

infoedge

Date: May 6, 2025

1. **The Manager- Listing**
National Stock Exchange of India Limited
(Scrip Symbol: NAUKRI)
2. **The Manager- Listing**
BSE Limited
(Scrip Code: 532777)

Dear Sir/Madam,

Sub.: Letter to shareholders

Please find attached letter to the shareholders of the Company (enclosed as Annexure A) explaining the investment management team's perspective on its financial investment journey.

This intimation is also being uploaded on Company's website and can be accessed at www.infoedge.in

This is for your information and records.

Thanking you,

Yours faithfully,
For **Info Edge (India) Limited**

Jaya Bhatia
Company Secretary & Compliance Officer

Encl.: A/a

Dear Shareholder,

We are grateful for the trust and confidence you have reposed in Info Edge. Shareholders play a crucial role in the Company's journey, and we truly appreciate your continued support and guidance.

The start of a new financial year is an opportunity to update you on the performance of the financial investments and detail out the investing strategy and method going ahead. As we distilled our own learnings for this purpose, we had a few realizations which we are sharing below since it will help us set context about the promise we see here and why we are excited about continuing this momentum:

Early stage financial investing has created immense value for Info Edge shareholders

We first started investing in early stage technology startups around 18 years ago in 2007. This investing activity today contributes to an estimated 30-40% of the value of the Company if analyst reports are to be believed - second only to the contribution of Naukri.com. If you had asked us back in 2007 whether we expected that we will come this far and create as much shareholder value as we have, we would not have anticipated it in the least.

Value creation through investing in tech-led and tech-enabled startups is scalable, sustainable and repeatable. It possibly gives us an edge as a tech operating company that very few others have in our field or otherwise

This becomes evident when we break down the 18 years of investing in the following four phases:

The first phase was from 2007 to 2012. Zomato and Policybazaar have been breakout successes of this period from over half a dozen investee companies. The combined market capitalization of these two companies is over INR 2.5 lakh Cr. while the value of our shareholding is over INR 31,500 Cr. (as on March 31, 2025).

The second phase was from 2012 to 2015. We treaded cautiously in this period as the winners from Phase 1 were yet to emerge. We continued to support the existing portfolio wherever merited and needed, while not making investments into any new companies.

The third phase was from 2016 to 2019 once it had become clear that Zomato and Policybazaar would be winners. Companies that we invested in during this period include Adda247 and Shippy among others. These are all companies at varying stages of maturity, but we remain optimistic that some of these will emerge as multi-baggers for us. Several of these companies have gone on to raise investments at higher valuations from reputed investors like Westbridge Capital, Google, Peak XV Partners, A91 Partners, etc. Most of these emerging winners are well capitalized with years of runway to execute and hopefully list on the public markets.

The fourth phase of our early stage investing journey began in 2019 when we decided to set up a Venture Capital Fund, namely Info Edge Venture Fund ("IEVF") in the form of a SEBI registered AIF vehicle. We have since invested through three different funds (i.e., IEVF, Info Edge Capital and Capital 2B) across four schemes. The total corpus of these funds is Rs 3,422.94 Cr. out of which Info Edge has committed INR 1,613.75 Cr. MacRitchie Investments

Pte. Ltd. [an indirect wholly owned subsidiary of Temasek Holdings (Private) Limited (“Temasek”)] has also committed INR 1,593.75 Cr. into these AIF funds. Apart from the AIF funds, we also began to invest with a small pool of money in early stage deep tech companies through a wholly owned subsidiary of Info Edge named Redstart Labs (India) Ltd. (“Redstart”). While the AIF vehicles are still relatively nascent (early stage investing usually needs 7-8 years for promising companies to achieve meaningful scale in revenue and market share), several portfolio companies are already showing early promise with strong revenue growth, break-even/profitability, leadership in their space and follow-on funding led by new external investors. Portfolio companies such as TrueMeds, Geniemode, Attentive.ai, Aftershoot, Mirana, Osfm, InPrime, among others, have received follow-on investments from investors like Accel, Peak XV, Matrix, Westbridge, Tiger Global, Multiples PE, Fundamentum, Vertex, Left Lane and others. Moreover, the largest investment of Info Edge Capital, Bluestone Jewellery and Lifestyle Private Limited (“Bluestone”), has received follow-on investment from Prosus (Naspers group), Peak XV and Steadview Capital, and has already filed its Draft Red Herring Prospectus with SEBI for an IPO in the coming months.

We have invested in 111 companies across the years, not including investments in startups in the spaces that Info Edge has operating businesses. Out of these, 76 companies have institutional co-investors/follow-on investors. Annexure 1 has a list of live investments (excluding investments made from Redstart). Several of these on the basis of their growth, profitability and market share are beginning to look like potential winners.

For a more concise overview of all aforesaid funds from the fourth phase (which started in 2019) and investments made through wholly-owned subsidiaries (“Balance Sheet Investments”), please see the summary below as on December 31, 2024:

Table 1: AIFs only		
Particulars (in INR Cr)	Total	By Info Edge (India) Limited
Fund Size/Commitment	3,422.94	1,613.75
Drawdown (inc. cash available with AIFs)	2,135.40	1,028.50
NAV	2,889.03	1,397.56
Estimated Gross Internal Rate of Return (IRR)	18.7%	

Table 2: AIFs and Balance Sheet investments (Combined)	
Total Invested Capital (Info Edge and other LPs)	3,959.16
FMV of Invested Capital	36,855.40
Estimated Gross Internal Rate of Return (IRR)	36.0%

Note:

1. All figures in INR Cr. unless mentioned otherwise. Gross Internal Rate of Return (IRR) in Table 1 refers to the AIF's rate of return, at an aggregate level, calculated prior to the deduction of any carried interest, fees, costs, or expenses. It is based on realised and unrealised gross asset values as of December 31, 2024, included in the limited reviewed financial statements reported by the statutory auditors of respective AIFs.
2. FMV of listed companies (Zomato & Policybazaar) are as on March 31, 2025. Accordingly, Gross IRR in Table 2 has been calculated using these FMVs where FMV stands for Fair Market Value. Excludes investments made from Redstart. Invested Capital refers to the capital that has been invested in companies and excludes cash available with AIFs as of December 31, 2024.

Please note that IRRs are derived using Fair Market Value (FMV) of investments. To revise FMV of an investment upwards from cost, the company should have got an external investor to invest at a higher valuation. In rare cases, our auditors might decide on revising the value of a company upwards based on significant outperformance on business metrics. We revise FMV downwards if the business is lagging in its projected numbers or it raises money at a lower valuation than earlier. Please also note that the performance above does not include investments made by Info Edge's Internal Corporate Development team into areas strategic for Info Edge i.e. recruitment, real estate, matrimony and education classifieds. These are done and managed by a different team.

Early stage investing needs 7-10 years for any positive results to emerge

Since we started our financial investing activity in 2007, we have achieved an estimated 36.0% gross IRR across all vintages put together (the 18.7% mentioned above is the estimated IRR of only the AIF investments). A lot of these returns only came about in the last 5-7 years once the oldest investments started to become mature. We believe there is a lot of unrealized value in the more recent investments. Business growth, growing market share, externally led follow-on rounds by marquee investors etc., are all strong markers of potential value that will get realized in future when these cos. list in the public markets (our preference) or get acquired. Intermediate IRRs give some indication as to what may be possible tomorrow, but early stage investing tends to be a game of catching potential outliers early. We believe we have a fair number of those across the investments.

We have worked hard to put together one of the best early stage investing teams in the business who have been at it together for years

Any investing activity or business line is only as good as its leadership especially in a people led business like ours. We work with founders to help create category defining companies that can be public market stalwarts of the next decade and more. We often say internally that IRR is a happy incidental outcome of doing what we do best- work as partners with high quality founders who are solving unsolved problems with ground-up solutions. With technology moving so fast in the Artificial Intelligence age, we've carefully put together a team with a mix of operating and investing experience that has complementary skillsets- from assessing new emerging technologies to going through thousands of startups to make just a few investments, to supporting investees post funding in recruiting, GTM, fundraising etc. and finally in their journey to the public markets. Our team has seen more than one seed to IPO journeys. Their north star remains strong governance and financial controls as much as strong financial returns. The latter is never chased in compromise of the former.

Hopefully the above provides a picture of where we are in our journey and how we visualise the next years to come. In case you have any questions or thoughts about our investments or investing strategy, please do not hesitate to write into investors.aif@infoedgeventures.com.

Regards

Sd/-

Sanjeev Bikhchandani

Note: This letter does not refer to or include any strategic investments that Info Edge has made (relating to its core businesses of jobs, careers, real estate, education classifieds and/or matrimony).

Some tenets of our investment philosophy

Meet as many startups as possible. We see a few hundred companies a quarter to invest in three to four

Our process relies on sourcing a vast number of opportunities which includes both inbound (cos. that reach out to us) and outbound opportunities (cos. that we reach out to).

Invest in the quest for outliers, not for IRRs in the short run

Investing in future outliers is the core of this job. When we do that well, we generate great IRR as a happy incidental outcome. These outliers have come in the form of Zomato and Policybazaar in the past. In each fund, if we can find just one or two outliers, we will have done a great job. As noted above, there are encouraging signals in each of the funds we manage of select companies maturing into outliers.

Enter early and at the right valuations

We do not subscribe to the now-popular point of view that entry valuation should not matter for early-stage investors given the reasonably large outcomes they will see if the company is right. We like to come in early and be disciplined about the entry price as it sets the company up for success. All companies will see turbulent times in our opinion and a company's ability to raise equity in stormy weather is significantly aided by reasonably priced rounds in the past and almost always hindered by the prospect of down or flat rounds because of expensive rounds in the past. What is good for the company's success is good for our success. We first entered in Zomato and Policybazaar at a pre-money valuation of around INR 9.4 Cr. and INR 21 Cr. respectively, albeit years ago.

A potentially great company has signs – learn to look for them

All great companies are unique. But there tend to be a few metrics and telltale signs that we rely on. Quality of the team, a reasonably interesting unsolved problem, early traction, potential to build IP, innovation in product, early network effect taking shape are some of the reliable leading indicators for a potentially great company.

Being founder friendly helps

Entrepreneurship is a lonely journey and founders want to work with investors who aren't just fair weather friends. Given that we are founders and we run businesses ourselves, we are able to empathize with other founders better than most investors and are there for them during difficult times. This has helped us cultivate a reputation of being founder friendly. In the long run, this pays off handsomely as founders prefer to work with us.

Stay invested for a long time and double down on winners

When you reflect on the fact that we invested in Policybazaar in 2008 and in Zomato in 2010, you realise that this is the very cornerstone of what we do - we are in the business of investing early in high quality businesses and staying invested for as long as they remain so. Further, it is in our interest to continue to view businesses with an eye on the future rather than in the rearview mirror. Granted that both Zomato and Policybazaar have created a lot of value for us already, but we expect both to remain dominant players in their respective industries and create even more value. We want to be strategic and not opportunistic about exiting these businesses - we are long term investors, not traders. We epitomise the term 'patient capital'.

Size is the enemy of returns

In order to generate great returns consistently, it is important to:

- keep fund corpuses limited to a manageable and optimal size; and
- deploy capital sustainably and thoughtfully.

Ours is as much a 'risk business' as a 'returns business'

Given that the natural predisposition of an early-stage investment is to go nowhere as opposed to become a multi-bagger, it is even more incumbent upon us to evaluate risks and diversify or mitigate them wherever possible. One of the more effective ways of doing so is using the portfolio approach to diversify away founder and industry risk. Each of our funds invests in multiple companies across multiple sectors to achieve this. We are also big believers in diversifying time risk by using the full duration of the fund to write cheques. We manage some of the longest duration funds in the country (12+2 years). Our first cheques into early stage companies are usually small and we go in with larger cheques only when the company has progressed and the risk is lower.

We also like to diversify away risk that comes from the stage of the companies we invest in by allocating a small part of the investible corpus of our funds for late-stage investments.

Ideal exits come via public listing

Almost all the money we have made is via IPOs. We have not experienced large-sized M&A deals as potential exit events in the Indian market. These are rare and difficult to orchestrate by the dint of your own work. Hence, we like our companies to start thinking about public listing once they have gotten to a certain scale. In the process, founders have to realize rather early on that an IPO is not a destination but a significant milestone in a company's journey. It marks the transition from a privately held company to a publicly traded one, bringing with it increased scrutiny, regulatory requirements, and a broader investor base. Companies that are well-prepared for this transition are more likely to succeed in the public markets and create long-term value for their shareholders. Preparing for it entails work along multiple vectors apart from building a scaled-up and preferably profitable enterprise.

Good governance earns a valuation premium

One lesson we have learnt from our innate belief and the Info Edge experience is that good governance matters. It should not only be ingrained in a founder's DNA but it also makes business sense – well governed companies get higher multiples, attract and retain talent easier, earn customer and investor trust, find it easier to attract high quality independent directors and are more respected. It leads to several other good things. And as a founder and shareholder, you sleep more peacefully at night. We emphasise this a lot with our portfolio companies.

ANNEXURE 1 – DETAILS OF LIVE INVESTMENTS

(All figures are as on December 31, 2024, unless stated otherwise)

Company Name	Brief Description	Initial Inv. Date	Sector	Investment (INR Cr)
Balance Sheet – (First Cheques from 2008 to 2012)				
Zomato	India's largest food delivery and quick commerce platform	31-Jul-10	Consumer Internet	483.78
PB Fintech	India's largest insurance and lending products aggregator	25-Sep-08	Consumer Internet	591.40
Ustraa (Now subsumed in VLCC)	Men's grooming brand	06-Nov-12	D2C Brand	39.85
Balance Sheet – (First Cheques from 2015 to 2019)				
Shopkirana	B2B e-commerce platform for consumer brands in FMCG	05-Dec-18	B2B E-commerce	127.18
Bijnis	B2B e-commerce platform focussed on footwear and fashion retailers in small cities/towns	18-Apr-18	B2B E-commerce	63.56
Gramophone	B2B e-commerce platform for agri inputs	01-Mar-18	AgriTech	77.50
Adda247	Edtech platform focused on govt. jobs test preparation	30-Oct-19	Edtech	144.20
Printo	Omichannel print and brand merchandise platform for enterprises, SMBs and consumers	07-Aug-18	Consumer Internet	43.20
Shipsy	Enterprise SaaS co. for managing end-to-end logistics operations	14-Nov-19	SaaS	68.39
IE Venture Fund I (IEVF)				
Geniemode	B2B cross-border e-commerce platform focused on design led categories like furniture, home and fashion	03-Sep-21	B2B E-commerce	129.14
Shiprocket	Logistics software providing automated shipping solution for e-commerce sellers	07-Jul-21	LogisticsTech	111.16
DotPe	DotPe is SaaS and financial services platform for SMBs and large merchants	05-Feb-20	Fintech SaaS	109.57
Truemeds	Online B2C platform for Traded Generics	21-May-20	Pharmaceuticals	96.64
Fanclash	E-sports platform to professionally compete and participate in fantasy leagues on popular e-sports from across the globe	21-May-20	Gaming	76.72
Zingbus	Omni channel inter-city bus travel platform	03-Aug-21	Road Transport	70.18

Company Name	Brief Description	Initial Inv. Date	Sector	Investment (INR Cr)
Lumiq	Enterprise SaaS company providing cloud-based data platform with a suite of plug-and-play products focussed on BFSI sector	02-Mar-21	SaaS Fintech	40.62
Attentive AI	Vertical SaaS, building AI based estimation tool (Automeasure), and E2E workflow (Accelerate) automation for landscaping and construction services companies in the US.	25-Jun-21	SaaS	40.30
Recur	Fin-tech platform for companies to raise capital by selling recurring revenue as a tradable contract and raising non-dilutive growth capital	12-Apr-22	Fintech	30.10
Qyuki	Digital creator focused platform for monetization of influencer led products, services and content	31-Jan-20	Digital Media	25.20
Bluestone	Omni-channel D2C jewellery e-tailer	04-Mar-24	Gems & Jewellery	25.09
Digivridhhi	Dairy neobank with financial products and services for the dairy industry	02-Nov-21	AgriTech	23.92
Airblack	Online upskilling platform focused on beauty	30-Apr-21	EdTech	22.75
Rusk Media	Full stack Gen-Z first digital entertainment company with a premium content studio delivering social & OTT video IPs and a social UGC-gaming platform, Rumble and Playground	23-Jun-20	Digital Media	22.50
Onebanc	Financial management app for corporate white-collar employees offering them seamless salary restructuring, reimbursements and tax-saving benefits	27-Aug-21	FinTech	18.56
Ixigo	OTA platform to book train/ flight tickets/bus tickets, hotels and cabs	20-Jul-21	B2C E-commerce	15.00
Aftershoot	AI powered culling and editing software for professional and amateur photographers	20-Jan-22	SaaS	32.82
Nowpurchase	B2B e-commerce platform for foundries to procure raw materials and optimize manufacturing (via their SaaS product)	11-Nov-21	B2B E-commerce	23.97
Polymerize	Materials Informatics platform that uses AI to accelerate material development/ formulation prediction focused on the Polymers industry	29-Oct-20	SaaS	11.22

Company Name	Brief Description	Initial Inv. Date	Sector	Investment (INR Cr)
Tartan	A payroll connectivity API company enabling consent-driven employment and income verification in real-time	22-Sep-21	FinTech	10.62
Quicksell	Whatsapp API based conversational e-commerce platform on mobile for SMBs in emerging markets	11-May-21	IT/ ITes	8.82
Nextleap	Provides growth-focused L&D courses for experienced professionals	02-Jul-21	Education & Training	7.37
FirstHive	Full-stack Customer Data Platform that enables enterprises to take control of their first-party data from all sources (online and offline)	02-Jul-20	SaaS	5.74
Skylark	Drone startup in India that has capabilities in drone hardware, operating system and software for managing flight operations.	29-Jun-21	SaaS	4.80
Bandhoo	Building a digital platform for connecting stakeholders in the construction ecosystem	20-Aug-21	B2B E-commerce	2.00
IE Venture Investment Fund II				
Bluestone	Omni-channel D2C jewellery e-tailer	25-Sep-23	Gems & Jewellery	125.49
Gnani	Voice first conversational AI platform	29-Jul-24	Conversational AI	40.38
Tractor Junction	B2C marketplace for used tractors	16-Jun-22	AgriTech	30.82
Osfm	Software suite for enterprises to automate their reconciliation processes	21-Jul-22	SaaS	27.58
BuyEazzy	Marketplace for beauty and personal care (BPC) products sold through buddies	02-Jan-24	B2B E-commerce	25.01
Ascend Capital	EV Financing NBFC focusing on L3 (E-rickshaws) and L5 financing	07-Feb-24	FinTech NBFC	25.00
Elchemy	B2B e-commerce marketplace for speciality and semi-speciality chemicals	29-Jun-22	B2B E-commerce	24.52
Shipglobal	Global shipping service for Indian SMEs and e-commerce sellers	06-Nov-23	Logistics	20.00
Urban Harvest	Provides fresh, healthy and affordable, cut fruits and vegetables to consumers	29-Dec-22	B2B E-commerce	20.00
Mirana	Mannufactures high quality and app-enabled electronic toys for kids	29-Jun-22	B2B E-commerce	18.80
Chattybao	Platform for enabling end-to-end local hyperlocal commerce	02-Aug-22	SaaS	17.21
Anscer	Autonomous Mobile Robots (AMRs) for industry use cases	18-Dec-24	Robotics	16.70
Phot.ai	AI based creative automation platform for e-commerce sellers	05-Sep-24	AI-led SaaS	16.69

Company Name	Brief Description	Initial Inv. Date	Sector	Investment (INR Cr)
CultureCircle	B2C marketplace for luxury products	21-Nov-24	B2C E-commerce	16.01
Clean Electric	Developer of fast-charging EV battery technology	09-Aug-24	e-Mobility	14.16
inprime	Provides formalized credit to the prime segment of informal sector	19-Oct-22	FinTech NBFC	13.00
FunStop Games	Casual gaming studio which creates easy to play, puzzle based, casual games	15-Sep-23	Gaming	12.25
Growcoms	B2B marketplace for whole spices, value added spices, spice derivatives and oleoresins	26-Jul-22	B2B E-commerce	11.62
Avatar Life	Metaverse to interact, socialize and play & build games in the virtual world	27-Sep-22	Web3	11.43
Evoke	Chain of hair restoration clinics in India	19-Jun-24	HealthTech	10.00
Shoppin	Multi-modal search platform for fashion discovery	27-Aug-24	B2C E-commerce	8.40
Calculus Carbon	Digital carbon market intelligence tool and a marketplace for carbon credits and other environmental commodities	10-May-23	CleanTech	8.27
Shorttok	Provide automated storytelling Short form Videos using AI/ML technologies for media and content companies globally	17-Apr-23	SaaS	8.26
Intemo	Comprehensive vertical SaaS product for Freight Forwarders (FF)	09-Aug-23	SaaS Logistics	7.38
Swageazy	E-commerce platform for customers to send gifts/swags to their employees	21-Oct-22	B2B E-commerce	5.40
Dview	Building a plug-and-play data analytics platform for data intensive mid-market companies	14-Mar-23	SaaS DevTools	4.58
Brance/30 Sundays	AI-powered travel discovery and booking platform targeted at couples	12-Dec-23	SaaS AI	4.51
RevSpot AI	Account based marketing tool for B2C companies	17-Dec-24	SaaS AI	4.15
Misfits	Online community platform that connects users with similar interests for various online and offline activities	02-Jan-24	Social	4.00
Transitry	Generating nature-based carbon credits from regenerative agricultural practices and selling high-quality credits to large enterprises	12-Mar-24	CleanTech	3.31
Trimpixel/Yoyo AI	AI hardware and software for offline retail that analyzes in-person customer conversations and generations insights/actions	07-Nov-22	SaaS	2.61

Capital 2B Fund I				
Beatoven	Generative AI music tool for creator economy	29-Jun-22	AI	8.73
Blubirch	Returns management platform for retailers	25-Aug-23	Enterprise Software	20.00
Castler	Digital Escrow Platform	02-Jun-23	Fintech	12.00
Dview	Faster and cheaper data ingestion platform	14-Mar-23	DevOps	4.58
Finarkein	Infrastructure over ODE	29-Jun-22	Fintech	2.25
Kloudlite	Developer environments for faster build	12-Apr-23	DevOps	2.40
Knowl	AI based debt collection	24-Mar-23	Fintech	4.70
Leumas	On-demand manufacturing provider for personal care and nutrition	24-Feb-23	Advanced Manufacturing	15.70
Manasthu Space	Building agile propulsion system	03-Aug-23	Space Tech	9.36
Matter Motors	Vertically integrated e-bikes and energy solutions	10-Jun-22	Clean Mobility	34.05
Metamorphosys	AI based claims platform for insurers	29-Jun-22	Enterprise Software	15.00
Marbles Health	Headset and digital therapy app for mental-health	01-Sep-22	Health Tech	2.50
Supermoney	API based, data driven supply chain channel financing platform for brands	11-Oct-23	Fintech	16.50
Sytolab	3D Bioprinting Solution	11-Mar-24	AI assisted Hardware	2.00
Botsync	Autonomous robots and factory automation	02-May-24	AI assisted Hardware	6.19
Pantherun	IP for secure Ethernet Communication	21-Nov-23	Cybersecurity	10.00
Ahammune	Building innovative therapeutic solutions to restore skin health	25-Sep-24	Bio tech	6.99

Note: This annexure does not include investments made from Redstart.