recommends, S. R. Batliboi & Associates LLP, Mumbai, for re-appointment as Statutory Auditors to hold office for a period of 5 years from the conclusion of ensuing 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting, subject to ratification of the appointment of S. R. Batliboi & Associates LLP, as the Statutory Auditors of the Company by members at every 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, 2014:

### 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, sales tax, employees' state insurance ('ESIC'), 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 for the following ESIC and Income-tax, which has not been deposited till date.

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
The Employees' State Insurance Act, 1948	ESIC	30,251,804	April 2006 to March 2010	21st of every month	Not yet paid (Refer Note 31(a) to the financials)
Income Tax Act, 1961	TDS	618,588	April 2007 to March, 2014	Various date	Not yet paid (Refer Note 31(a) to the financials)

## Management's response:

### ESIC:

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.

### TDS:

The company in financial year 2013-14 has received notices in respect of defaults in quarterly TDS returns of previous years filed by the Company. The Company is in process of revising the quarterly TDS returns to regularise these defaults and has recorded a provision of ₹ 1.22 million in the books of accounts of the current financial year, for any liability which may arise under the Income Tax Act, 1961, against which the company has already deposited ₹ 0.6 million during the financial year 2013-14.

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

Information of Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 forms an integral part of this report. As per the Provisions of Section 219(1) (b)(iv) of the Companies Act, 1956, the Report and Accounts being sent to the members of the Company excluding the Statement of Particulars of Employees under Section 217 (2A) of the Companies Act, 1956. Any member interested in obtaining a copy of such statement may write to Mr. Sachin Jain, Company Secretary, at the Registered office of the Company.

## CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company being in service industry, 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	Particulars	Amount in ₹	
		2013-14	2012-13
1	Travel expenses	10,43,963	426,640
2	Communication expenses	93,322	2,894
3	Advertisement expenses	60,47,206	3,062,014
4	Web Expenses	17,54,932	-
5	Database Expenses	17,51,964	-
	<b>Total</b>	<b>1,06,91,387</b>	<b>34,91,548</b>

Registered Office:

**Just Dial Limited**

CIN: L74140MH1993PLC150054

501/B, 5th Floor

Palm Court, Building – M,

New Link Road, Malad (West),

Mumbai – 400 064.

Dated : May 12, 2014

For and on behalf of the Board,

**V. S. S. Mani**  
(DIN-00202052)  
Managing Director

**V. Krishnan**  
(DIN-00034473)  
Whole - time Director

## 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 as on March 31, 2014 are provided in the Annexure A 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 mobilisation 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 ₹ 0.40 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 users, 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.

# Annexure A

## Details of options granted under Employee Stock Option Plan – 2010.

Sr. No.	Particulars	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"> <li>• Category – I (82,936 options) - ₹ 80 per option.</li> <li>• Category – II (640,727 options) - ₹ 80 per option.</li> <li>• Category – III (155,176 options) - ₹ 10 per option.</li> <li>• Category – II (138,525 options) - ₹ 80 per option.</li> <li>• Category – II (10,311 options) - ₹ 80 per option.</li> </ul>
c	Options vested	626,729
d	Options exercised	556,657
e	The total number of shares arising as a result of exercise of option	908,413 (net of options forfeited lapsed/ cancelled)
f	Options lapsed	119,262
g	Variation of terms of options	N.A.
h	Money realised by exercise of options	₹ 38,015,124
i	Total number of options in force	351,756
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'	₹ 17.11 (As on March 31, 2014 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 recognised 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 ₹ 27,045,850. Impact on EPS (basic) for fiscal 2013-14: ₹ 0. 06. Impact on EPS (diluted) for fiscal 2013-14: ₹ 0. 06.
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.
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: <ol style="list-style-type: none"> <li>Risk-free interest rate,</li> <li>Expected life,</li> <li>Expected volatility,</li> <li>Expected dividends, and</li> <li>The price of the underlying share in market at the time of option grant</li> </ol>	Our Company has adopted the Black Scholes method to estimate the fair value of the options with the following assumptions: <ol style="list-style-type: none"> <li>Risk free interest rate: 7.74%, 7.69%, 7.66% and 7.66% for each of the four vesting dates.</li> <li>Expected life: seven years.</li> <li>Expected volatility: Nil.</li> <li>Expected dividends: Nil.</li> <li>Price of underlying share in market at the time of grant of option: N.A.</li> </ol>

**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
Ramkumar Krishnamachari	155,176	93,106	62,070
Srinivas Koorra	45,976	34,482	11,494
Shreos Roychowdhury	35,000	21,000	14,000
Sachin Jain	4,000	2,400	1,600

**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
Ramkumar Krishnamachari	155,176

# 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 organisation. The Company endeavors to maintain faith of investors, regulating authorities, customers and general public in the organisation. The Code of Corporate Governance prescribed by SEBI is a guiding code for the organisation to adopt best governance practices which has been adopted by the Management of the Company.

The detailed report on Corporate Governance is set out below. In this report, we confirm the compliance of Corporate Governance criteria as required under Clause 49 of the Listing Agreement for the financial year 2013-14.

## BOARD OF DIRECTORS

### Board Composition

As at March 31, 2014 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 (1A) of the Listing Agreement.

The particulars relating to the composition of the Board, attendance at Board Meetings held during the year and at 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 31 <sup>st</sup> March 2014		
	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
<b>Executive Directors</b>						
Mr. V. S. S. Mani	13	12	Present	3	2	1
Mr. V. Krishnan	13	11	Present	1	1	-
<b>Non-Executive Directors</b>						
Mr. Ramani Iyer	13	10	Present	1	2	-
Mr. Ravi Adusumalli	13	3	Absent	7	1	-
Shailendra Jit Singh	13	2	Absent	9	-	-
<b>Non-Executive and Independent Directors</b>						
Mr. B. Anand	13	5	Present	3	2	1
Mr. Sanjay Bahadur	13	9	Present	8	3	1
Mr. Malcolm Monteiro	13	5	Present	2	2	1

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 remuneration paid by the Company, if any, to the Non-Executive Directors.

### Board Meetings

During the period ended on 31st March, 2014, 13 (Thirteen) Board meetings were held on the following dates: 3rd April,

2013, 4th May, 2013, 8th May, 2013, 11th May, 2013, 17th May, 2013, 25th May, 2013, 28th May, 2013, 1st June, 2013, 22nd July, 2013, 2nd August, 2013, 3rd September, 2013, 25th October, 2013 and 27th January, 2014.

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

### Shareholding of Non-Executive Directors as on March 31, 2014

Name of Director	Category	No. of Shares Held
Mr. Ramani Iyer	Non-Executive Director	14,15,111
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](http://www.justdial.com).

The declaration of the Managing Director and CEO is given below:

To the members of Just Dial Limited  
Sub: Compliance with Code of Conduct

I hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company as adopted by the Board of Directors.

**V. S. S. Mani**  
Managing Director & CEO

Date: May 12, 2014

Place: Mumbai

## 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<br>(Non-Executive and Independent)        |
| 2. | Mr. Sanjay Bahadur   | Member<br>(Non-Executive and Independent)          |
| 3. | Mr. Malcolm Monteiro | Member<br>(Non-Executive and Independent)          |
| 4. | Mr. Ravi Adusumalli  | Member (Non-Executive)(till 25th<br>October, 2013) |

The Company presently has a qualified and independent Audit Committee which consists three independent directors. All the Directors are literate in corporate and project finance, accounts and Company law. The Audit Committee held 6 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.

The Company Secretary of the Company acts as Secretary to the Audit Committee. The minutes of the meetings of the Audit Committee were 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, 1956;
  - (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 utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation 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 2013-2014, the Audit Committee met 6 (Six) times on 3rd April, 2013, 8th May, 2013, 22nd July, 2013, 2nd August, 2013, 25th October, 2013 and 27th January, 2014. The attendance of the Members at these meetings is as follows:

Sr. No.	Name of the Member	No. of Meetings	
		Held	Attended
1	Mr. B. Anand	6	5
2	Mr. Sanjay Bahadur	6	5
3	Mr. Malcolm Monteiro	6	6
4	Mr. Ravi Adusumalli	4	1

## 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 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:

- Mr. Malcolm Monteiro Chairman  
(Independent & Non Executive)
- Mr. Sanjay Bahadur Member  
(Independent & Non Executive)
- Mr. Ravi Adusumalli Member (Non Executive)

### C) No. of Meetings and Attendance

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

### 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 and a commission of ₹ 7,00,000/- each in the financial year under consideration.

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 (₹)
<b>Executive Directors</b>					
Mr. V. S. S. Mani	-	9,627,008	-	6,000,400	15,627,408
Mr. V. Krishnan	5,784,000	25,000	-	5,403,047	11,212,047
<b>Non-Executive Directors</b>					
Mr. Ramani Iyer	-	-	-	-	-
Mr. Ravi Adusumalli	-	-	-	-	-
Mr. Shailendra Jit Singh	-	-	-	-	-
<b>Non-Executive and Independent Directors</b>					
Mr. B. Anand	-	-	150,000	700,000	850,000
Mr. Sanjay Bahadur	-	-	230,000	700,000	930,000
Mr. Malcolm Monteiro	-	-	160,000	700,000	860,000
<b>TOTAL</b>	<b>5,784,000</b>	<b>9,652,008</b>	<b>540,000</b>	<b>13,503,447</b>	<b>29,479,455</b>

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

## 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 dematerialisation and rematerialisation 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 designated as the Compliance Officer.

### C) Shareholders' Complaints

The Company has received 1,711 investors' complaints during the year under review and all the complaints were resolved by the Company.

## GENERAL BODY MEETINGS

### A) Annual General Meetings

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

Financial Year	Date	Time	Venue	Special Resolution passed
2012-2103	30.09.2013	04.30 p.m.	West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064.	3
2011-2012	31.07.2012	10.00 a.m.	501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Club, New Link Road, Malad West, Mumbai – 400064.	1
2010-2011	02.08.2011	9.30 a.m.	501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Club, New Link Road, Malad West, Mumbai – 400064.	None

### B) Special Resolutions passed through Postal Ballot

Following Special Resolutions were passed through postal ballot during the financial year 2013-2014:

Date of Declaration of Results	Subject matter of the Resolution	No. of Votes Cast / %	Voting Pattern			Total
			Assent	Dissent	Abstained	
December 4, 2013	Amending and modifying the main objects clause of Memorandum of Association of the Company	Votes	55,867,671	7	0	55,867,678
		%	100.00*	0.00*	0	100.00*
	Payment of remuneration to non-executive directors of the Company	Votes	55,630,510	107	0	55,630,617
		%	100.00*	0.00*	0	100.00*

\* Rounded off to nearest decimal.

The Company had appointed Mr. Vijay B. Kondalkar, Practicing Company Secretary, as the Scrutinizer for conducting the Postal Ballot process to ensure carrying out the Postal Ballot process in a fair and transparent manner. The results of Postal Ballot were also displayed on the Notice board at the Registered Office of the Company and hosted on the website of the Company i.e. [www.justdial.com](http://www.justdial.com), besides being communicated to the Stock Exchanges where the shares of the Company are listed.

**Procedure for Postal Ballot:**

For conducting a Postal Ballot, notice specifying the resolutions proposed to be passed through Postal Ballot as also the relevant explanatory statement & the postal ballot forms were dispatched to all the shareholders alongwith self addressed postage prepaid envelope. The Shareholders were requested to send back the postal ballot forms duly filled up & signed in the postage prepaid envelopes provided to them by the Company, so as to reach the Scrutinizer (in whose name the envelopes were made) on or before the 30th day from the date of issue of notice by the Company. The Scrutinizer compiled the Postal Ballot Result out of the postal ballot forms found valid and handed over the results to the Chairman. The Chairman thereupon declared Result of the Postal Ballot and the same were also displayed on a notice at the Registered Office of the Company.

The Company also offered the facility of e-Voting.

No Special Resolution is proposed to be conducted through Postal Ballot, at the ensuing Annual General Meeting.

**DISCLOSURES****A) Disclosure on material related party transactions**

During the financial year ended March 31, 2014, 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 Company is in full compliance with the matters related to capital market and there are no 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

**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 of the Listing Agreement.

**Adoption of Non-Mandatory requirements**

The Company has adopted only the non-mandatory requirement of Constitution of Nomination and 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 May 12, 2014. A copy of the certificate on the financial statements for the financial year ended March 31, 2014 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](http://www.justdial.com).

The Company has created an exclusive E-mail id [investors@justdial.com](mailto: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	Wednesday, September 24, 2014 at 3.30 P.M. at West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064
Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
Financial Calendar	Results are likely to be announced on (Tentative and subject to change)
1 <sup>st</sup> quarter ending June, 2014	By last week of July, 2014
2 <sup>nd</sup> quarter ending September, 2014	By Last week of October, 2014
3 <sup>rd</sup> quarter ending December, 2014	By Last week of January, 2015
4 <sup>th</sup> quarter ending March, 2015	By Second week of May, 2015
Dividend Payment Date	From September 25, 2014 to September 29, 2014.
Book closure	Monday, September 15, 2014 to Friday, September 19, 2014 (both days inclusive)
Email ID for Investors	<a href="mailto:investors@Justdial.com">investors@Justdial.com</a>

## B) Listing On Stock Exchanges

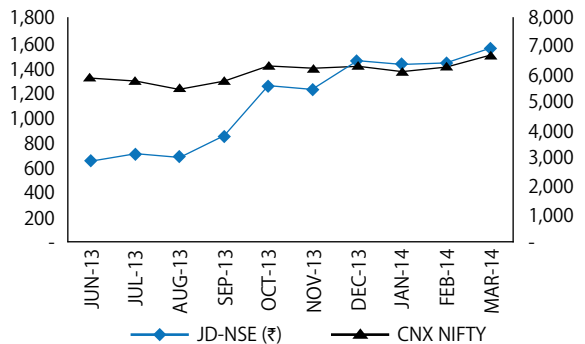
The Equity Shares of the Company are listed on National Stock Exchange of India Limited (NSE) BSE Limited (BSE) and MCX Stock Exchange Limited (MCX-SX).

## C) Stock Code

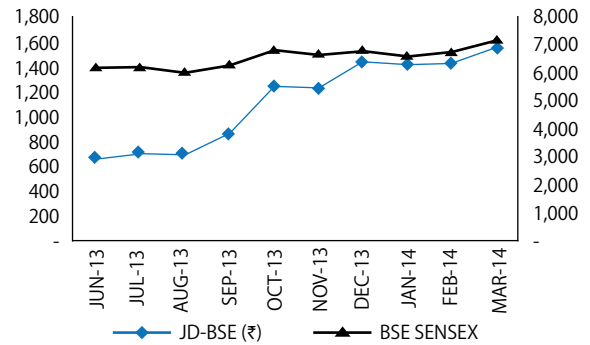
S.No.	Stock Exchange	Code
1	NSE	JUSTDIAL
2	BSE	535648
3	MCX-SX	JUSTDIAL

## 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, CNX Nifty indices

Month	As per NSE Quote		Volume (in no. of shares)
	High (₹)	Low (₹)	
Apr-13*	-	-	-
May-13*	-	-	-
Jun-13	684.4	581.15	26,030,654
Jul-13	763.35	626	6,165,585
Aug-13	733.75	625.1	1,602,283
Sep-13	873.9	674.95	884,776
Oct-13	1,265.25	830.65	15,937,547
Nov-13	1,438.7	954	18,869,262
Dec-13	1,458.9	1,077.55	11,349,015
Jan-14	1,778.9	1,211.65	20,063,392
Feb-14	1,514.9	1,266.55	7,658,087
Mar-14	1,769.9	1,420.05	9,128,803



Month	As per BSE Quote		Volume (in no. of shares)
	High (₹)	Low (₹)	
Apr-13*	-	-	-
May-13*	-	-	-
Jun-13	683	588.85	10,385,209
Jul-13	761.8	630	2,108,965
Aug-13	733.7	620	855,461
Sep-13	872.05	674.55	241,003
Oct-13	1,266.2	828	4,186,009
Nov-13	1,440	953.65	5,089,057
Dec-13	1,459	1,079.1	2,892,872
Jan-14	1,774.35	1,217.2	5,484,940
Feb-14	1514	1,271	2,128,006
Mar-14	1,768.75	1,420	2,337,196



\* 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, CNX-Nifty 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 dematerialisation 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, 2014**

Category (Nominal Value)	No. of Share Holders	% of Total Share Holders	No. of Shares Held	% of Total Shareholding
Upto 5000	11,293	95.98	4,41,623	0.63
5001-10000	150	1.27	1,12,507	0.16
10001-20000	97	0.82	1,43,484	0.20
20001-30000	29	0.25	72,655	0.10
30001-40000	15	0.13	52,727	0.08
40001-50000	9	0.08	40,203	0.06
50001-100000	36	0.31	2,68,129	0.38
Above 100001	137	1.16	6,90,19,222	98.39
<b>Total</b>	<b>11,766</b>	<b>100.00</b>	<b>7,01,50,550</b>	<b>100.00</b>

**H) Shareholding Pattern (Categories of Shareholders) as on March 31, 2014**

Category	No. of Shares Held	% of Total Shareholding
Promoters	2,31,49,199	33.00%
FII	1,70,90,330	24.36%
Foreign Corporate Bodies	2,44,69,121	34.88%
Domestic Companies/Banks/Institutions/Mutual Funds	3,65,195	0.52%
Others	50,76,705	7.24%
<b>Total</b>	<b>7,01,50,550</b>	<b>100.00%</b>

**I) Dematerialisation of Shares and Liquidity**

Category	No. of Shares Held	% of Total Shareholding
Shares held in Demat Form	7,01,23,198	99.96
Shares held in Physical Form	27,352	0.04
<b>Total</b>	<b>7,01,50,550</b>	<b>100.00</b>

**J) Outstanding GDRs/ ADRs 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**

CIN: L74140MH1993PLC150054

501/B, 5th Floor, Palm Court,

Building M, Besides Goregaon Sports Complex,

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

Tel: +91-22-28884060

Fax: +91-22-28823789

# 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, 2014.

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.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the management, we certify that, the Company has complied with all the provisions of Clause 49 of the Listing Agreement.

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: 12th May, 2014

# 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, 2014 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.

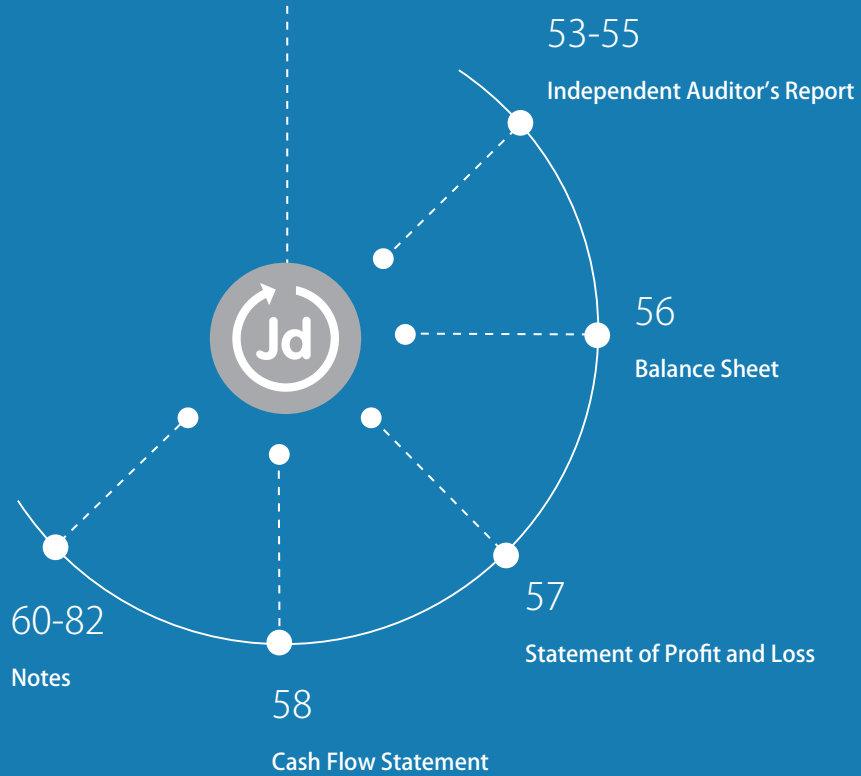
**V.S.S Mani**

Managing Director & CEO

Mumbai  
May 12, 2014

**Ramkumar Krishnamachari**  
Chief Financial Officer

# Financial Statements





# 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, 2014, 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") read with General Circular 8/2014 dated 4 April 2014, issued by the Ministry of Corporate Affairs. 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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, 2014;
- (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 notified under the Act read with 8/2014 dated 4 April 2014, issued by the Ministry of Corporate Affairs; and
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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: May 12, 2014

**Annexure referred to in paragraph [1] of our report under the heading “Report on Other Legal and Regulatory Requirements” 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, sales tax, employees’ state insurance (‘ESIC’), 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 for the following ESIC and Income-tax, which has not been deposited till date.*

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Due Date	Date of Payment
<i>The Employees’ State Insurance Act, 1948</i>	<i>ESIC</i>	<i>30,251,804</i>	<i>April 2006 to March 2010.</i>	<i>21st of every month</i>	<i>Not yet paid (Refer Note 31(a) to the financials)</i>
<i>Income Tax Act, 1961</i>	<i>TDS</i>	<i>618,588</i>	<i>April 2007 to March, 2014</i>	<i>Various dates</i>	<i>Not yet paid (Refer Note 31(a) to the financials)</i>

The provisions relating to excise duty are not applicable to the Company.

- (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	Amount (₹)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,385,087	A.Y. 2003-04	Income Tax Appellate Tribunal
		2,023,731	A.Y. 2006-07	Deputy commissioner of income tax
		1,622,162	A.Y. 2007-08	Deputy commissioner of income tax
		2,358,007	A.Y. 2008-09	Deputy commissioner of income tax
		146,193	A.Y. 2011-12	Commissioner of Income Tax (Appeals)
		606,005	A.Y. 2008-09 to A.Y. 2014-15	Deputy commissioner of income tax

- (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) The Company did not have any outstanding dues in respect of financial institution, bank 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) The Company did not have any term loans outstanding during the year.
- (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**  
Chartered Accountants  
ICAI Firm Registration Number: 101049W

per **Govind Ahuja**  
Partner  
Membership Number: 48966

Place: Mumbai  
Date: May12, 2014

# Balance Sheet

As at March 31, 2014

	Notes	March 31, 2014	March 31, 2013
₹			
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	4	701,505,500	695,034,220
Reserves and surplus	5	4,642,993,688	3,556,284,067
		<b>5,344,499,188</b>	<b>4,251,318,287</b>
<b>Share application money pending allotment</b>	6	-	7,768,320
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	7	18,161,835	9,485,975
Other long term liabilities	8	31,279,734	29,600,401
		<b>49,441,569</b>	<b>39,086,376</b>
<b>Current liabilities</b>			
Trade payables	9	72,015,028	66,687,050
Other current liabilities	10	1,999,576,316	1,690,572,812
Short-term provisions	11	184,149,414	18,160,530
		<b>2,255,740,758</b>	<b>1,775,420,392</b>
<b>TOTAL</b>		<b>7,649,681,515</b>	<b>6,073,593,375</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	12	460,503,174	535,494,321
Intangible assets	12	67,454,907	72,172,487
Intangible assets under development	12	-	15,599,676
		<b>527,958,081</b>	<b>623,266,484</b>
Non current investments	13	1,547,080,000	-
Long term loans and advances	14	323,921,692	206,505,029
		<b>2,398,959,773</b>	<b>829,771,513</b>
<b>Current assets</b>			
Current investments	13	4,709,922,209	4,857,915,817
Trade receivables	15	-	8,919,737
Cash and bank balances	16	369,594,546	239,285,709
Short term loans and advances	17	135,960,170	110,877,641
Other current assets	18	35,244,817	26,822,958
		<b>5,250,721,742</b>	<b>5,243,821,862</b>
<b>TOTAL</b>		<b>7,649,681,515</b>	<b>6,073,593,375</b>
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

DIN: 00202052

**V. Krishnan**

Director

DIN: 00034473

per **Govind Ahuja**

Partner

Membership no. 48966

Place : Mumbai

Date : May 12, 2014

**Ramkumar Krishnamachari**

Chief Financial Officer

**Sachin Jain**

Company Secretary

# Statement of Profit and Loss

For the year ended March 31, 2014

	Notes	For the year ended March 31, 2014	For the year ended March 31, 2013
₹			
<b>INCOME</b>			
Revenue from operations	19	4,612,926,885	3,627,675,293
Other income	20	399,487,992	136,427,634
<b>Total revenue</b>		<b>5,012,414,877</b>	<b>3,764,102,927</b>
<b>EXPENSES</b>			
Employee benefits expense	21	2,285,713,212	1,797,242,834
Other expenses	22	905,231,478	823,237,996
Finance costs	23	-	49,506
Depreciation and amortisation expense	12	172,914,236	144,043,024
<b>Total expense</b>		<b>3,363,858,926</b>	<b>2,764,573,360</b>
<b>Profit before tax and exceptional items</b>		<b>1,648,555,951</b>	<b>999,529,567</b>
Exceptional items (Refer note 35)		-	(15,247,758)
<b>Profit before tax</b>		<b>1,648,555,951</b>	<b>984,281,809</b>
<b>Tax expense</b>			
Current tax		433,000,000	278,866,000
Deferred tax		8,675,860	18,628,869
Tax for earlier years		799,932	2,216,504
<b>Total tax expense</b>		<b>442,475,792</b>	<b>299,711,373</b>
<b>Profit for the period/year</b>		<b>1,206,080,159</b>	<b>684,570,436</b>
<b>Earnings per share</b>			
Basic [Nominal value of shares ₹ 10]	25	17.23	10.30
Diluted [Nominal value of shares ₹ 10]	25	17.11	9.95

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

DIN: 00202052

**V. Krishnan**

Director

DIN: 00034473

per **Govind Ahuja**

Partner

Membership no. 48966

Place : Mumbai

Date : May 12, 2014

**Ramkumar Krishnamachari**

Chief Financial Officer

**Sachin Jain**

Company Secretary

# Cash Flow Statement

For the year ended March 31, 2014

	March 31, 2014	March 31, 2013
₹		
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before tax</b>	1,648,555,951	984,281,809
<b>Non cash adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation and amortisation expense	172,914,236	144,043,024
Employee stock compensation expense	2,220,664	3,634,291
(Profit)/loss on sale of fixed assets (net)	(31,943)	2,574,581
Profit on sale of current investments	(348,194,786)	(102,278,378)
Interest income	(39,781,216)	(4,064,524)
Dividend income	-	(11,869,982)
Interest expense	-	49,506
<b>Operating profit before working capital changes</b>	<b>1,435,682,906</b>	<b>1,016,370,327</b>
Movements in working capital:		
Decrease/(increase) in trade receivables	8,919,737	(8,919,737)
Increase in short term loans and advances	(25,082,529)	(53,084,780)
Increase in long term loans and advances	(591,602)	(24,509,345)
Decrease/(increase) in other current assets	26,107,668	(1,096,798)
Increase in trade payables	5,327,978	23,100,618
Increase in other current liabilities	307,786,067	366,732,185
Share application money refundable	1,217,436	-
Increase in other long term liabilities	1,679,333	6,648,043
Increase in short term provisions	1,843,612	5,241,973
Cash generated from operations	<b>1,762,890,606</b>	<b>1,330,482,486</b>
Direct taxes paid (net of refunds)	(432,529,946)	(307,303,795)
<b>Net cash from operating activities (A)</b>	<b>1,330,360,660</b>	<b>1,023,178,691</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	(209,094,365)	(361,432,069)
Proceeds from sale of fixed assets	785,851	214,362
Purchase of current investments	(6,335,903,431)	(8,248,972,387)
Purchase of non current investments	(1,547,080,000)	-
Sale/redemption of current investments	6,832,092,152	5,061,336,850
Investment in bank deposit (with maturity more than three months)	(69,558,104)	(24,849,335)
Redemption/maturity of bank deposit (with maturity more than three months)	24,337,893	22,810,923
Interest received	17,890,941	4,166,676
Dividends received	-	11,869,982
<b>Net cash used in investing activities (B)</b>	<b>(1,286,529,063)</b>	<b>(3,534,854,998)</b>

₹

	March 31, 2014	March 31, 2013
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayments of long term borrowings	-	(1,486,614)
Share application money pending allotment	-	7,768,320
Receipts from issuance of equity shares (including premium)	41,257,030	2,550,627,189
Share issue expenses	-	(45,279,067)
Interest paid	-	(49,506)
<b>Net cash from financing activities (C)</b>	<b>41,257,030</b>	<b>2,511,580,322</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>85,088,627</b>	<b>(95,985)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>214,436,374</b>	<b>214,532,359</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>299,525,001</b>	<b>214,436,374</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	5,940,727	-
Cheques in hand	1,446,138	46,541
With banks		
- on current account	290,920,700	214,389,833
- in public issue refund account*	1,217,436	-
<b>Cash and cash equivalents (Refer note 16)</b>	<b>299,525,001</b>	<b>214,436,374</b>
Summary of significant accounting policies.		

\* The Company can utilize this balance only towards settlement of refund of IPO proceeds to unsuccessful applicants

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 : May 12, 2014

For and on behalf of the board of directors of Just Dial Limited

**V. S. S. Mani**

Managing Director

DIN: 00202052

**V. Krishnan**

Director

DIN: 00034473

**Ramkumar Krishnamachari**

Chief Financial Officer

**Sachin Jain**

Company Secretary

## Notes to Financial Statements for the year ended March 31, 2014

### 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 and related services to users in India through multiple platforms such as the internet, mobile internet, over the telephone (voice) and text (SMS).

During the year, the Company completed the Initial Public Offer ('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 Act, 1956 read with General Circular 8/2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. 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. 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 and accumulated impairment losses, if any. 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.

#### 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:

Particulars	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.

#### 3.4 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



## Notes to Financial Statements for the year ended March 31, 2014

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 and accumulated impairment losses, if any.

#### Research and Development Cost

Research costs are expensed as incurred. Development expenditure incurred on an internally generated intangible assets are recognized 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 capitalized 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 capitalized are amortized on a straight line basis over the period of 3 years being the estimated useful life of the asset

### 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.

## Notes to Financial Statements for the year ended March 31, 2014

### 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 long term 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. Long term investments are carried at cost unless otherwise stated. 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.

##### Other Operating revenue

Other Operating revenue comprises revenue from reseller providing data collection services to the Company and Sale of Review and Rating Certification Services

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.

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

#### 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 recognizes contribution payable to the provident fund scheme as an 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 payable to the scheme is recognized 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 recognized as an asset

Gratuity liability are defined benefit obligations and are provided for on the basis of an actuarial valuation on

## Notes to Financial Statements for the year ended March 31, 2014

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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. 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 using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. 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 liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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 realized. In situations

where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. In situations where the company has carry forward tax losses on account of long term capital losses (which can be set-off only against the income arising under the head 'Capital gains'), deferred tax assets arising on such losses are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available under the head 'Capital gains' against which the loss can be set-off.

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 recognized, together with a corresponding increase in the "Stock options outstanding account" in reserves. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting

## Notes to Financial Statements for the year ended March 31, 2014

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 recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

### 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 of providing local search and related services.

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.

## 4 SHARE CAPITAL

	As at March 31, 2014	As at March 31, 2013
₹		
<b>AUTHORISED</b>		
<b>Equity share capital</b>		
100,000,000 (March 31, 2013: 100,000,000) equity shares of ₹ 10/- each	1,000,000,000	1,000,000,000
<b>Preference share capital</b>		
1,200,000 (March 31, 2013: 1,200,000) preference shares of ₹ 10/- each	12,000,000	12,000,000
	<b>1,012,000,000</b>	<b>1,012,000,000</b>
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP SHARES</b>		
<b>Equity shares</b>		
70,150,550 (March 31, 2013: 69,503,422) equity shares of ₹ 10/- each fully paid	701,505,500	695,034,220
<b>Total issued, subscribed and paid up share capital</b>	<b>701,505,500</b>	<b>695,034,220</b>

## Notes to Financial Statements for the year ended March 31, 2014

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

Particulars	March 31, 2014		March 31, 2013	
	Number	₹	Number	₹
<b>Equity Shares</b>				
Shares outstanding at the beginning of the year	69,503,422	695,034,220	51,908,266	519,082,660
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	401,388	4,013,880	163,759	1,637,590
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)	245,740	2,457,400	375,210	3,752,100
<b>Shares outstanding at the end of the year</b>	<b>70,150,550</b>	<b>701,505,500</b>	<b>69,503,422</b>	<b>695,034,220</b>
<b>6% cumulative redeemable preference shares (Optionally Convertible) of Series A</b>				
Shares outstanding at the beginning of the year	-	-	195,565	1,955,650
Shares converted into equity shares during the year	-	-	(195,565)	(1,955,650)
<b>Shares outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>0.1% non cumulative redeemable convertible preference shares (Optionally Convertible) of Series B</b>				
Shares outstanding at the beginning of the year	-	-	1	10
Shares converted into equity shares during the year	-	-	(1)	(10)
<b>Shares outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>6% non cumulative compulsory convertible preference shares Series C</b>				
Shares outstanding at the beginning of the year	-	-	968,060	9,680,600
Shares Issued during the year	-	-	-	-
Shares converted into equity shares during the year	-	-	(968,060)	(9,680,600)
<b>Shares outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 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 previous year ended March 31, 2013, on conversion of preference shares the Company allotted bonus shares to the preference shareholders in the same ratio.
- II) Employees holding 4,468 (March 31, 2013: 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.

### 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:

Particulars	As at (No of Shares )	
	March 31, 2014	March 31, 2013
<b>EQUITY SHARES</b>		
Equity Shares allotted as fully paid up bonus shares	62,293,935	62,048,195

In addition the Company has issued total 577,516 shares (March 31, 2013: 178,455) 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.

## Notes to Financial Statements for the year ended March 31, 2014

### c) Disclosure of Shareholders holding more than 5% of the share capital of the Company in aggregate

#### Equity share capital

Name of Shareholder	March 31, 2014		March 31, 2013	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Mr. V. S. S. Mani	19,774,011	28.19	21,331,669	30.69
Saif II Mauritius Company Limited	7,826,001	11.16	13,777,232	19.82
Tiger Global Four JD Holdings	5,770,880	8.23	8,582,112	12.35
Sequoia Capital India Investments III	3,400,850	4.85	6,608,784	9.51
Tiger Global Five Indian Holdings	3,578,012	5.10	5,321,008	7.66

### d) 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)

### e) 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.

#### 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 with Registrar of Companies ('ROC') i.e May 28, 2013 in respect to the Initial Public Offer of the Company.

#### Anti dilution rights and Right of first refusal

- i) 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.
- ii) 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 V S S 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.
- iii) 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.
- iv) 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

- i) 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.
- ii) Investors had rights to have their representative on the Board of Directors.

## Notes to Financial Statements for the year ended March 31, 2014

### 5 RESERVES AND SURPLUS

₹

	As at March 31, 2014	As at March 31, 2013
<b>Securities premium account</b>		
Balance as per last financial statements	2,437,987,436	-
Add: received on issue of equity shares	-	2,458,630,389
Add: additions on ESOPs exercised	45,011,470	38,994,350
Add: transferred from stock options outstanding	5,243,310	4,043,395
Less: utilised for bonus shares issued on exercise of ESOPs (Refer note II of note 4(a))	(2,457,400)	(3,752,100)
Less: share issue expense	-	(59,928,598)
<b>Closing balance</b>	<b>2,485,784,816</b>	<b>2,437,987,436</b>
<b>General reserve</b>		
Balance as per last financial statements	-	-
Add: amount transferred from surplus balance in the statement of profit and loss	120,608,016	-
<b>Closing balance</b>	<b>120,608,016</b>	<b>-</b>
<b>Stock options outstanding account</b>		
Gross employee stock compensation for options granted in earlier years	11,521,952	15,989,064
Less: transferred to securities premium on exercise of stock options	(5,243,310)	(4,043,395)
Less: reversal of stock compensation cost on account of option lapse	(173,368)	(423,717)
Less: deferred employee compensation outstanding	(712,752)	(3,106,784)
<b>Closing balance</b>	<b>5,392,522</b>	<b>8,415,168</b>
<b>Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	1,109,881,463	532,871,777
Add: net profit for the year	1,206,080,159	684,570,436
Less: proposed final equity dividend (refer note 37)	(140,301,100)	-
Less: tax on proposed final equity dividend	(23,844,172)	-
Less: transferred to general reserve	(120,608,016)	-
Less: utilised for bonus shares issued on conversion of Preference Shares (Refer note I of note 4(a))	-	(107,560,750)
<b>Net surplus in the statement of profit and loss</b>	<b>2,031,208,334</b>	<b>1,109,881,463</b>
<b>Total Reserves and Surplus</b>	<b>4,642,993,688</b>	<b>3,556,284,067</b>

### 6 SHARE APPLICATION MONEY PENDING ALLOTMENT

Share Application money during the previous year March 31, 2013 represents amount received on various dates between January 2013 to March 2013 towards exercise of 97,104 options as per the ESOP Plan. 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.

## Notes to Financial Statements for the year ended March 31, 2014

### 7 DEFERRED TAX LIABILITIES

₹

	As at March 31, 2014	As at March 31, 2013
<b>Deferred tax liabilities</b>		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	41,720,180	32,405,743
<b>Gross deferred tax liabilities</b>	<b>41,720,180</b>	<b>32,405,743</b>
<b>Deferred tax assets</b>		
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	10,282,588
Effect of lease accounting	12,834,369	11,754,404
Effect of preliminary expenses	441,388	882,776
<b>Gross deferred tax assets</b>	<b>23,558,345</b>	<b>22,919,768</b>
<b>Net Deferred Tax Liabilities</b>	<b>18,161,835</b>	<b>9,485,975</b>

The above deferred tax assets does not include deferred tax assets on long term capital loss of ₹ 11,775,949 (March 31, 2013 ₹ 3,926,159) in the absence of virtual certainty of future long term capital gains, against which these can be realised.

### 8 OTHER LONG TERM LIABILITIES

₹

	As at March 31, 2014	As at March 31, 2013
Provision for lease obligation	31,279,734	29,600,401
<b>Total Other Long Term Liabilities</b>	<b>31,279,734</b>	<b>29,600,401</b>

### 9 TRADE PAYABLES

₹

	As at March 31, 2014	As at March 31, 2013
(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	72,015,028	66,687,050
<b>Total Trade Payables</b>	<b>72,015,028</b>	<b>66,687,050</b>



## Notes to Financial Statements for the year ended March 31, 2014

### 10 OTHER CURRENT LIABILITIES

	As at March 31, 2014	As at March 31, 2013
Unearned revenue	1,618,411,285	1,354,881,246
<b>Other payables</b>		
Salary and reimbursements payable	239,779,981	179,930,894
Other statutory dues (employee related liabilities)	38,343,328	37,959,575
Other payables (other than trade)	30,011,138	74,813,435
Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Share application money refundable	1,217,436	-
Share issue expenses payable	14,080,795	13,583,625
Service tax payable	464,106	-
Tax deducted at source payable	50,592,699	24,227,459
Deposit from franchisees	196,032	195,032
Provision for lease obligation	6,479,516	4,981,546
<b>Total Other Current Liabilities</b>	<b>1,999,576,316</b>	<b>1,690,572,812</b>

### 11 SHORT TERM PROVISIONS

	As at March 31, 2014	As at March 31, 2013
Provision for compensated absences	20,004,142	18,160,530
Proposed equity dividend (Refer note 37)	140,301,100	-
Provision for tax on proposed equity dividend	23,844,172	-
<b>Total Short Term Provisions</b>	<b>184,149,414</b>	<b>18,160,530</b>

## Notes to Financial Statements for the year ended March 31, 2014

### 12: FIXED ASSETS

Particulars	Tangible Assets										Intangible Assets						Total	
	Leasehold Improvements	Building	Plant and Machinery	Office Equipment	Furniture and Fittings	Motor Car	Computer	Total	Goodwill	Computer software	Website	Application Development	Unique telephone numbers					
<b>Cost or valuation</b>																		
At 1 April 2012	50,454,901	680,000	172,409,082	43,221,195	41,917,290	9,048,685	260,699,304	578,430,457	1,600,000	18,113,595	8,221,220	-	10,010,000	-	-	10,010,000	37,944,815	
Additions	15,033,625	-	86,976,195	12,710,466	8,260,218	-	220,507,561	343,488,065	-	52,898,178	-	9,737,885	-	-	-	-	62,636,063	
Disposals	(1,826,777)	-	(7,358,299)	(5,256,485)	(5,800,214)	(24,818)	(6,849,336)	(27,115,929)	-	-	-	-	-	-	-	-	-	
At 31 March 2013	63,661,749	680,000	252,026,978	50,675,176	44,377,294	9,023,867	474,357,529	894,802,593	1,600,000	71,011,773	8,221,220	9,737,885	10,010,000	-	-	10,010,000	100,580,878	
Additions	3,142,717	-	14,458,930	6,227,819	4,612,459	-	50,146,001	78,587,926	-	9,128,379	-	11,709,190	-	-	-	-	20,837,569	
Disposals	-	-	(8,456,472)	(2,361,204)	(1,603,811)	-	(1,109,234)	(13,530,721)	-	(1,500,000)	-	-	-	-	-	-	(1,500,000)	
<b>At 31 March 2014</b>	<b>66,804,466</b>	<b>680,000</b>	<b>258,029,436</b>	<b>54,541,791</b>	<b>47,385,942</b>	<b>9,023,867</b>	<b>523,394,296</b>	<b>959,859,798</b>	<b>1,600,000</b>	<b>78,640,152</b>	<b>8,221,220</b>	<b>21,447,075</b>	<b>10,010,000</b>	<b>-</b>	<b>-</b>	<b>10,010,000</b>	<b>119,918,447</b>	
<b>Depreciation</b>																		
At 1 April 2012	19,925,881	167,986	72,591,463	17,794,421	25,283,014	5,467,151	110,224,165	251,454,081	1,600,000	3,746,222	8,221,220	-	2,979,101	-	-	2,979,101	16,546,543	
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	-	8,908,387	-	951,461	2,002,000	-	-	2,002,000	11,861,848	
Disposals	(864,649)	-	(7,233,675)	(4,775,544)	(4,864,668)	(24,818)	(6,563,631)	(24,326,985)	-	-	-	-	-	-	-	-	-	
At 31 March 2013	30,554,228	549,215	99,896,683	19,490,240	27,589,443	6,675,597	174,552,866	359,308,272	1,600,000	12,654,609	8,221,220	951,461	4,981,101	-	-	4,981,101	28,408,391	
Charge for the year	12,558,684	34,000	37,193,796	7,354,206	6,806,865	1,233,264	83,678,272	148,859,087	-	15,011,762	-	7,041,387	2,002,000	-	-	2,002,000	24,055,149	
Disposals	-	-	(4,195,437)	(2,046,229)	(1,500,450)	-	(1,068,619)	(8,810,735)	-	-	-	-	-	-	-	-	-	
<b>At 31 March 2014</b>	<b>43,112,912</b>	<b>583,215</b>	<b>132,895,042</b>	<b>24,798,217</b>	<b>32,895,858</b>	<b>7,908,861</b>	<b>257,162,519</b>	<b>499,356,624</b>	<b>1,600,000</b>	<b>27,666,371</b>	<b>8,221,220</b>	<b>7,992,848</b>	<b>6,983,101</b>	<b>-</b>	<b>-</b>	<b>6,983,101</b>	<b>52,463,540</b>	
Net Block																		
At 31 March 2013	33,107,521	130,785	152,130,295	31,184,936	16,787,851	2,348,270	299,804,663	535,494,321	-	58,357,164	-	8,786,424	5,028,899	-	-	5,028,899	72,172,487	
<b>At 31 March 2014</b>	<b>23,691,554</b>	<b>96,785</b>	<b>125,134,394</b>	<b>29,743,574</b>	<b>14,490,084</b>	<b>1,115,006</b>	<b>266,231,777</b>	<b>460,503,174</b>	<b>-</b>	<b>50,973,781</b>	<b>-</b>	<b>13,454,227</b>	<b>3,026,899</b>	<b>-</b>	<b>-</b>	<b>3,026,899</b>	<b>67,454,907</b>	

#### Notes:

- 1) Intangible assets under development during the previous year March 31, 2013 comprise of following
- expenditure incurred in relation to implementation of ERP system for modules that have not yet been implemented.
  - expenditure incurred in relation to In house development of mobile application.
- 2) Total depreciation and amortization expense charged for the year:

Particulars	March 31, 2014	March 31, 2013
Depreciation of Tangible assets	148,859,087	132,181,176
Amortization of Intangible assets	24,055,149	11,861,848
<b>Total</b>	<b>172,914,236</b>	<b>144,043,024</b>

## Notes to Financial Statements for the year ended March 31, 2014

### 13 INVESTMENTS

	As at March 31, 2014	As at March 31, 2013
<b>Non Current Investments</b>		
Investments in tax free bonds (valued at cost unless stated otherwise) (other than trade) (Quoted)	1,547,080,000	-
	<b>1,547,080,000</b>	-

Name of body Corporates	No. of bonds		Amount (₹)	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
8.48 % India Infrastructure Finance Company Limited - Tax Free Bonds of ₹ 1,000 each	150,000	-	150,000,000	-
8.76 % National Housing Bank - Tax Free Bonds of ₹ 5,000 each	79,416	-	397,080,000	-
8.50 % National Highways Authority of India - Tax Free Bonds of ₹ 1,000 each	1,000,000	-	1,000,000,000	-
<b>Total</b>	<b>1,229,416</b>	-	<b>1,547,080,000</b>	-

Aggregate market value of investment in tax free bonds as at March 31, 2014 is not ascertainable (March 31, 2013: ₹ Nil)

#### Current Investments

Current Investments in mutual funds (valued at lower of cost and fair value) (other than trade unquoted)	4,709,922,209	4,857,915,817
	<b>4,709,922,209</b>	<b>4,857,915,817</b>

Name of scheme	No. of units		Amount (₹)	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Birla Sun life Dynamic bond- Retail - Growth - Regular Plan	8,782,493	22,339,054	173,991,293	423,991,293
Birla sun life fixed term plan series EV growth	-	10,000,000	-	100,000,000
Birla sun life fixed term plan series FM growth	-	5,000,000	-	50,000,000
Birla sunlife short term fund growth - Regular Plan	-	1,240,015	-	49,984,505
Birla sunlife Fixed term plan -Series FF growth	10,000,000	10,000,000	100,000,000	100,000,000
Birla Sunlife Government Securities Long term regular plan	-	3,160,160	-	105,000,100
Birla sunlife fixed term plan series EY growth	-	6,065,272	-	60,652,726
Birla sunlife Fixed term plan -Series KF (368 Days) Gr. Direct	11,172,129	-	111,721,290	-
Birla sunlife Fixed term plan -Series KI (368 Days) Gr. Direct	11,000,000	-	110,000,000	-
Birla sunlife Interval Income fund Annual plan 2 - Growth Direct	-	10,211,021	-	102,110,210
HDFC Short term plan - Growth	2,963,552	11,970,830	66,938,638	256,938,638
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 371D February 2014 (2) Series 29 - Direct - Growth	16,058,347	-	160,583,470	-
Templeton India short term income plan institutional - Growth	-	84,894	-	150,000,000

## Notes to Financial Statements for the year ended March 31, 2014

Name of scheme	No. of units		Amount (₹)	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Kotak FMP series 80 - Growth	-	10,000,000	-	100,000,000
Kotak FMP series 73- Growth	-	4,500,000	-	45,000,000
UTI Short term Income Fund -Institutional Option- Growth	7,947,451	7,947,451	111,107,759	111,107,759
Reliance Fixed horizon fund - XXI- Series 11 Growth Plan	-	7,709,730	-	77,097,300
Religare Fixed maturity plan - Series XVII Plan A (17Months) Growth	10,000,000	10,000,000	100,000,000	100,000,000
Religare Invesco FMP - Series 22 - Plan K (367 days) - Direct Plan Growth	11,000,000	-	110,000,000	-
Reliance fixed horizon XXI series 18 growth plan	-	10,002,480	-	100,024,801
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
Reliance- Income fund -Growth option- bonus option	-	11,589,096	-	125,000,000
Reliance Dynamic bond fund -growth plan	7,634,529	4,530,404	121,010,005	71,010,005
Reliance Fixed Horizon Fund - XXV - Series 34 - Direct Plan - Growth Option	17,234,632	-	172,346,317	-
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	3,523,392	1,823,650	130,000,000	65,000,000
ICICI Prudential FMP series 63 - 3 years plan M Cumulative	20,000,000	20,000,000	200,000,000	200,000,000
ICICI Prudential Gilt Fund Investment Regular Plan Growth	2,528,874	2,528,874	100,000,000	100,000,000
ICICI Prudential FMP series 66-420 days plan A Regular Plan Cumulative	10,000,000	10,000,000	100,000,000	100,000,000
ICICI Prudential Interval Fund - Annual Interval VI - Plan A - Direct Plan Growth	-	10,000,000	-	100,000,000
Sundaram fixed term plan CG 18 months Growth	-	3,999,838	-	39,998,380
DWS short maturity fund institutional plan - Growth	-	11,405,977	-	150,000,000
IDFC - Super Saver 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 Income Fund Series 301 - Growth (Refer note b)	50,000,010	50,000,010	500,000,100	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	5,313,948	100,000,000	100,000,000
L&T FMP – VII (February511D A) Direct Plan - Growth	5,000,000	5,000,000	50,000,000	50,000,000
Birla Sun Life Income Plus - Growth-Regular Plan	3,259,221	-	176,096,704	-
ICICI Prudential Short Term - Regular Plan - Growth Option	2,447,841	-	60,000,000	-
Reliance Short Term Fund - Growth Plan Growth Option	6,609,076	-	148,129,887	-
ICICI Prudential FMP Series 68-369 Days Plan I - Direct Plan -Cumulative	12,500,000	-	125,000,000	-
Kotak FMP series 106 Direct - Growth	10,000,000	-	100,000,000	-
Religare Invesco FMP - Series XIX - Plan C (367 days) - Direct Plan Growth	15,000,000	-	150,000,000	-
ICICI Prudential FMP Series 68-369 Days Plan K - Regular Plan -Cumulative	21,930,025	-	219,300,250	-
Birla Sunlife Interval Income fund Annual plan Series IX- Dir Growth	20,000,000	-	200,000,000	-

## Notes to Financial Statements for the year ended March 31, 2014

Name of scheme	No. of units		Amount (₹)	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
HDFC FMP 1143D July 2013 (1) Series 27 - Regular - Growth	10,000,000	-	100,000,000	-
ICICI Prudential FMP Series 69- 433 Days Plan E - Direct Plan -Cumulative	7,500,000	-	75,000,000	-
Kotak FMP series 111 Direct - Growth	10,000,000	-	100,000,000	-
Kotak FMP series 112 Direct - Growth	10,000,000	-	100,000,000	-
L&T FMP Series 8 - Plan G - Direct Growth	22,000,000	-	220,000,000	-
ICICI Prudential Liquid Fund - Regular Growth	100,914	-	18,696,496	-
IDFC Banking Debt Fund - Regular Plan- Growth	18,249,341	-	200,000,000	-
Axis Banking Debt Fund - Direct Plan - Growth	170,706	-	200,000,000	-
<b>Total</b>	<b>379,926,481</b>	<b>351,019,819</b>	<b>4,709,922,209</b>	<b>4,857,915,817</b>

### Note:

- Aggregate market value of investment in mutual funds of ₹ 5,010,447,277, (March 31, 2013: ₹ 5,139,856,830)
- The investment in JP Morgan India Income Fund Series 301 - Growth is subject to lien against overdraft facility of ₹ 250,000,000 availed by the Company during the year from HDFC bank (utilization till March 31, 2014:Nil)

## 14 LONG TERM LOANS AND ADVANCES (unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
Capital advances	151,889,423	21,154,799
Security deposits	108,994,857	101,446,164
Security deposits to related parties	1,850,000	1,850,000
Prepaid expenses	1,937,425	8,894,516
Other loans and advances		
Advance taxes (net of provision for taxation ₹ 1,201,488,488 (March 31, 2013: ₹ 767,688,556))	59,249,987	73,159,550
<b>Total Long Term Loans and Advances</b>	<b>323,921,692</b>	<b>206,505,029</b>
<b>Loans and advances due by directors and relatives of directors:</b>		
Security deposits include:		
Dues from Key Management Personnel	925,000	925,000
Dues from Relatives of Key Management Personnel	925,000	925,000

## 15 TRADE RECEIVABLES (unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other trade receivables	-	8,919,737
<b>Total Trade Receivables</b>	<b>-</b>	<b>8,919,737</b>

## Notes to Financial Statements for the year ended March 31, 2014

### 16 CASH AND BANK BALANCES

₹

	As at March 31, 2014	As at March 31, 2013
<b>Cash and cash equivalents</b>		
Cash on hand	5,940,727	-
Cheques/drafts on hand	1,446,138	46,541
Balance with Bank		
- on current accounts	290,920,700	214,389,833
- in public issue refund account*	1,217,436	-
	<b>299,525,001</b>	<b>214,436,374</b>
<b>Other bank balances</b>		
Bank deposits with original maturity for more than 3 months but less than 12 months (Held as guarantee ₹ 65,011,197 (March 31, 2013: ₹ Nil))	69,514,104	-
Bank deposits with original maturity of more than 12 months (Held as guarantee ₹ Nil (March 31, 2013: ₹ 10,000,000))	555,441	24,849,335
<b>Total Cash and Bank Balances</b>	<b>369,594,546</b>	<b>239,285,709</b>

\* The Company can utilize this balance only towards settlement of refund of IPO proceeds.

### 17 SHORT TERM LOANS AND ADVANCES (unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
Advances recoverable in cash or kind or for value to be received	5,188,126	26,647,451
Security deposits	46,230,115	2,989,603
<b>Other loans and advances</b>		
Service tax input credit	19,167,948	25,227,115
Prepaid gratuity	2,421,899	825,547
Prepaid expenses	59,616,665	53,411,956
Advance to vendors	3,335,417	1,775,969
<b>Total Short Term Loans and Advances</b>	<b>135,960,170</b>	<b>110,877,641</b>

### 18 OTHER CURRENT ASSETS

₹

	As at March 31, 2014	As at March 31, 2013
Interest accrued on fixed deposit	31,193	405,850
Interest accrued on tax free bonds	19,989,867	-
Amount due from related parties	309,440	2,306,641
Income tax refund receivable	14,914,317	-
Other receivables (Refer note 36)	-	24,110,467
<b>Total Other Current Assets</b>	<b>35,244,817</b>	<b>26,822,958</b>
<b>Amount due from enterprises owned or significantly influenced by Key Management Personnel or their relatives:</b>		
Just Dial Global Private Limited	309,440	2,306,641

## Notes to Financial Statements for the year ended March 31, 2014

### 19 REVENUE FROM SALE OF SEARCH AND OTHER RELATED SERVICES

₹

	For the year ended March 31, 2014	For the year ended March 31, 2013
Sale of search related services	4,591,531,678	3,576,681,723
Other operating revenue	21,395,207	50,993,570
<b>Total Revenue</b>	<b>4,612,926,885</b>	<b>3,627,675,293</b>

### 20 OTHER INCOME

₹

	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest on bank deposits	7,028,807	2,157,639
Interest on tax free bonds	30,477,344	-
Interest on income tax refund	2,275,065	1,906,885
Dividend income on current investment	-	11,869,982
Profit on sale of current investments (net)*	348,194,786	102,278,378
Other non-operating income		
Service Charges	8,098,985	13,778,003
Miscellaneous income	3,413,005	4,436,747
<b>Total Other Income</b>	<b>399,487,992</b>	<b>136,427,634</b>

\* Net of mark to market losses of ₹ 3,839,349 (March 31, 2013: Nil)

### 21 EMPLOYEE BENEFITS EXPENSE

₹

	For the year ended March 31, 2014	For the year ended March 31, 2013
Salaries, wages and bonus	2,165,009,044	1,685,298,839
Contribution to provident fund and other funds	55,332,067	53,672,413
Employee stock option plan (ESOP) expense (Refer note 32)	2,220,664	3,634,291
Gratuity expenses (Refer note 33)	13,421,919	14,037,637
Staff welfare expenses	49,729,518	40,599,654
<b>Total Employee Benefits Expense</b>	<b>2,285,713,212</b>	<b>1,797,242,834</b>

## Notes to Financial Statements for the year ended March 31, 2014

### 22 OTHER EXPENSES

₹

	For the year ended March 31, 2014	For the year ended March 31, 2013
Collection charges	23,099,702	20,830,391
Transportation expenses	920,416	1,087,865
Power and fuel	85,797,870	74,437,816
Rent	176,637,530	155,925,158
Rates and taxes	4,395,598	2,660,768
Insurance	1,060,940	658,557
Repairs and maintenance		
- Plant and machinery	17,169,974	12,025,125
- Building	251,462	370,297
- Others	45,582,951	29,470,500
Advertising and sales promotion	141,554,250	245,218,937
Brokerage & commission	5,600,870	8,377,474
Travelling and conveyance	15,722,565	11,730,206
Communication costs	233,514,437	161,431,118
Printing and stationery	13,655,254	11,495,128
Legal and professional fees	18,005,946	16,788,668
Registration & membership fees	786,386	1,557,693
Payment to auditor (Refer note 24)	2,956,941	1,636,470
Recruitment expenses	5,656,037	6,675,293
Data base and content charges	70,342,633	28,921,748
Sundry balance write off	3,018,078	2,338,360
Bad debts written off	5,146,935	-
Office expenses	19,469,551	15,188,798
Exchange difference (net)	1,324,676	12,377
Hire charges	2,101,034	2,335,652
Donation	5,261,500	4,925,000
Loss on discarding/sale of assets (net)	328,419	2,574,581
Miscellaneous expenses	5,869,523	4,564,016
<b>Total Other Expenses</b>	<b>905,231,478</b>	<b>823,237,996</b>

### 23 FINANCE COST

₹

	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest on vehicle loan	-	49,506
<b>Total Finance Cost</b>	<b>-</b>	<b>49,506</b>



## Notes to Financial Statements for the year ended March 31, 2014

### 24 PAYMENT TO AUDITOR

₹

	As at March 31, 2014	As at March 31, 2013
As auditor:		
Audit fee	1,300,000	1,300,000
Limited review fee	1,200,000	-
Tax audit fee	300,000	300,000
Re-imbusement of expenses	156,941	36,470
Re-imbusement of IPO expenses	106,035	98,563
Other Services (certification fees)	5,069,306	4,506,582
	<b>8,132,282</b>	<b>6,241,615</b>
Less: Fees for IPO issue related services recovered (March 31, 2013 recoverable) from selling shareholders	5,175,341	4,605,145
<b>Total Payment to Auditor</b>	<b>2,956,941</b>	<b>1,636,470</b>

### 25 EARNINGS PER SHARE (EPS)

₹

	As at March 31, 2014	As at March 31, 2013
<b>Basic</b>		
Net Profit as per statement of profit and loss	1,206,080,159	684,570,436
Less: Dividends on convertible preference shares and tax thereon	-	-
Net profit for calculation of basic EPS	1,206,080,159	684,570,436
Weighted average number of equity shares in calculating basic EPS	69,994,062	66,488,923
<b>Earning per share</b>	<b>17.23</b>	<b>10.30</b>
<b>Diluted</b>		
Net Profit as per statement of profit and loss	1,206,080,159	684,570,436
Weighted average number of equity shares in calculating basic EPS	69,994,062	66,488,923
Equity shares arising on grant of stock options under ESOP	496,746	1,029,395
Weighted average number of potential equity shares on the conversion of preference shares	-	1,306,269
<b>Total no of shares outstanding (weighted average) (including dilution)</b>	<b>70,490,808</b>	<b>68,824,587</b>
<b>Earning per share</b>	<b>17.11</b>	<b>9.95</b>

### 26 RELATED PARTIES

#### 26.1 NAMES OF RELATED PARTIES

##### Related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. V. S. S. Mani
	Mr. V. Krishnan
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

## Notes to Financial Statements for the year ended March 31, 2014

### 26.2 TRANSACTIONS WITH RELATED PARTIES.

Amount in ₹

Sr. No	Particulars	March 31, 2014	March 31, 2013
<b>1</b>	<b>Key Management Personnel</b>		
A	Remuneration		
	Mr. V. S. S. Mani (including rent free accommodation)	15,627,408	11,682,442
	Mr. V. Krishnan	11,212,047	10,930,058
		<b>26,839,455</b>	<b>22,612,500</b>
B	Lease Rent		
	Mr. V.S.S. Mani	2,910,465	2,759,897
<b>2</b>	<b>Relatives of Key Management Personnel</b>		
A	Lease Rent		
	Mrs Anita Mani	2,910,465	2,759,897
<b>3</b>	<b>Enterprises owned or significantly influenced by Key Management Personnel</b>		
A	Service charges (other income) Just Dial Global Private Limited	8,098,985	13,778,003

Amount in ₹

Balance outstanding at the year end		March 31, 2014	March 31, 2013
<b>1</b>	<b>Key Management Personnel</b>		
A	Remuneration Payable		
	Mr. V.S.S. Mani	501,551	168,770
	Mr. V. Krishnan	1,115,702	1,482,610
		<b>1,617,253</b>	<b>1,651,380</b>
B	Security Deposit		
	Mr. V.S.S. Mani	925,000	925,000
<b>2</b>	<b>Relatives of Key Management Personnel</b>		
A	Security Deposit		
	Mrs Anita Mani	925,000	925,000
<b>3</b>	<b>Enterprises owned or significantly influenced by Key Management Personnel or their relatives</b>		
A	Receivable from Just Dial Global Private Limited towards service charges	309,440	2,306,641
		<b>309,440</b>	<b>2,306,641</b>

## 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:

Amount in ₹

Particulars	Operating Lease	
	March 31, 2014	March 31, 2013
Lease payments for the year	176,637,530	155,925,158
Minimum Lease Payments:		
Not later than one year	177,841,961	159,603,565
Later than one year but not later than five years	401,642,730	397,810,966
Later than five years	41,376,279	119,584,759

## Notes to Financial Statements for the year ended March 31, 2014

### 28 CONTINGENT LIABILITIES NOT PROVIDED FOR

Amount in ₹

Particulars	March 31, 2014	March 31, 2013
<b>Income Tax Demands:</b>		
Income tax in respect of Assessment years 2005-06, 2006-07, 2007-08, 2008-09 and 2009-10 in respect of which the Company has preferred an appeal.	6,934,880	15,248,795
<b>Tax Deducted at Source (TDS) Demands:</b>		
TDS in respect of Assessment year 2011-12 of which the Company has preferred an appeal.	146,193	146,193

The Company is contesting the demands and the management, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

### 29 CAPITAL AND OTHER COMMITMENTS

Amount in ₹

Particulars	March 31, 2014	March 31, 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for	411,053,711	85,383,803

### 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, 2014. The information regarding micro or small enterprises has been determined on the basis of information available with the management.

### 31 PROVISION FOR OTHER STATUTORY LIABILITY

- At March 31, 2014, provision for contribution to Employee State Insurance Corporation aggregates ₹ 30,251,804 (March 31, 2013 ₹ 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.
- During the year, Company has received various demand intimations under section 154 of the Income Tax Act, 1961, pertaining to financial year April 2007 to March 2014. The net outstanding liability of ₹ 1,224,593 has been recorded as provision against such demand notices.

## Notes to Financial Statements for the year ended March 31, 2014

### 32 EMPLOYEE STOCK OPTION PLANS:

1. The Company has provided various share-based payment schemes to its employees. During the yearended March31, 2014 and year ended March 31, 2013 ,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	31-Jan-09	19-Jan-09	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	31-Jan-10	27-Jan-10	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	30-Apr-10	24-Apr-10	82,936	4 Years	25% vests every year from the grant date subject to continuance of services
	Pool 6	27-Jul-10	27-Jul-10	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	31-Oct-10	20-Oct-10	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	1-Dec-10	1-Dec-10	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	25-Mar-11	25-Mar-11	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.

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

Particulars	March 31, 2014		March 31, 2013	
	Number of options	Weighted Average Exercise Price(₹)	Number of options	Weighted Average Exercise Price(₹)
Outstanding at the beginning of the year	4,468	4,595	11,170	4,595
Exercised during the year	4,468	4,595	6,702	4,595
Outstanding at the end of the year	-	-	4,468	4,595
Exercisable at the end of the year	-	-	4,468	4,595
Weighted average remaining contractual life (in years)	-	-	3	-
Weighted average fair value of options granted on the date of grant	48		48	

## Notes to Financial Statements for the year ended March 31, 2014

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

Particulars	March 31, 2014		March 31, 2013	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	400	4,500
Forfeited during the year	-	-	280	4,500
Exercised during the year	-	-	120	4,500
Outstanding at the end of the year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life (in years)	-	-	-	-
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:

Particulars	March 31, 2014		March 31, 2013	
	Number of options	Weighted Average Exercise Price (₹)	Number of options	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	48,613	80	80,136	80
Forfeited during the year	2,800	80	-	-
Exercised during the year	27,879	80	31,523	80
Outstanding at the end of the year	17,934	80	48,613	80
Exercisable at the end of the year	-	-	7,145	80
Weighted average remaining contractual life (in years)	7	-	6	-
Weighted average fair value of options granted on the date of grant	37		37	

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

Particulars	March 31, 2014		March 31, 2013	
	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	108,623	10	155,176	10
Outstanding at the beginning of the year with an exercise price of ₹ 80	626,114	80	789,563	80
Forfeited during the year with an exercise price of ₹ 10	-	-	-	-
Forfeited during the year with an exercise price of ₹ 80	31,874	80	84,588	80
Exercised during the year with an exercise price of ₹ 10	46,553	10	46,553	10
Exercised during the year with an exercise price of ₹ 80	322,488	80	78,861	80
Outstanding at the end of the year with an exercise price of ₹ 10	62,070	10	108,623	10
Outstanding at the end of the year with an exercise price of ₹ 80	271,752	80	626,114	80
Exercisable at the end of the year with an exercise price of ₹ 10	-	10	-	10
Exercisable at the end of the year with an exercise price of ₹ 80	11,722	80	137,328	80
Weighted average remaining contractual life (in years)	8	-	7	-
Weighted average fair value of options on the date of grant	44		44	

## Notes to Financial Statements for the year ended March 31, 2014

### Notes:

1. 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 were 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:

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
Total employee compensation cost pertaining to share based payment plans (all equity settled) for the year	2,220,664	3,634,291
Employee compensation cost transferred to Share Premium during the year	(5,243,310)	(4,043,395)
Liability for employee stock option outstanding as at year End	5,392,522	8,415,168

### 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:

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
Profit/(Loss) as reported	1,206,080,159	684,570,436
Add: Employee stock compensation under intrinsic value method	2,220,664	3,634,291
Less: Employee stock compensation under fair value method	(6,152,234)	(10,581,698)
Proforma Profit/(Loss)	<b>1,202,148,589</b>	<b>677,623,029</b>
<b>Earnings Per Share</b>		
<b>Basic</b>		
- As reported	17.23	10.30
- Pro forma	17.18	10.20
<b>Diluted</b>		
- As reported	17.11	9.95
- Pro forma	17.05	9.85

## 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.

## Notes to Financial Statements for the year ended March 31, 2014

### Statement of Profit and Loss

Net employees benefit expense (recognised in Employee Cost).

Amount in ₹

Particulars	March 31, 2014	March 31, 2013
Current service cost	11,387,739	8,468,870
Interest cost on benefit obligation	4,640,114	3,575,654
Expected return on plan assets	(4,853,381)	(3,534,500)
Net actuarial loss recognised in the year	<b>2,247,447</b>	<b>5,527,613</b>
<b>Net Benefit expense</b>	<b>13,421,919</b>	<b>14,037,637</b>
Actual Return on Plan Assets	4,592,891	3,685,000

### Balance Sheet

Details of Provision for Gratuity

Amount in ₹

Particulars	March 31, 2014	March 31, 2013
Defined benefit obligation	68,286,290	53,499,976
Fair value of plan assets	70,708,189	54,325,523
<b>Plan asset/ (liability)</b>	<b>2,421,899</b>	<b>825,547</b>

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

Amount in ₹

Particulars	March 31, 2014	March 31, 2013
Opening defined benefit obligation	53,499,976	38,587,634
Interest cost	11,387,739	3,575,654
Current service cost	4,640,114	8,468,870
Less: benefits paid	(3,228,496)	(2,810,295)
Actuarial losses on obligation	1,986,957	5,678,113
<b>Closing defined benefit obligation</b>	<b>68,286,290</b>	<b>53,499,976</b>

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

Amount in ₹

Particulars	March 31, 2014	March 31, 2013
Opening fair value of plan assets	54,325,523	41,006,515
Expected return	4,853,381	3,534,500
Contributions by employer	15,018,271	12,444,303
Less: benefits paid	(3,228,496)	(2,810,295)
Less: Actuarial gains/(losses)	(260,490)	150,500
<b>Closing fair value of plan assets</b>	<b>70,708,189</b>	<b>54,325,523</b>

The Company expects to contribute approximately an additional ₹ 10,000,000 (March 31, 2013: ₹ 10,000,000) to gratuity fund in the next year.

## Notes to Financial Statements for the year ended March 31, 2014

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

Particulars	March 31, 2014 %	March 31, 2013 %
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:

Particulars	March 31, 2014	March 31, 2013
Discount Rate	8.70%	7.80%
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.

### Experience adjustments:

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

Particulars	Amount in ₹				
	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined benefit obligation	68,286,290	53,499,976	38,587,634	20,492,936	13,550,353
Plan assets	70,708,189	54,325,523	41,006,515	29,096,736	16,496,582
<b>Surplus / (deficit)</b>	<b>2,421,899</b>	<b>825,547</b>	<b>2,418,881</b>	<b>8,603,800</b>	<b>2,946,229</b>
Experience adjustment on plan liabilities	5,407,432	4,130,605	1,649,676	1,674,284	235,252
Experience adjustment on plan assets	(260,490)	150,500	291,575	-	-

### 34 EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
Travel Expenses	1,043,963	426,640
Communication expenses	93,322	2,894
Advertisement expenses	6,047,206	3,062,014
Web expenses	1,754,932	-
Database expenses	1,751,964	-
	<b>10,691,387</b>	<b>3,491,548</b>



## Notes to Financial Statements for the year ended March 31, 2014

### 35 EXCEPTIONAL ITEM (SHARE ISSUE EXPENSES)

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 previous 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 during the year ended March 31, 2013.

**36** Other receivables during the previous year 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.

### 37 PROPOSED DIVIDEND

The final dividend proposed for the year is as follows:

Particulars	Amount in ₹	
	March 31, 2014	March 31, 2013
On Equity Shares of ₹ 10 each		
Amount of dividend proposed	140,301,100	-
Dividend per Equity Share	2	-

**38** 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 : May 12, 2014

For and on behalf of the board of directors of Just Dial Limited

**V. S. S. Mani**  
Managing Director  
DIN: 00202052

**Ramkumar Krishnamachari**  
Chief Financial Officer

**V. Krishnan**  
Director  
DIN: 00034473

**Sachin Jain**  
Company Secretary

# Notice

**NOTICE** is hereby given that the 20th Annual General Meeting of the Members of Just Dial Limited (the "Company") will be held on Wednesday, 24th day of September, 2014 at 3.30 P.M. at West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064 to transact the following businesses:-

## ORDINARY BUSINESS:

1. To receive, consider and to the adopt the Audited Profit & Loss Account for the financial year ended March 31, 2014 and the Balance Sheet as on that date, together with the Reports of the Board of Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares for the financial year ended March 31, 2014.
3. To appoint a director in place of Mr. Shailendra Jit Singh (DIN-01930079), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
4. To re-appoint auditors and fix their remuneration and in this regard 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 139 of the Companies Act, 2013 and Rules made thereunder, as amended from time to time, **M/s. S. R. Batliboi & Associates LLP**, Chartered Accountants (Firm Registration No. 101049W) be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of this Annual General Meeting till the conclusion of the 25th Annual General Meeting, subject to such appointment being ratified by the members at every Annual General Meeting, at such remuneration as may be mutually agreed upon between **M/s. S. R. Batliboi & Associates LLP**, Chartered Accountants and the Board of Directors of the Company."

## SPECIAL BUSINESS:

5. To Appoint Mr. B. Anand (DIN-02792009) as an Independent Director of the Company and in this regard 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 sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 including the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause

49 of the Listing Agreement, Mr. B. Anand (DIN 02792009), a non-executive and Independent Director of the Company, who has submitted a declaration stating that he meets the criteria as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and pursuant to a notice in writing under Section 160 of the Companies Act, 2013 from a member, nominating Mr. B. Anand for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years with effect from October 1, 2014 until September 30, 2019 and shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to take all necessary steps and to do all such acts, deeds and things, as they may think fit and also further to comply with the requirements, if any, under the Companies Act, 2013 and rules and regulations made thereunder."

6. To Appoint Mr. Malcolm Monteiro (DIN-00089757) as an Independent Director of the Company and in this regard 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 sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 including the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Malcolm Monteiro (DIN-00089757), a non-executive and Independent Director of the Company, who has submitted a declaration stating that he meets the criteria as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and pursuant to a notice in writing under Section 160 of the Companies Act, 2013 from a member nominating Mr. Malcolm Monteiro for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years with effect from October 1, 2014 until September 30, 2019 and shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to take all necessary steps and to do all such acts, deeds and things, as they may think fit and also further to comply with the requirements, if any, under the Companies Act, 2013 and rules and regulations made thereunder."

7. To Appoint Mr. Sanjay Bahadur (DIN-00032590) as an Independent Director of the Company and in this regard 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 sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 including the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sanjay Bahadur (DIN-00032590), a non-executive and Independent Director of the Company, who has submitted a declaration stating that he meets the criteria as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment and pursuant to a notice in writing under Section 160 of the Companies Act, 2013 from a member nominating Mr. Sanjay Bahadur for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years with effect from October 1, 2014 until September 30, 2019 and shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to take all necessary steps and to do all such acts, deeds and things, as they may think fit and also further to comply with the requirements, if any, under the Companies Act, 2013 and rules and regulations made thereunder.”

8. To appoint Smt. Anita Mani (DIN: 02698418) as a Woman Director and in this regard 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 sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 including the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement Smt. Anita Mani (DIN:02698418), pursuant to a notice in writing under Section 160 of the Companies Act, 2013 from a member nominating her for the office of Director, be and is hereby appointed as a Woman Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to take all necessary steps and to do all such acts, deeds and things, as they may think fit and also further to comply with the requirements, if any, under the Companies Act, 2013 and rules and regulations made thereunder.”

9. To approve the payment of remuneration to the non-executive directors of the Company and in this regard consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the non-executive directors of the Company (i.e. directors other than the Managing Director and / or the Whole-time Directors) be paid, remuneration, in addition to the sitting fee payable in accordance with Rule 4 of the Companies (Appointment and Remuneration) Rules, 2014 for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to take all necessary steps and to do all such acts, deeds and things, as they may think fit and also further to comply with the requirements, if any, under the Companies Act, 2013 and rules and regulations made thereunder.”

10. To approve Employee Stock Option Scheme, 2014 (ESOS) and issue of Options under ESOS and in this regard 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 62(1) (b) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (share capital and Debentures) Rules, 2014 read with Memorandum and 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) and subject to all other applicable rules, regulations and guidelines of the Securities and Exchange Board of India, the listing agreement entered into with the stock exchanges where the securities of the company are listed 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 of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee including the Nomination and Remuneration Committee which the Board may, at its discretion authorize to exercise certain or all of its powers, including the powers, conferred by this resolution), 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) Equity Shares under Equity Stock Options Scheme (ESOS) to the eligible present and future employees of the Company, its holding company and subsidiaries, in accordance with Sections 62(i)(b) and 197 of the Companies Act, 2013 and the Companies (Shares and Debentures) Rules 2014 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** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company, the above ceiling of 3,50,000 equity shares shall be deemed to be increased proportionately to the extent of such additional equity shares issued.

**RESOLVED FURTHER THAT** if an Option expires or becomes unexercisable without having been exercised in full, the unpurchased shares, which were subject thereto, shall become available for future grant or sale under the Scheme (unless the Scheme has been terminated). However, shares that have actually been issued under the Scheme upon Exercise of an Option shall not be returned to the Scheme and shall not become available for future distribution under the Scheme.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the Scheme shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- per equity share bears to the revised face value of the equity shares of the company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the Board (which expression shall be deemed to include a Nomination and Remuneration Committee of the Board) 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 Board (which expression shall be deemed to include a Nomination and Remuneration Committee of the Board), subject to the provisions of the Companies Act, 2013 and the rules made thereunder, the Guidelines and the Scheme, shall be authorised to evolve, decide upon and bring into effect the Plan, quantum of the options to be granted per employee, the exercise period, the vesting period, instances where such options shall lapse and to grant such number of options, to such Employees of the Group, at par or at such other price, at such time and on such terms and conditions as set out in the Scheme and as the Nomination and Remuneration Committee may in its absolute discretion think fit and make any modifications, changes, variations, alterations or revisions in the Scheme, provided the same are not detrimental to the interest of the Employees, from time to time or to suspend, withdraw or revive the Scheme 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 on behalf of the Company and 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 and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013 and the rules made thereunder, the Memorandum and Articles of Association of the company, SEBI Guidelines and any other applicable Laws.

**RESOLVED FURTHER THAT** the Board acting through itself or a committee thereof, be authorised to issue and allot such number of Equity Shares of the Company, to such employees of the Group, upon the conversion of the options granted under such Scheme, at such price and on such terms and conditions as set out in the Scheme and as determined by the Nomination and Remuneration Committee and to take necessary steps for listing of such Equity Shares on the Stock Exchanges where the Equity Shares of the Company are listed as per the provisions of the Listing Agreements with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** approval is hereby accorded to Just Dial Limited Employee Stock Option Scheme, 2014.

**RESOLVED FURTHER THAT** the said Equity Shares may be issued and allotted in accordance with the Just Dial

Limited Employee Stock Option Scheme, 2014, which 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 this Resolution, the Board (which expression shall be deemed to include a Nomination and Remuneration Committee of the Board) be and is hereby authorised to do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable, including without limitation to settle any question, difficulty or doubt that may arise in this regard."

11. To Accord the consent in respect of variation in remuneration of Mr. V. Krishnan, Whole-time Director and in this regard 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 Sections 197, read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Company be and is hereby accorded to revise, with effect from June 1, 2014, the terms of appointment/remuneration of Mr. V. Krishnan (DIN-00034473), Whole-time Director of the Company and as set out in the Statement annexed to the Notice convening this Meeting in terms of Section 102 of the Act, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is here by given the power to alter and vary the terms and conditions of the remuneration as it may deem fit and as may be acceptable to Mr. V. Krishnan (DIN-00034473), subject to the same not exceeding the limits specified under the Act or Schedule V to the Act and rules made thereunder or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to take all necessary steps and to do all such acts, deeds and things, as they may think fit and also further to comply with the requirements, if any, under the Companies Act, 2013 and rules and regulations made thereunder."

12. To appoint Mr. Ramani Iyer as a Whole-time Director and in this regard consider and if thought fit, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and

Remuneration of Managerial personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such approvals as may be necessary, approval of the Company be and is hereby accorded to the appointment of Mr. Ramani Iyer (DIN-00033559) as Whole-time Director of the Company for a period of 5 (Five) years with effect from 1<sup>st</sup> August, 2014 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, in terms of Section 102 of the Act, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) be and is hereby given the power to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Ramani Iyer (DIN-00033559), subject to the same not exceeding the limits specified under the Act and rules made thereunder or Schedule V to the Act or any statutory modification(s) or re-enactment thereof;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to take all necessary steps and to do all such acts, deeds and things, as they may think fit and also further to comply with the requirements, if any, under the Companies Act, 2013 and rules and regulations made thereunder."

13. To accord consent to increase aggregate limit for shareholding of foreign institutional investors/foreign portfolio investors in the Company and in this regard consider and if thought fit, to pass, with or without modifications, the following resolution as **SPECIAL RESOLUTION**:

"**RESOLVED THAT** pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999, as amended ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended, provisions of the Companies Act, 2013 to the extent notified and in effect, the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013) (collectively, the "Companies Act") and all other applicable acts, rules, regulations, provisions, circulars and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to approvals, permissions, and sanctions of the Foreign Investment Promotion Board, the Government of India, Reserve Bank of India and any other regulatory authorities, if required and such conditions as may be prescribed by any of the said authorities while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to permit foreign institutional investors (including their sub-accounts) ("FIIs")/ foreign portfolio investor ("FPIs"), registered

with the Securities and Exchange of India to acquire and hold equity shares of the Company under the portfolio investment scheme/ foreign portfolio investment scheme or any other permissible mode under FEMA up to an aggregate limit of 75% of the paid-up equity share capital of the Company.

**RESOLVED FURTHER THAT** any of the Directors of the Company or the Chief Financial Officer or the Company Secretary of the Company be and are hereby severally authorised to file the requisite forms, application(s), intimations and such other documents as may be required with the Reserve Bank of India or any other authorities, take all necessary steps and actions, give such directions, delegate such authorities and to do all other acts, deeds and things, and execute all documents or writings as may be necessary in this regard."

By Order of the Board  
For Just Dial Limited

Sachin Jain  
Company Secretary

Place: Mumbai

Dated: August 19, 2014

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

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business with respect to Item Nos. 5 to 13 of the Notice, to be transacted at the Annual General Meeting is annexed hereto and forms part of the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM FOR THE ANNUAL GENERAL MEETING IS ENCLOSED.**
3. **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.**
4. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a Proxy is proposed to be appointed by a member holding 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
5. All documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company, on all working days except Saturdays, Sundays and other public holidays, up to September 24, 2014, from 11.00 a.m. to 1.00 p.m.
6. In terms of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Mr. Shailendra Jit Singh, Non-Executive Director, retires by Rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. In terms of Section 149 of the Companies Act, 2014, it is proposed to appoint Mr. B. Anand, Mr. Sanjay Bahadur, and Mr. Malcolm Monteiro as Independent Directors and Smt. Anita Mani as Woman Director of the Company. It is also proposed to Appoint Mr. Ramani Iyer as a Whole-Time Director of the Company. The Board of Directors of the Company recommends their appointment/re-appointment. The details of the Directors, who are to be appointed /re-appointed as required under Clause 49 of the Listing Agreement, are enclosed herewith in Annexure A.
7. Members/proxies should bring the enclosed attendance slip duly filled in, for attending the Meeting.
8. Members are requested to bring their copies of the Annual Report for the Meeting.
9. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Pursuant to the provisions of section 91 of the Companies Act, 2013 and clause 16 of the Equity Listing Agreement, the Register of Members and Share Transfer Book of the Company will remain closed from Monday, 15<sup>th</sup> September, 2014 to Friday, 19<sup>th</sup> September, 2014 (both days inclusive).
11. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched between 25<sup>th</sup> September, 2014 to 29<sup>th</sup> September, 2014 as under:
  - a) To all beneficial Owners in respect of shares held in dematerialized form as per the data made available with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as of the close of business hours on 12<sup>th</sup> September, 2014.
  - b) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company

on or before the close of business hours on 12<sup>th</sup> September, 2014.

12. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Share Transfer Agent, Karvy Computershare Private Limited ("Karvy") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants by the members.
13. Members are requested to send all share transfer lodgments (Physical mode) upto the record date and address all correspondence to the Registrar and Share Transfer Agent of the Company, Karvy 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.
14. Non-Resident Shareholders are requested to inform the Company at its Registered Office immediately in relation to:
  - a) The change in the Residential Status on return to India for permanent settlement.
  - b) The particulars of NRE Bank Account maintained in India with complete name and address of bank if not furnished earlier.
15. Corporate Members are requested to send a duly certified copy of their board resolution, authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013.
16. Members desirous of asking any questions at the 20<sup>th</sup> 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 20<sup>th</sup> Annual General Meeting, so that the same can be suitably replied to.
17. 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. SH-13. The Shareholders are requested to avail of this facility. The duly filled in and signed nomination provided in Form No. SH-13 should be sent to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited at the address mentioned above.
18. Members seeking any information relating to the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014 may write to the Chief Financial Officer of the Company

at its registered office or email at [investors@justdial.com](mailto:investors@justdial.com) at least 7 days before the date of the Meeting as to enable the Company to keep the information ready.

19. Pursuant to provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, companies may send notices of meetings 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](http://www.justdial.com) to register a Members e-mail ID.
20. In Compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Members are informed that the Company is pleased to offer e-voting facility as an alternative mode to voting at the meeting. Necessary arrangements have been made by the Company with Karvy Computershare Private Limited (Karvy) to facilitate e-voting. e-voting is optional and members shall have the option to vote either through e-voting or in person at the Annual General Meeting. The detailed procedure is mentioned below. For the aforesaid purpose, the Company has appointed Mr. Vijay B. Kondalkar, Practicing Company Secretary as scrutinizer for scrutinizing e-voting process in fair and transparent manner.

**The instructions for E-voting are as under:**

- A. For members who receive notice of annual general meeting through e-mail:**
  - i) Use the following URL for e-voting:  
<https://evoting.karvy.com>
  - ii) Enter the login credentials i.e., user id and password mentioned in your email. Your Folio No./DP ID/Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.
  - iii) After entering the details appropriately, click on "LOGIN".
  - iv) You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password. It is strongly recommended not to share your password

with any other person and take utmost care to keep your password confidential.

- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you to select the EVENT i.e., Just Dial Limited.
- vii) On the voting page, the number of shares (which represents the number of votes) as held by the member as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the Resolution, then enter all shares and click "FOR"/"AGAINST" as the case may be or partially in "FOR" and partially in "AGAINST", but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- ix) Cast your votes by selecting an appropriate option and click on "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- x) Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser through e-mail [scrutinizer@justdial.com](mailto:scrutinizer@justdial.com). They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format "Corporate Name\_EVENT No.".
  - xi) The Portal will remain open for voting from: 18<sup>th</sup> September 2014 (9.00 a.m.) till 20<sup>th</sup> September, 2014 (6.00 p.m.).
  - xii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual available at the "download" section of <https://evoting.karvy.com> or contact Karvy on 1800 345 4001 (toll free).
  - xiii) Members may alternatively cast their votes using the Ballot Form which is sent along with this Notice and also available on the website of the Company. Please refer instructions under heading C below for more details.

**B. For members who receive the notice of annual general meeting in physical form:**

- i) Members holding shares either in demat or physical mode who are in receipt of Notice in physical form, may cast their

votes using the Ballot Form enclosed to this Notice. Please refer instructions under heading C below for more details.

- ii) Members may alternatively opt for e-voting, for which the USER ID & initial password is provided at the bottom of the Ballot Form. Please follow steps from Sl. No.(i) to (xii) under heading A above to vote through e-voting platform.

**C. For members who wish to vote using ballot form:**

Pursuant to clause 35B of the listing agreement, members may fill in the Ballot Form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and return the duly completed and signed copy (no other form or photocopy thereof is permitted) in the enclosed self-addressed postage pre-paid envelope to the Scrutiniser, Vijay B. Kondalkar, Practising Company Secretary, Unit: Just Dial Limited, C/o Karvy Computershare Pvt. Ltd., Plot No.17-24, Near Image Hospital, Vittal Rao Nagar, Madhapur, Hyderabad – 500081, so as to reach by 6.00 p.m. on 20<sup>th</sup> September, 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.

In the event, a member casts his votes through both the processes i.e. e-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.

**D. General instructions:**

- i) The E-voting period commences from 9.00 a.m. on 18<sup>th</sup> September, 2014 and ends on 6.00 p.m. on 20<sup>th</sup> September, 2014. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date of 15<sup>th</sup> August, 2014 may cast their vote electronically. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii) The Company has appointed Vijay B. Kondalkar (ACS No. 15697 CP No. 4597), having address as A-202, Midas Enclave, Dadiseth Road, Near Babulin Naka, Malad (W), Mumbai-400 064, as the Scrutiniser to the e-voting process, (including voting through Ballot Form received from the members) in a fair and transparent manner.
- iii) The Scrutiniser shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- iv) In the event of a poll, please note that the members who have exercised their right to vote by electronic means/ through ballot form as above shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and report thereon will be prepared in accordance with section 109 of the Companies Act, 2013



read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting and using ballot form shall be counted for the purpose of passing of resolution(s).

- v) Subject to the receipt of sufficient votes, the resolutions shall be deemed to be passed at the 20th annual general meeting of the Company scheduled to be held on Wednesday, 24<sup>th</sup> September 2014. At the said Annual General Meeting, the Chairman shall declare the results of e-voting on the resolutions set out in the Notice. The results declared along with the Scrutinisers Report shall be placed on the Company's website [www.justdial.com](http://www.justdial.com) and on the website of Karvy - [www.evoting.karvy.com](http://www.evoting.karvy.com), within two days of the passing of the resolutions at the 20th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges.

## ANNEXURE A

Details of the Directors, as required under Clause 49 of the Listing Agreement, who are to be appointed/re-appointed in the ensuing Annual General Meeting:

### 1. Mr. Shailendra Jit Singh

Name of Director	Mr. Shailendra Jit Singh
Brief Resume	Shailendra Jit Singh is a Non-Independent, Non-Executive Director of the Company. He was appointed as a Director of our Company on June 21, 2012. He holds a Master's degree in Business Administration, with distinction, from Harvard Business School and a B. Tech in Chemical Engineering from the Indian Institute of Technology, Mumbai. He is also a Kauffman Fellow. He has approximately 14 years of experience in the field of investment and financial services. He is currently the Managing Director of Sequoia Capital India Advisors Private Limited. Prior to joining Sequoia Capital India Advisors Private Limited in 2006, he was a strategy consultant at Bain & Company, New York.
Expertise in Functional Area	He has expertise in the field of investment and financial services.
List of Other Companies in which Directorships Held	Flight Raja Travels Private Limited; Sequoia Capital India Advisors Private Limited; Scioinspire INC, USA; Accelyst Solutions Pte Ltd, Singapore; Mu Sigma, Inc, Delaware; and Druva Technology Pte. Ltd.
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	Nil
Shareholding in the Company	NIL

### 2. Mr. B. Anand

Name of Director	Mr. B. Anand
Brief Resume	B. Anand is the Chairman and an Independent, Non-Executive Director of the Company. He holds a Bachelor's degree in Commerce from Nagpur University and is an associate member of the ICAI. He has approximately 27 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	He has expertise in the fields of corporate finance, strategy and investment banking
List of Other Companies in which Directorships Held	Future Consumer Enterprise Limited; Nagarjuna Oil Corporation Limited; and Trafigura India Private Limited.
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	1
Shareholding in the Company	NIL

**3. Malcolm Monteiro**

Name of Director	Mr. Malcolm Monteiro
Brief Resume	Malcolm Monteiro is an Independent, Non-Executive Director of the Company. He was appointed as a Director of our Company on August 2, 2011. He holds a Bachelor's degree in Electrical Engineering from the Indian Institute of Technology, Mumbai and a Post-Graduate degree in Business Management from the Indian Institute of Management, Ahmedabad. He 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.
Expertise in Functional Area	He has experience in the fields of business management
List of Other Companies in which Directorships Held	Blue Dart Express Limited Express Industry Council of India.
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	1
Shareholding in the Company	NIL

**4. 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 30 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, Aeons Construction Products Limited, Unitech Prefab Limited and ACC Concrete Limited.
Expertise in Functional Area	He has expertise in the field of construction.
List of Other Companies in which Directorships Held	Building Envelope Systems India Limited; Dr. Fixit Institute of Structural Protection and Rehabilitation; NRCA Roofing India Private Limited; Unitech Limited. Percept Waterproofing Services Limited Bamco Supply and Services Ltd., Thailand Pidilite Bamco Limited, Thailand Construction Industry Development Council.
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	NIL
Shareholding in the Company	NIL

**Smt. Anita Mani**

Name of Director	Smt. Anita Mani
Brief Resume	Smt. Anita Mani is a one of the promoters of the Company and a former Director of the Company. She holds a Bachelor's degree in History from University of Delhi. She has been associated with the Company since its incorporation and has approximately 21 years of experience in the field of general management. She is presently a director of Just Dial Global Private Limited and Superstar Ventures Private Limited.
Expertise in Functional Area	She has expertise in the field of general management.
List of Other Companies in which Directorships Held	Just Dial Global Private Limited Superstar Ventures Private Limited
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	Nil
Shareholding in the Company	544,712 equity shares.

## 6. Mr. Ramani Iyer

Name of Director	Mr. Ramani Iyer
Brief Resume	Ramani Iyer is a Whole-time Director of the Company. He was appointed as a Director of our Company on October 28, 2005 and appointed Whole-time Director by the Board With Effect from August 1, 2014. He holds a Diploma in Hotel Management from Delhi Institute of Management & Services. He has been associated with the Company since its incorporation and has approximately 21 years of experience in the field of strategic planning and execution. Ramani Iyer is a co-founder of the Company and has played a key role with responsibilities including business development, business expansion, operations, strategic planning and execution.
Expertise in Functional Area	He has expertise in the field of strategic planning and execution.
List of Other Companies in which Directorships Held	Just Dial Global Private Limited
Membership(s)/Chairmanship(s) of the committees of Directors of other Companies	Nil
Shareholding in the Company	1,415,111 equity shares.

### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

#### Item Nos. 5 to 7:

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Malcolm Monteiro, Mr. Sanjay Bahadur, Mr. B. Anand, as Independent Directors on August 2, 2011, in compliance with the requirements of the clause. Pursuant to the provisions of section 149 of the Act, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Company has received notices in writing from Member of the Company along with the deposit of ₹ 100,000/- each in accordance with Section 160 of the Companies Act, 2013 proposing the candidature of Mr. B. Anand, Mr. Sanjay Bahadur, and Mr. Malcolm Monteiro for the office of Independent Director.

The Nomination and Remuneration Committee has recommended the appointment of these directors as Independent Directors with effect from October 1, 2014 until September 30, 2019.

Mr. B. Anand, Mr. Sanjay Bahadur, and Mr. Malcolm Monteiro, non-executive directors of the Company have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act and Clause 49 of the Listing Agreement. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under and the provisions of the Listing Agreement for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointments of these directors as Independent Directors are now being placed before the Members for their approval.

The terms and conditions of appointments of the above Directors shall be open for inspection by the Members at the Registered Office of the Company on all working days up to September 24, 2014 from 11:00 a.m. to 1:00 p.m.

Except Mr. Malcolm Monteiro, Mr. Sanjay Bahadur and Mr. B. Anand, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the resolutions at item nos. 5 to 7 of the accompanying notice.

The Board recommends ordinary Resolutions set out at item nos. 5 to 7 of the Notice for approval by the shareholders.

#### Item No. 8:

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have at least one woman director. Keeping in view the above legal requirements the Board of Directors have proposed that Smt. Anita Mani (DIN:02698418) be appointed as a Director of the Company. Consequently, it is proposed to appoint Smt. Anita Mani (DIN:02698418) as a woman director, liable retire by rotation.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Anita Mani (DIN:02698418) for the office of Director of the Company. Smt. Anita Mani (DIN:02698418) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. She holds 544,712 equity shares in the Company.

**Brief resume of Smt. Anita Mani (DIN:02698418)**

Smt. Anita Mani (DIN:02698418), holds a Bachelor's degree in History from University of Delhi. She has been associated with the Company since its incorporation and has approximately 21 years of experience in the field of general management. She is presently a director of Just Dial Global Private Limited and Superstar Ventures Private Limited.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company on all working days up to September 24, 2014 from 11:00 a.m. to 1:00 p.m.

Smt. Anita Mani (DIN:02698418) may be deemed to be concerned or interested, financially or otherwise, to the extent of the aforesaid shareholding in respect of her appointment as a Director. Mr. V. S. S. Mani (DIN: 00202052) who is her relative and the Managing Director of the Company may be deemed to be concerned or interested in the appointment of Smt. Anita Mani (DIN:02698418).

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No.8 of the Notice for approval by the shareholders.

**Item No. 9:**

Under the Act, directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Non-executive Directors by the Company should be commensurate with their increased role, responsibilities and duties.

Section 197 of the Companies Act, 2013 provides for payment of remuneration to the directors as under:

- a) Payment of remuneration to more than one managing director / whole-time director shall not exceed 10% of the net profits of the Company to all such directors; and

- b) Payment of remuneration to directors who are neither managing directors nor whole-time directors (that is non-executive directors) shall not exceed 1% of the net profits of the Company. If there is a Managing or Whole-Time Director or Manager in the Company.

The Board of Directors of the Company have, subject to the approval of members of the Company, proposed that the non-executive directors (i.e. directors other than the Managing Director and the Whole-time Directors) may be paid remuneration not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013;

The said remuneration to non-executive directors shall be in addition to the sitting fee payable to them for attending meetings of the Board and Committees thereof.

Save and except all the non-executive directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

**Item No. 10:**

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, 2014, (the "Scheme").

The information required as per Clause 6.2 of the Security and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended (the "SEBI ESOS Guidelines") is set out 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). 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	Classes of employees entitled to participate in Just Dial Limited Employee Stock Option Scheme, 2014.	A permanent employee of the 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 the 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 Nomination and Remuneration Committee constituted for the purpose.

3	Requirements of vesting, period of vesting and maximum period within which Options shall be vested.	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 / Nomination and Remuneration Committee may determine, from time to time. 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 Nomination and Remuneration Committee.
4	Exercise price and pricing formula	The Exercise Price of the Options shall be price as decided by the Nomination and Remuneration Committee in accordance with SEBI ESOS Guidelines.
5	Exercise period and process of exercise	Subject to the provisions of Just Dial Limited Employee Stock Option Scheme, 2014, 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.
6	The appraisal process for determining the eligibility of employees to Just Dial Limited Employee Stock Option Scheme, 2013.	The eligibility of employees to receive performance-linked grants will be determined in terms of the Just Dial Limited Employee Stock Option Scheme, 2014 formulated aforesaid. 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 Nomination and Remuneration Committee.
7	Maximum number of Options to be issued per employee and in aggregate	The Company shall not issue to any Employee Options in excess of 1% of issued and paid of share capital of the Company during any one year. The number of Options to be issued per employee will be determined by the Nomination and Remuneration Committee.
8	The method to be used by the Company to value its options	The Company may use the Fair Value method to value its Options For the purposes of this Clause the Nomination and 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 Nomination and 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. 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.

The Company shall confirm to the accounting policies specified in the SEBI Guidelines.

Subject to Approval of the Board, the Nomination and 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.

Draft of the Just Dial Limited Employee Stock Option Scheme, 2014 and other relevant documents shall be open for inspection by the Members at the Registered Office of the Company on all working days up to September 24, 2014 from 11:00 a.m. to 1:00 p.m.

Except to the extent of options that may be granted in this Scheme none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP are, in any way, concerned or interested, financially or otherwise in the resolutions at item no. 10 of the notice.

The Board recommends the Special resolution set out at Item No.10 of the Notice for approval by the shareholders.

**Item No. 11:**

The Board of Directors of the Company at its meeting held on July 27, 2011 had appointed Mr. V. Krishnan as Whole-time Director of the Company for a period of 5 (five) years commencing from August 1, 2011 up to and including July 31, 2016. The said appointment was approved by the Members at their meeting held on August 2, 2011.

On recommendation of Compensation/Remuneration Committee, the Board of Directors of the Company at its meeting held on May 12, 2014 has revised the remuneration structure of Mr. V. Krishnan subject to the approval of Members. All other terms and conditions of the appointment will remain unchanged. The revised remuneration will be subject to the overall limits as provided under Section 197 and 198 of the Companies Act, 2013 read with Schedule V and other applicable provisions, as may be applicable of the Act.

The details of revised remuneration of Mr. V. Krishnan as Whole-time Director with effect from June 1, 2014 are as under.

**I Remuneration:**

- a) Monthly Fixed Salary – ₹ 5,00,000/- per month with annual increment of up to 15% per annum as may be decided by the Board of Directors of the Company or any committee thereof.
  - b) Rent Free Accommodation up to the Rent of an amount not exceeding ₹ 500,000 /- per month inclusive of all applicable taxes and charges, subject to revision/increase not exceeding 15% annually at the discretion of the Board of Directors of the Company.
  - c) Incentive @ 0.34% of the net profit of the Company.
  - d) However, the Total Remuneration as mentioned at a), b) and c) above shall not exceed ₹ 1,60,00,000/- (Rupees One Crore Sixty Lakhs Only) Per Annum or the increased amount, as may be increased by the Board of Directors of the Company or any committee thereof.
  - e) Perquisites: Perquisites in accordance with the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company or any committee thereof from time to time.
  - f) Medical Reimbursement:  
Reimbursement of expenses incurred for self and family per the policy of the Company.
  - g) Leave Travel Concession:  
Leave Travel Concession for self and family, once in a year incurred in accordance with the rules of the Company.
  - h) Personal Accident Insurance:  
Personal Accident Insurance as per the policy of the Company.
  - i) Company's contribution towards Provident Fund as per the rules of the Company.
  - j) Company's contribution towards Superannuation Funds as per rules of the Company.  
Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - k) Gratuity:  
As per rules of the Company.
  - l) Earned Leave:  
As per rules of the Company.
  - m) Car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.
- II In the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole Time Director shall be governed by Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole-time Director.
  - III The Company shall reimburse to the Whole-time Director entertainment, traveling and all other expenses incurred by him for the business of the Company.
  - IV During the remaining tenure of his office as Whole-time Director, he shall be liable to retire by rotation.
  - V Other terms and conditions of appointment of Mr. V. Krishnan (DIN-00034473) will remain as it is as approved by the Members of the Company in their meeting held on August 2, 2011.

This may be treated as an abstract of the terms and conditions governing the variation in the payment of remuneration to Mr. V. Krishnan (DIN-00034473) pursuant to Section 190 of the Companies Act, 2013 and other applicable provisions of the Act, if any.

The Relevant details of variation in the remuneration of the above Director shall be open for inspection by the Members at the Registered Office of the Company on all working days up to September 24, 2014 from 11:00 a.m. to 1:00 p.m.

Mr. V. Krishnan (DIN-00034473), Mr. V. S. S. Mani, (DIN: 00202052) and Mr. Ramani Iyer (DIN-00033559) directors of the Company are interested in the resolutions set out respectively at Item No. 11 of the Notice.

Explanation: Family means the spouse, the dependent children and dependent parents of the Whole Time Director.

The relatives of Mr. V. Krishnan (DIN-00034473), Mr. V. S. S. Mani, (DIN: 00202052) and Mr. Ramani Iyer (DIN-00033559) may be deemed to be interested in the resolutions set out respectively at Item No. 11 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolutions set out at Item No. 11 of the Notice for approval by the shareholders.

#### Item No. 12:

Mr. Ramani Iyer (DIN: 00033559) was a Non-Executive Director of the Company He is also a director of Just Dial Global Private Limited and was looking after global operations.

As the Company proposed to enter in to global market, the Board of Directors decided to use the experience of Mr. Ramani Iyer (DIN: 00033559) and at its meeting held on July 25, 2014 appointed him as a whole-time director of the Company for a period of 5 (five) years w.e.f. August 1, 2014 at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the appointment of and remuneration payable to Mr. Ramani Iyer (DIN: 00033559) as Whole-time Director in terms of the applicable provisions of the Act. Broad particulars of the terms of appointment of and remuneration payable to Mr. Ramani Iyer (DIN: 00033559) are as under:

#### I. Period: 1<sup>st</sup> August, 2014 to 31<sup>st</sup> July, 2019.

#### II Remuneration:

- a) Monthly Fixed Salary –: ₹ 5,00,000/- per month with annual increment of up to 15% per annual as may be decided by the Board of Directors of the Company or any committee thereof.
- b) Incentive not exceeding @ 0.70% of the net profit of the Company as per the audited financial statements of the Company.
- c) However, the Total Remuneration as mentioned at a) and b) above shall not exceeds ₹ 1,60,00,000/- (Rupees One Crore Sixty Lakhs Only) Per Annum or the increased amount, as may increased by the Board of Directors of the Company or any committee thereof.
- d) Perquisites: Perquisites in accordance with the rules of the Company and any additional perquisites as may be decided by the Board of Directors of the Company or any committee thereof from time to time.
- e) Medical Reimbursement:  
Reimbursement of expenses incurred for self and family per the policy of the Company.

- f) Leave Travel Concession:  
Leave Travel Concession for self and family, once in a year incurred in accordance with the rules of the Company.

Explanation: Family means the spouse, the dependent children and dependent parents of the Whole Time Director.

- g) Personal Accident Insurance:  
Personal Accident Insurance as per the policy of the Company.
- h) Company's contribution towards Provident Fund as per the rules of the Company.
- i) Company's contribution towards Superannuation Funds as per rules of the Company.

Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

- j) Gratuity:  
As per rules of the Company.
- k) Earned Leave:  
As per rules of the Company.
- l) Car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.

- III The terms and conditions set out for appointment and payment of remuneration herein may be altered and revised from time to time by the Board of Directors of the Company.

- IV. In the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole-time Director shall be governed by Section II of Part II of Schedule v to the Companies Act, 2013 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole-time Director.

- V The Whole-time Director shall not, so long as he functions as such, be paid any sitting fees for attending meetings of the Board of Directors or any Committees thereof.

- VI The Company shall reimburse to the Whole-time Director entertainment, traveling and all other expenses incurred by him for the business of the Company.

#### VII. General:

- (i) The Whole-time Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board

from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and the functions of the Whole-time Director will be under the overall authority of the Managing Director.

- (ii) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.

**VIII** During such time as Mr. Ramani Iyer (DIN-00033559) holds and continues to hold the office of the Whole Time Director, he shall not be liable to retirement by rotation as a Director.

**IX** The Appointment may be terminated at any time by either party thereto by giving to the other party six months notice of such termination and neither party will have any claim against other for damages or compensation by reason of such termination. In any event, the Whole Time Director shall not be entitled for any compensation in cases mentioned in Section 202(2) of the Companies Act, 2013.

Mr. Ramani Iyer (DIN-00033559) satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Ramani Iyer (DIN-00033559) under Section 190 of the Act.

Mr. Ramani Iyer (DIN-00033559), Mr. V. S. S. Mani, (DIN: 00202052) and Mr. V. Krishnan (DIN-00034473) are interested in the resolutions set out respectively at Item No. 12 of the Notice.

The relatives of Mr. Ramani Iyer (DIN-00033559), Mr. V. S. S. Mani, (DIN: 00202052) and Mr. V. Krishnan (DIN-00034473) may be deemed to be interested in the resolutions set out respectively at Item No. 12 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolutions set out at Item No. 12 of the Notice for approval by the shareholders.

#### Item No. 13:

In terms of the provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended ("FEMA 20") and the consolidated Foreign Direct Investment Policy (circular 1 of 2014 dated April 17, 2014) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry (the "Consolidated FDI Policy") the aggregate investment by foreign institutional investors ("FIIs") /foreign portfolio investors ("FPIs") in a company is capped at 24% of its paid up capital (the "FII/ FPI Limit"). However, the FII/ FPI Limit can be increased to the sectoral cap or statutory ceiling with the approval of the board of directors and the shareholders of the company. Such increase in the FII/FPI is further subject to intimation to the Reserve Bank of India.

The Company had pursuant to a resolution dated July 27, 2011 passed by its Board of Directors and a resolution dated August 2, 2011 passed by its shareholders, increased the limit on the shareholding of FIIs in the Company from 24% to 49% of its paid-up capital. Currently, the aggregate investment of FIIs in the Company is approximately 26.18% of its paid up share capital.

The one-year lock-in on the pre-IPO share capital of the Company in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, has expired on May 31, 2014. It is expected that there would be an increase in participation by FIIs/FPIs in trading of the equity shares of the Company on the stock exchanges, upon expiry of the said lock-in. In light of the same, it is proposed to increase the FII/ FPI Limit to 75% of the paid-up capital of the Company.

Accordingly, consent of the shareholders of the Company by way of a special resolution has been sought.

The board of directors of the Company recommends the passing of the resolution set out in Item No. 13 as a Special Resolution.

Neither the Directors nor the key managerial personnel of the Company nor any of their relatives is, in any way, concerned or interested in the proposed resolution.

By Order of the Board  
For Just Dial Limited

Sachin Jain  
Company Secretary

Place: Mumbai  
Dated: August 19, 2014

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





CIN: L74140MH1993PLC150054

**Registered Office:** 501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Complex, New Link Road, Malad (West), Mumbai – 400064 Tel.: 022-28884060/66976666 Website: www.justdial.com Email:investors@justdial.com

## Attendance Slip

Please fill attendance slip and hand it over at the entrance of the meeting hall. Joint shareholders may obtain additional Slip at the venue of the meeting

D.P. Id*	
Client Id *	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER: .....

I hereby record my presence at the **20th Annual General Meeting** of the Company held on **Wednesday, September 24, 2014 at 3:30 P.M.** at West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064.

Signature of Shareholder/Proxy

\* Applicable for investors holding shares in electronic form.







CIN: L74140MH1993PLC150054

Registered Office: 501/B, 5th Floor, Palm Court, Building M, Besides Goregaon Sports Complex, New Link Road, Malad (West), Mumbai – 400064 Tel.: 022-28884060/66976666 Website: www.justdial.com Email:investors@justdial.com

## Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies Management and Administration) Rules, 2014]

CIN : L74140MH1993PLC150054

Name of the Company : JUST DIAL LIMITED

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

Name of the member(s) : .....

Registered Address : .....

Email ID : .....

Folio No./Client ID/DP ID : .....

I/We, being the member(s) of.....shares of the above named Company, hereby appoint:

- 1) Name : ..... Address : .....  
 Email ID or failing him : ..... Signature : .....
- 2) Name : ..... Address : .....  
 Email ID or failing him : ..... Signature : .....
- 3) Name : ..... Address : .....  
 Email ID : ..... Signature : .....



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **20th Annual General Meeting** of the Company to be held on Wednesday, **September 24, 2014 at 3:30 P.M., at** West Banquet Hall, Goregaon Sports Club, Link Road, Malad West, Mumbai – 400 064 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	VOTE <sup>3</sup>	
		FOR	AGAINST
	<b>ORDINARY BUSINESS</b>		
1.	Adoption of Financial Statement for the Year ended March 31, 2014		
2.	Declaration Dividend on Equity Shares		
3.	Re-appointment of Mr. Shailendra Jit Singh (DIN-01930079) who retires by rotation.		
4.	Appointment of M/s. S. R. Batliboi & Associates LLP, Chartered Accountants auditors and fix their remuneration		
	<b>SPECIAL BUSINESS</b>		
5.	Appointment of Mr. B. Anand (DIN-02792009) as an Independent Director		
6.	Appointment of Mr. Malcolm Monteiro (DIN-00089757) as an Independent Director.		
7.	Appointment of Mr. Sanjay Bahadur (DIN-00032590) as an Independent Director		
8.	Appointment of Smt. Anita Mani (DIN: 02698418) as a Woman Director.		
9.	Special Resolution for approval of payment of remuneration to non-executive directors		
10.	Special Resolution under section 62(1) (b) of the Companies Act, 2013 for approval Employee Stock Option Scheme, 2014 (ESOS) and issue of Options under ESOS.		
11.	Special Resolution under section 197 of the Companies Act, 2013 for variation in remuneration of Mr. V. Krishnan, Whole-time Director.		
12.	Appointment of Mr. Ramani Iyer as a Whole-time Director.		
13.	Special Resolution to increase aggregate limit for shareholding of foreign institutional investors / foreign portfolio investors.		

Signed this..... day of ..... 2014.

Affix Revenue Stamp
---------------------------

.....  
Signature of shareholder

.....  
Signature of the proxy (holders)

**Note:**

1. This form of proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. For Resolutions, Explanatory Statement and notes, please refer Notice of the 20th Annual General Meeting.
3. It is Optional to put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the 'FOR' or 'AGAINST' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in the above box before submission.



## Portfolio Credit Quality Analysis



### JUSTDIAL LIMITED

CRISIL Research certifies that for the **Financial Year 2013-14**, the overall credit quality of Justdial Limited's treasury portfolio of fixed income investments has been consistently evaluated as **'Very Good'** (highest safety from credit default on CRISIL's 4 point scale)

Sandeep Sabharwal  
Senior Director, Capital Markets  
CRISIL Research

*Disclaimer: CRISIL Research, a division of CRISIL Limited (CRISIL, a Standard and Poor's Company) has taken due care and caution in the portfolio credit quality analysis (Analysis). Information has been obtained by CRISIL from sources which it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of data. CRISIL especially states that it has no financial liability whatsoever to the subscribers/users/transmitters/distributors of the Analysis.*





**REGISTERED & CORPORATE OFFICE**

**JUST DIAL LIMITED**

**CIN: L74140MH1993PLC150054**

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

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