

# Report on Corporate Governance

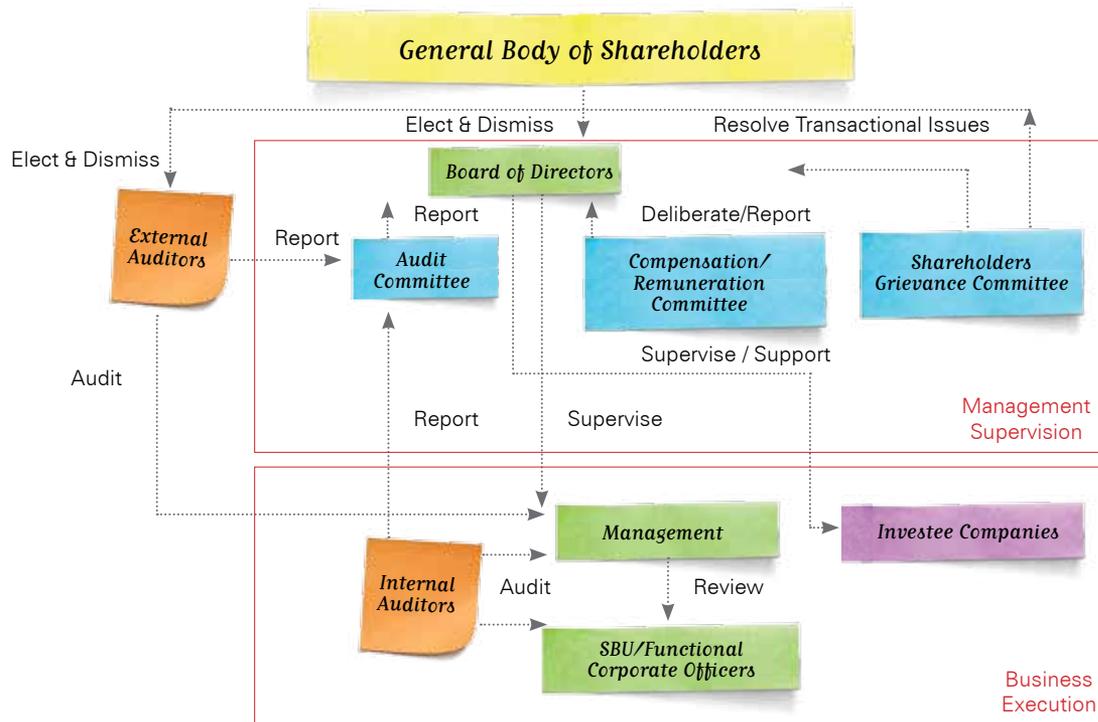
## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Info Edge has a holistic approach to sustainable value creation, which continuously strives to fulfil the interests of all stakeholders - shareholders, employees, partners, customers, suppliers and the society at large. In order to meet this objective it is imperative to establish practices that promote objective decision making, rigorous management review, strong control mechanisms and efficient Board oversight. At Info Edge, there is continuous pursuit to improve these facets while preserving the Company's core values of transparency, integrity, honesty and accountability across all its business activities.

Consequently, good corporate governance practices at Info Edge are much more than just a discipline imposed by the regulator. In fact, the company views these as a source of significant competitive strength and a guiding culture for the Board of Directors, the management and the employees. With this vision, Info Edge has always sought to explore and adhere to the best practices in corporate governance and disclosures. The Company complies with all the statutory and regulatory requirements prescribed by the Clause 49 of the Listing Agreement and also strives to implement several non-mandatory practices.

This chapter, along with the chapter on additional shareholders information is not only the Company's disclosure on compliance with the mandatory requirements on corporate governance stipulated in the listing agreement with the Stock Exchanges under clause 49, but also reflects the true spirit in which these practices are followed at Info Edge.

## INFO EDGE: CORPORATE GOVERNANCE STRUCTURE



## BOARD OF DIRECTORS

**SELECTION OF THE BOARD** The Board is responsible for selecting members to fill Board vacancies and nominating candidates for election by the Shareholders at the Annual General Meeting. The Board has constituted a Nominations Committee with a scope to select, recommend, appoint and evaluate performance of Executive Directors and Non-Executive including Independent Directors.

In FY 2011-12, there was no change in the Board of Directors of the Company.

**COMPOSITION OF THE BOARD** As on March 31, 2012 the Company's Board comprises 9 directors, of which three are Whole-time Directors, five are Independent Directors and one is a Non-executive Director. The Chairman of the Board is a Non-executive, Non-promoter Director.

*Even though the clause 49 states that if the Chairman is a Non-executive, Non-promoter Director, one-third of the Board should be independent, Info Edge believes in the value of an Independent Board and therefore more than 50 % of its Board members are Independent Directors.*

*In addition, there is segregation between the position of the CEO and the Chairman.*

TABLE 1  
COMPOSITION OF BOARD OF DIRECTORS

Board Meetings	Position	Age
Kapil Kapoor	Non- Executive Chairman	47
Arun Duggal	Non-executive, Independent Director	65
Sanjeev Bikhchandani	Executive Vice- Chairman	48
Hitesh Oberoi	Managing Director & Chief Executive Officer	39
Ambarish Raghuvanshi	Whole Time Director & Chief Financial Officer	50
Saurabh Srivastava	Non- executive, Independent Director	66
Naresh Gupta	Non-executive, Independent Director	45
Bala Deshpande	Non-executive, Independent Director	45
Ashish Gupta	Non-executive, Independent Director	45

As mandated by Clause 49, the Independent Directors on the Company's Board:

- Apart from receiving sitting fee, commission and stock options, do not have any material pecuniary relationships or transactions with the company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the Director.
- Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- Have not been an executive of the company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or executives during the preceding three years of the:
  - Statutory audit firm or the Internal audit firm that is associated with the company
  - Legal firm(s) and Consulting firm(s) that have a material association with the company
- Are not material suppliers, service providers or customers or lessors or lessees of the company, which may affect independence of the Director.
- Are not substantial shareholders of the company i.e. do not own two percent or more of the block of voting shares.
- Are not less than 21 years of age.

As mandated by the Clause 49, none of the Directors of the Company are members of more than ten Board level committees nor are they Chairman of more than five committees in which they are members.

**Policy to regulate external commitments of Whole-time Directors:** A specific policy is in place to regulate the external commitments of Whole-time Directors with respect to acceptance of Board or Advisory positions in external organizations and any strategic external investment made by them in their personal capacity, which would require their time involvement or result in conflict of interest.

The Whole-time Directors require prior approval of the Board before accepting any external Board/advisory position as well as to make strategic investment beyond a specified limit. The policy defines the maximum time the whole-time Directors can devote to external engagements, maximum limit for strategic investments etc. The policy also prohibits the Whole-time Directors to accept board/ advisory positions in any external organization where they have made personal investments.

## BOARD MEETINGS

### 1. Information Supplied to the Board

The Board has complete access to all information of the company. All the information stipulated under clause 49 is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or are tabled with the permission of the Chair during the Board meeting. There is a structured manner in which agenda items are initiated and approved before being put up to the Board for consideration.

#### The information placed before the Board includes:

1. Annual Budgets & operating plans;
2. Capital Budgets and any update;
3. Approval of Strategic Investments in Start-ups/ external companies;
4. Quarterly results of the Company and review of internal businesses;
5. Quarterly update on progress & performance of Subsidiaries & Associate Companies;
6. Minutes of all Board Committees;
7. Appointment & remuneration of Whole-time Directors;
8. Discuss material legal/ corporate developments, if any;
9. Compliance confirmation by CEO & CFO and all Business Heads;
10. Approval of important Board policies;
11. Important regulatory changes impacting the Company, its businesses, Board Members, Officer etc;
12. Information and proposal for approval of ESOP Grants as per approval matrix;
13. Presentation by Statutory Auditor on financials & processes of the Company;
14. Directors Report, Management Discussion & Analysis and Corporate Governance Report;

15. All matters to be approved by the Members in General Meeting or through Postal Ballot.

**2. Selection of Agenda Items for Board Meetings:** The Company Secretary prepares the agenda of the Board meetings on the basis of suggestions from Board of Directors. Each Board member is free to suggest the inclusion of item(s) to the agenda. The Board believes that certain continuing oversight responsibilities should have priority on the agenda, taking into account the overall focus of preserving and increasing stakeholders' value. This includes review of Company strategy and performance, budget, strategic investments, ethical business practices and legal compliance, accounting and financial controls, financial structure, preservation of assets, and Board effectiveness.

**3. Board Materials Distributed in Advance:** Information and data that is important to the Board's understanding of matters on the agenda is distributed in writing or electronically to the Board prior to the Board meetings in order to permit adequate review. The Board acknowledges that sensitive subject matters may be discussed at the Board meeting without written materials being distributed in advance or at the meeting.

The Board also periodically reviews internal control and compliance with laws applicable to the company, as well as steps taken by the company to rectify instances of non-compliances. In addition to the above, pursuant to the revised Clause 49, the minutes of the Board meetings of company's unlisted subsidiary company(s) are also placed before the Board for information.

**4. Scheduling of Board Meeting:** A minimum of four Board Meetings are held in each year and one each is held after the end of each financial quarter. These are scheduled in advance for the entire year. Additional Board meetings are convened, if needed, giving appropriate notice. For any business exigencies or urgent matters, a proposal is circulated to all Board members requesting to pass resolutions by circulation.

**5. Recording of Minutes of proceedings at Board Meeting:** The Company Secretary records the minutes of the proceedings of each Board meeting. Draft minutes are circulated to all the Board Members for their comments.

The finalised minutes of proceedings of a meeting are entered in the minutes book within 30 days from the conclusion of that meeting.

#### 6. Number of Board Meetings held and attendance during the year 2011-12

The Board of Directors met 4 times during the year on April 28, 2011, July 21, 2011, October 20, 2011 and January 19, 2012. The maximum gap between any two meetings was less than 4 months.

TABLE 2

#### ATTENDANCE & MEMBERSHIPS OF OTHER BOARDS AS ON MARCH 31, 2012

Board Meetings	No. of meetings held in 2011-12	No. of meetings attended in 2011-12	Whether attended last AGM	No. of outside Directorships of public companies	No. of Committee Memberships*	No. of Chairmanships of Committees*
Kapil Kapoor	4	3	Yes	1	2	-
Arun Duggal	4	4	Yes	11	2	2
Sanjeev Bikhchandani	4	4	Yes	-	-	-
Hitesh Oberoi	4	4	Yes	-	-	-
Ambarish Raghuvanshi	4	4	Yes	-	-	-
Saurabh Srivastava	4	4	Yes	2	1	-
Naresh Gupta	4	2	No	-	-	-
Bala Deshpande	4	2	No	3	-	-
Ashish Gupta	4	3	No	-	-	-

*In accordance with Clause-49 of the Listing Agreement, only Audit Committee & Investor Grievance Committee of other Public Limited Companies considered for Committee Membership/ Chairmanship.*

#### 7. Action taken Report on follow-up items

All follow up items are recorded separately and action taken is reported in subsequent meetings. An Action Taken Report is placed at subsequent meetings for all action points raised in the meetings.

**Code of Conduct** "The Company's" Board has laid down a Code of Ethics (conduct) for all Board members and senior management of the company. The Code is displayed on the website of the company - [www.infoedge.in](http://www.infoedge.in). All Board members and senior management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer (CEO) to this effect is enclosed at the end of this report.

**Risk Management** The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors. Making the exercise broad based and inclusive, periodical feedback is

taken from business and functional heads about their risk perception with respect to their business area and the company in general. The Audit Committee periodically evaluates and discusses the Risk assessment and mitigation mechanism thereon in their meetings.

**COMMITTEES OF THE BOARD** During the year, the Company had four Board Committees – Audit Committee, Compensation Committee, Investors Grievance Committee and Nominations Committee. Each Committee has assigned scope of responsibilities, duties, and authorities, which is reviewed by the Board from time to time in order to determine the appropriateness of the purpose for which the Committee was formed and further to keep abreast with the changing business environment. Committee composition conforms to applicable laws and regulations. Minutes of all the Committee meetings are placed for information in the subsequent Board meeting.

All decisions pertaining to the constitution of committees and fixing of terms of service for committee members is taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

**a) AUDIT COMMITTEE**

As on March 31, 2012, the Audit Committee comprises 4 members all of whom are Independent Directors. The members are Mr. Arun Duggal, Mr. Saurabh Srivastava, Dr. Naresh Gupta, and Mr. Ashish Gupta. During 2011-12, four Audit Committee meetings were held on April 28, 2011, July 21, 2011, October 20, 2011 and January 19, 2012. The time gap between any two meetings was less than four months. The details of the Audit Committee are as under:

TABLE 3  
ATTENDANCE RECORD OF COMPANY'S AUDIT COMMITTEE

Name of the Member	Position	Status	Audit Committee Meetings	Meetings Attended
Arun Duggal	Chairman of the Committee	Independent Director	4	4
Saurabh Srivastava	Member	Independent Director	4	4
Naresh Gupta	Member	Independent Director	4	2
Ashish Gupta	Member	Independent Director	4	3

The Director responsible for the finance function, the representative of the statutory auditors and internal auditors are regularly invited by the Audit Committee to its meetings. The Company Secretary is the secretary to the Committee.

Mr. Arun Duggal- Chairman of the Committee has accounting and financial management expertise by virtue of him being an International banker and Advisor to a number of Corporations, major Financial Institutions and Private Equity firms. All other members of the Committee also have accounting & financial management knowledge. The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on July 21, 2011 to answer shareholder queries.

The functions and scope of the Audit Committee include review of Company's financial reporting, internal controls, related party transactions, utilization of IPO proceeds, insider trading, disclosure in financial statements, management discussion and analysis, risk mitigation mechanism, appointment of statutory auditor and internal auditor and all other aspects as specified by Clause 49 of the Listing Agreement.

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary

Info Edge's Audit Committee carries out all the functions stipulated under Clause 49 of the listing agreement.

The company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Management discussion and analysis of financial condition and results of operations
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- Internal audit reports relating to internal control weaknesses
- The appointment, removal and terms of remuneration of the internal auditor and statutory auditor
- Whenever applicable, the uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results

In addition, the Audit Committee of the company also reviews the financial statements, in particular, the investments made by the unlisted subsidiary company (s).

The Audit Committee is also apprised on information with regard to related party transactions by being presented:

- A statement in summary form of transactions with related parties in the ordinary course of business
- Details of material individual transactions with related parties which are not in the normal course of business
- Details of material individual transactions with related parties or others, which are not on an arm's length basis along with management's justification for the same

During 2011-12, some of the key areas reviewed by the Audit Committee were:

- Review every quarter all material related party transactions
- Review & revise financial investment and the governing policy to suit the changing business environment
- Review recommendations made by Internal Auditors on internal controls and system
- Review scope and appointment of Internal and Statutory Auditors
- Reviewed & recommended amendment in the Company's Code for Prevention of Insider Trading
- Review of internal control of billing and invoicing in wholly –owned subsidiary Company- Allcheckdeals India Pvt. Ltd.

#### **b) COMPENSATION COMMITTEE**

As of March 31, 2012, the Compensation Committee comprises of Mr. Kapil Kapoor, Mr. Saurabh Srivastava and Ms. Bala Deshpande. While the Chairman is a non-executive Director, the other two are Independent Directors. The Compensation Committee held three meetings during 2011-12 on April 28, 2011, July 21, 2011 and January 19, 2012 apart from approving various proposals through circulation. Details of Compensation Committee meeting:

TABLE 4

#### **ATTENDANCE DETAILS OF COMPANY'S COMPENSATION COMMITTEE**

<b>Name of the Member</b>	<b>Position</b>	<b>Status</b>	<b>No. of Meetings held</b>	<b>No. of Meetings Attended</b>
Mr. Kapil Kapoor	Chairman of the Committee	Non-Executive Chairman of the Board	3	2
Mr. Saurabh Srivastava	Member	Independent	3	3
Ms. Bala Deshpande	Member	Independent	3	2

The Compensation Committee of the company approves the compensation terms of Directors and its responsibilities include the following:

1. Approve variation in terms of remuneration of Whole-time Directors within the overall limits approved by the Members
2. Administer Employee Stock Option Schemes including but not limited to grant of stock option, determining vesting schedule, exercise price, etc.
3. Any other matter as may be referred by the Board

#### **Remuneration policy**

The remuneration paid to the non-executive Directors of the Company is decided by the Board of Directors on the recommendations of the Compensation Committee. The remuneration policy is in consonance with the existing industry practice. As per the shareholders' approval obtained at the Extra-ordinary General Meeting of the Company held on July 21, 2011, the commission is paid at the rate not exceeding 1 % of the net profits per annum of the company, calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956.

#### **A. Non-executive Directors**

The non-executive Director is paid sitting fees for attending the meetings of the Board and Committee thereof within the ceilings prescribed by the Central Government.

#### **B. Independent Directors**

Independent Directors are paid sitting fees for attending the meetings of the Board of Directors & Committees and commission as percentage of net profits within the ceilings prescribed by the Central Government and Companies Act, 1956. The Company has also granted stock options to the Directors, the details of which are given below.

For FY 2011-12, the Board has adopted a method where Commission payable to directors shall also take into account their level of participation in Board, Committee and other meetings.

TABLE 5  
DETAILS OF REMUNERATION PAID TO DIRECTORS FOR 2011-12

(Amount in ₹ Thousand)

Name of the Director	Salary	Reimbursements	Bonus & Leave Encashment	Sitting Fees	Commission	Total
Mr. Kapil Kapoor				100.00		<b>100.00</b>
Mr. Sanjeev Bikhchandani	9,685.00	631.09	6,365.73			16,681.82
Mr. Hitesh Oberoi	8,811.87	389.44	6,560.62			15,761.93
Mr. Ambarish Raghuvanshi	8,085.00	197.09	3,499.01			11,781.10
Mr. Arun Duggal				200.00	775.00	<b>975.00</b>
Mr. Ashish Gupta				160.00	687.50	<b>847.50</b>
Mr. Saurabh Srivastava				200.00	775.00	<b>975.00</b>
Ms. Bala Deshpande				80.00	637.50	<b>717.50</b>
Mr. Naresh Gupta				100.00	637.50	<b>737.50</b>
<b>Total</b>	<b>26,581.87</b>	<b>1,217.62</b>	<b>16,425.36</b>	<b>840.00</b>	<b>3,512.50</b>	<b>48,577.35</b>

During 2011-12, the Company did not advance any loans to any of its Directors except travel or business advance in order to discharge their official duties in normal course of business.

There is no provision of any severance fee payable to any director on cessation of their employment and Directorship with the Company.

TABLE 6  
DETAILS OF STOCK OPTIONS GRANTED TO DIRECTORS

S. No.	Name	Status	No. of Options Granted	No. Options Vested	No. of Options Exercised	No. of Options in force
1	Mr. Arun Duggal	Independent Director	40,000	26,000	-	40,000
2	Mr. Ashish Gupta	Independent Director	40,000	26,000	-	40,000
3	Mr. Saurabh Srivastava	Independent Director	40,000	26,000	-	40,000
4	Mr. Naresh Gupta	Independent Director	40,000	26,000	-	40,000
5	Ms. Bala Deshpande	Independent Director	20,000	6,000	-	20,000

#### c) INVESTOR GRIEVANCE COMMITTEE

The Shareholders/Investor Grievance Committee consists of Mr. Kapil Kapoor, Mr. Ambarish Raghuvanshi and Ms. Bala Deshpande. The Committee held three meetings during 2011-12 on April 28, 2011, July 21, 2011 and January 19, 2012. Table 7 gives the details of meetings of the Committee.

TABLE 7  
ATTENDANCE DETAILS OF COMPANY'S SHAREHOLDERS/INVESTOR GRIEVANCE

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended
Mr. Kapil Kapoor	Chairman of the Committee	Non-Executive	3	2
Mr. Ambarish Raghuvanshi	Member	Whole-time	3	3
Ms. Bala Deshpande	Member	Independent	3	2

Mr. Amit Gupta, Company Secretary is the Compliance Officer of the Company.

The Committee supervises the systems of redressal of investor grievances and ensures cordial investor relations. The scope and functions of the Committee also includes approval of transfer and transmission of shares within stipulated time period. Minutes of its meetings and resolutions passed by the Committee through circulation are placed at the Board Meetings for information.

Details of queries and grievances received and attended by the company during the year 2011-12 are given in Table 8.

TABLE 8  
STATUS OF COMPLAINTS RECEIVED AND ATTENDED TO DURING 2011-12

Pending as on as April 1, 2011	Received during the year	Answered during the year	Pending as on as March 31, 2012
Nil	Nil	Nil	Nil

The Company received requests for revalidations of expired dividend warrants from some investors and these were replied alongwith demand drafts drawn at the respective locations.

#### **d) NOMINATIONS COMMITTEE**

The Board has a Nominations Committee to select, recommend, re-appointment and evaluate performance of Executive and Non-Executive Directors including Independent Directors. The Committee shall comprise of Non-Executive Chairman and all Independent Directors. The Committee would consider proposals for searching, evaluating, and recommending appropriate Independent Directors and Non-Executive Directors, based on an objective and transparent set of guidelines which would, inter alia, include the criteria for determining qualifications, positive attributes, independence of a director and availability of time with him or her to devote to the job. The Nomination Committee should also evaluate and recommend the appointment of Executive Directors.

**Subsidiary Companies** Clause 49 defines a “material non-listed Indian subsidiary” as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Under this definition, the Company does not have a ‘material non-listed Indian subsidiary’.

#### **Shares and convertible instruments held by the non-executive Directors**

Details of the shares and convertible instruments held by the non-executive Directors as on March 31, 2012

TABLE 9

#### **DETAILS OF THE SHARES HELD BY THE NON-EXECUTIVE DIRECTORS**

<b>S. No.</b>	<b>Name</b>	<b>No. of Shares</b>	<b>Percentage to total Paid-up Capital</b>
1	Mr. Kapil Kapoor	1,903,159	3.49%
2	Ms. Bala Deshpande	52,160	0.09%
3	Mr. Arun Duggal	40,000	0.07%

#### **MANAGEMENT**

**Management Discussion and Analysis** The Management Discussion and Analysis is given separately and forms part of this Annual Report.

**Disclosures on related party transactions** Details of materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. are present under in Note no. 31 to Annual Financial Statements of the Company.

**Disclosure of accounting treatment in preparation of financial statements** The financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified under Section 211 (3C) of the Companies Act, 1956 (“the Act”) and the relevant provisions of the Act.

**Details of non-compliance by the company** “The Company” has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

**Code for prevention of insider-trading practices** In compliance with the SEBI regulation on prevention of insider trading, the company has instituted a comprehensive code of conduct for its management and staff. During the year, the Company revised its Code for prevention of insider trading owing to changes in the SEBI Insider Trading Guidelines and also revised its list of insiders. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of company, and cautioning them of the consequences of violations.

**CEO/ CFO certification** The CEO and CFO certification of the financial statements for the year is enclosed at the end of the report. The Company has adopted a back-up certification system by Business & Functional Heads for compliance with respect to their concerned areas in order to imbibe a compliance & ethical culture in the organization.

#### **SHAREHOLDERS**

**Reappointment/Appointment of Directors** As per the requirements of Section 256 of the Companies Act, 1956, two-third of the Board shall consist of retiring directors out of which one third shall retire at every annual general meeting. Accordingly, Mr. Kapil Kapoor and Ms. Bala Deshpande shall retire and shall seek re-appointment in the ensuing Annual General Meeting of the Company.

**Means of Communication with Shareholders** The quarterly and half-yearly/Annual financial results are forthwith communicated to the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India

Limited (NSE), where the shares of the Company are listed, as soon as they are approved and taken on record by the Board of Directors. Public notices and financial results are published in leading newspapers, namely, Financial Express/Business Standard in English and Jansatta in Hindi, etc., along with the official news releases.

The financial results and public notices are also put up on Company's website [www.infoedge.in](http://www.infoedge.in)

For investors, the Company has created a separate e-mail ID [investors@naukri.com](mailto:investors@naukri.com)

Table -10 gives details of the publications of the financial results in the year under review.

TABLE 10

**PUBLICATIONS OF THE FINANCIAL RESULTS DURING 2011-12**

Quarter/Annual	Date of Board Meeting to approve the result	Date of Publication	English News Paper	Hindi Newspaper
Q1 FY 2011-12	July 21,2011	July 22, 2011	The Financial Express	Jansatta
Q2 FY 2011-12	October 20, 2011	October 21, 2011	Business Standard	Business Standard (Hindi)
Q3 FY 2011-12	January 19, 2012	January 20, 2012	The Financial Express	Jansatta
Q4 & Annual FY 2011-12	May 3, 2012	May 4, 2012	Mint	Rashtriya Sahara

The quarterly, half yearly and annual financial statements are promptly and prominently displayed on the company's website i.e. [www.infoedge.in](http://www.infoedge.in)

**General Body Meetings** Table 11 gives the details of the last three Annual General Meetings.

TABLE 11

**DETAILS OF LAST 3 ANNUAL GENERAL MEETINGS**

Meeting	Date	Time	Venue	No. of Special Resolutions Passed
14 <sup>th</sup> AGM	July 23, 2009	4.30 PM	FICICI Auditorium, New Delhi- 110001	1
15 <sup>th</sup> AGM	July 23, 2010	4.30 PM	FICICI Auditorium, New Delhi- 110001	1
16 <sup>th</sup> AGM	July 21, 2011	4.30 PM	Sri Sathya Sai International Centre, Bhasham Pitamah Marg, Lodhi Road, New Delhi- 110003	1

The following Special Resolutions were taken up in the last three AGMs, and were passed with requisite majority.

S. No.	Financial Year to which AGM pertains	Date of Annual General Meeting	Issue	Type of resolution
1	2008-09	July 23, 2009	Seeking approval of the shareholders for flexibility in utilising IPO proceeds including purposes other than those mentioned in the Prospectus	Special Resolution
2	2009-10	July 23, 2010	Amendment of Articles of Association	Special Resolution
3	2010-11	July 21, 2011	Approval of commission upto 1% to Independent Directors for a period of 5 years	Special Resolution

**COMPLIANCE**

*Mandatory requirements*

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

*Adoption of Non-Mandatory Requirements*

The Company is complying with all the mandatory requirements of clause-49 of the Listing Agreement. In addition the company has also adopted the Non-mandatory requirements of the constitution of Remuneration Committee (in our case named as Compensation Committee) and adoption of Whistle blower mechanism as referred in Clause-49 of the Listing Agreement.

*Whistle Blower Policy*

The Company has a whistle blower policy to provide opportunity to associates to represent, in good faith, to the Audit Committee in case they observe unethical and improper practices or any other wrongful conduct in the Company and to prevent managerial personnel from taking any adverse vindictive personnel action against those associates. During the year there no case reported under the policy.

TABLE 12  
COMPLIANCE REPORT

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
I. Board of Directors	49I	Yes	
(A) Composition of Board	49 (IA)	Yes	
(B) Non-executive Directors' compensation and disclosures	49 (IB)	Yes	
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
(D) Code of Conduct	49 (ID)	Yes	
II. Audit Committee	49 (II)	Yes	
(A) Qualified and Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee	49 (IIB)	Yes	
(C) Powers of Audit Committee	49 (IIC)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	Yes	
IV. Disclosures	49 (IV)	Yes	
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	Yes	
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes	
(E) Remuneration of Directors	49 (IV E)	Yes	
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	

## ADDITIONAL SHAREHOLDER INFORMATION

### Annual General Meeting

Date: July 25, 2012

Time: 4.30 PM

Venue: Sri Sathya Sai International Centre, Bhisham Pitamah Marg, Lodhi Road, New Delhi- 110003

### Financial Calendar

Financial year: April 1, 2011 to March 31, 2012

For the year ended March 31, 2012, results were announced for:

- First quarter- July 21, 2011
- Half yearly- October 20, 2011
- Third quarter- January 19, 2012
- Fourth quarter and annual- May 3, 2012

For the year ending March 31, 2013, results will be announced by

- First quarter- on or before August 15, 2012
- Half yearly- on or before November 15, 2012
- Third quarter- on or before February 15, 2013
- Fourth quarter and annual- May 30, 2013

### Book Closure

The Company closed its books for AGM on June 26, 2012

### Dividend Payment

Dividend @ ₹1 per equity share will be paid on post bonus expanded capital or after July 26, 2012, subject to approval by the shareholders at the ensuing Annual General Meeting.

### Listing

At present, the equity shares of the company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The annual listing fees for the financial year 2012-13 to BSE and NSE has been paid.

TABLE 1

## COMPANY'S STOCK EXCHANGE CODES

Name of the Stock Exchange	Stock Code
The National Stock Exchange of India	Naukri
The Stock Exchange, Mumbai	532777

## ISIN CODE OF THE COMPANY

INFO EDGE (INDIA) LIMITED-. INE663F01024

## Stock Market Data

Monthly High and Low and the performance of our share price vis-à-vis BSE Sensex and NSE Nifty is given in Table 2 and Chart A and B respectively.

TABLE 2

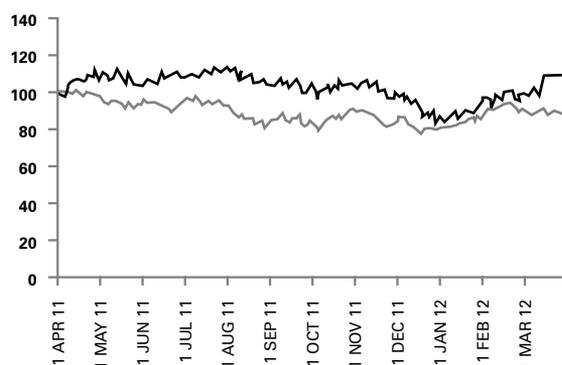
## HIGH, LOWS AND VOLUMES OF COMPANY'S SHARES FOR 2011-12 AT BSE AND NSE

	BSE			NSE		
	High	Low	Volumes	High	Low	Volumes
Apr-11	755	646	231,162	770.00	617.30	502,668
May-11	765	683.05	693,788	765.00	680.25	125,171
Jun-11	761	683.7	32,324	763.00	680.05	1,051,079
Jul-11	772	702.3	154,599	780.00	704.25	252,409
Aug-11	755	650	15,553	758.00	611.25	1,022,377
Sep-11	718	650	7,594	754.90	587.00	52,431
Oct-11	714.95	640	150,561	739.85	636.20	199,923
Nov-11	708.85	630	17,181	712.00	635.10	146,609
Dec-11	679.3	548.15	11,745	688.75	554.95	148,837
Jan-12	628	548.1	13,335	630.00	551.00	109,642
Feb-12	691	610	258,922	668.00	611.00	346,424
Mar-12	751	629.05	60,004	767.65	640.00	410,488

CHART A

## INFO EDGE'S SHARE PERFORMANCE VERSUS BSE SENSEX

— INFO EDGE BSE  
— SENSEX

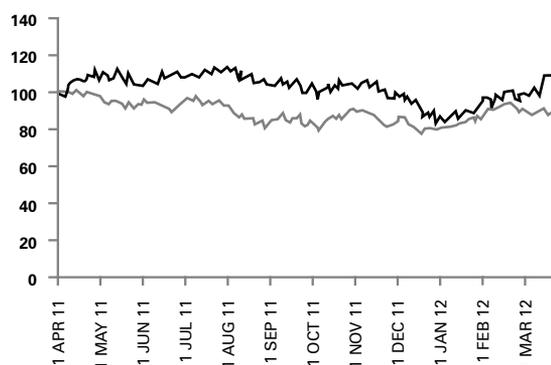


Note: Share price of Info Edge and BSE Sensex have been indexed to 100 on 1 April 2011

CHART B

## INFO EDGE'S SHARE PERFORMANCE VERSUS NSE NIFTY

— INFO EDGE NSE  
— NIFTY



**Distribution of Shareholding** Table 3-6 lists the distribution of the shareholding of the equity shares of the company by size and by ownership class as on March 31, 2012.

TABLE 3  
SHAREHOLDING PATTERN BY SIZE

NUMBER OF SHARES	NO.OF SHAREHOLDERS	% OF SHAREHOLDERS	Amount in ₹	% OF SHARES
UPTO 2500	8,726	94.80	3,463,360	0.63
2501- 5000	162	1.76	620,750	0.11
5001-10000	101	1.10	789,890	0.14
10001-20000	62	0.67	930,050	0.17
20001-30000	29	0.31	706,040	0.13
30001-40000	12	0.13	425,540	0.08
40001-50000	7	0.08	321,840	0.06
50001-100000	20	0.22	1,454,390	0.27
100001 and above	85	0.93	537,193,260	98.40
Total	9,204	100.00	545,905,120	100.00

TABLE 4  
SHAREHOLDING PATTERN BY OWNERSHIP AS ON MARCH 31, 2012

	As at March 31, 2012			As at March 31, 2011		
	No. of Shareholders	No. of Shares	% of Shareholding	No. of Shareholders	No. of Shares	% of Shareholding
A. PROMOTERS HOLDING						
Indian Promoters	5	29,235,396	53.55	5	29,508,812	54.05
B. NON-PROMOTERS HOLDING						
a) Foreign Institutional Investors (FIIs)	64	14,081,888	25.80	51	14,407,412	26.39
b) Mutual Funds & UTI	15	5,509,187	10.09	16	4,296,745	7.87
c) Private Corporate Bodies	201	67,630	0.12	251	210,125	0.39
d) Indian Public- Individuals	8,400	2,716,957	4.98	9117	2,827,546	5.18
e) Others- Directors/NRIs/OCBs/FCs/etc	519	2,979,454	5.46	557	3,339,872	6.12
Grand Total	9,204	54,590,512	100.00	9,997	54,590,512	100.00

TABLE 5  
STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY "PROMOTER & PROMOTER GROUP" AS ON MARCH 31, 2012

Sr. No.	Name of the shareholder	Number of shares	% of Total Shareholding
1	Sanjeev Bikhchandani	19,235,406	35.24
2	Sanjeev Bikhchandani & Hitesh Oberoi holding on behalf of Endeavour Holding Trust	4,367,440	8.00
3	Hitesh Oberoi	3,798,782	6.96
4	Ambarish Raghuvanshi	1,086,752	1.98
5	Surabhi Motihar Bikhchandani	747,016	1.37
	<b>TOTAL</b>	<b>29,235,396</b>	<b>53.55</b>

None of the Promoter holding in the Company is pledged or encumbered as on March 31, 2012.

TABLE 6  
STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY "PUBLIC" AND HOLDING MORE THAN 1% OF THE TOTAL NUMBER OF SHARES" AS ON MARCH 31, 2012

Sr. No.	Name of the shareholder	Number of shares	% of Total shareholding
1	T. ROWE PRICE INTERNATIONAL DISCOVERY FUND	620,245	1.14
2	GOVERNMENT PENSION FUND GLOBAL	629,954	1.15
3	FID FUNDS (MAURITIUS) LIMITED	944,414	1.73
4	DSP BLACKROCK BALANCED FUND	1,165,641	2.14
5	SMALLCAP WORLD FUND, INC	1,580,000	2.89
6	ANIL LALL	1,648,716	3.02
7	MATTHEWS INDIA FUND	1,662,489	3.05
8	EQUINOX PARTNERS LP	1,770,612	3.24
9	CITIGROUP GLOBAL MARKETS MAURITIUS PRIVATE LIMITED	1,838,251	3.37
10	KAPIL KAPOOR	1,903,159	3.49
11	RELIANCE CAPITAL TRUSTEE CO. LTD A/C RELIANCEEQUITY OPPORTUNITIES FUND	1,939,040	3.55
12	HDFC TRUSTEE COMPANY LIMITED-HDFC EQUITY FUND	2,254,916	4.13
	<b>TOTAL</b>	<b>17,957,437</b>	<b>32.89</b>

**De-materilisation of Shares** As on March 31, 2012, over 99% shares of the company were held in de-materialised form.

**Outstanding GDRs/ADRs/Warrents** The company has not issued GDRs/ ADRs/Warrants as of March 31, 2012.

**Details of Public Funding Obtained in the last three years** The Company did not raise any funds from public in last three years. The Company made the initial public offering in 2006.

**Registrar and Transfer Agent** The Company has appointed LINK INTIME INDIA PRIVATE LIMITED as its Registrar and Share Transfer Agent, to whom all shareholders communications regarding change of address, transfer of shares, change of mandate etc. should be addressed. The address of the Registrar and Share Transfer Agents is as under: -

<b>Name and Address of R and T Agent or address of the share dept, as the case may be</b>	LINK INTIME INDIA PRIVATE LIMITED, A-40, 2ND FLOOR, NEAR BATRA BANQUET HALL, NARAINA INDUSTRIAL AREA, PHASE-II NEW DELHI 110028
<b>Tel no.</b>	011-41410592- 94
<b>Fax no.</b>	011-41410591
<b>E-mail id</b>	delhi@linkintime.co.in
<b>Website</b>	www.linkintime.co.in

**Share Transfer System** The shares of the company are compulsorily traded in dematerialized form. Shares received in physical form are transferred within a period of 30 days from the date of lodgement subject to documents being valid and complete in all respects.

<b>Registered Office</b> Info Edge (India) Limited, GF-12 A, 94, Meghdoot, Nehru Place, New Delhi- 110019 Tel No.: - 011-26463894 E-Mail ID: - investors@naukri.com	<b>Corporate Office</b> Info Edge (India) Limited, A-88, Sector-2, Noida-201301. Tel No's: - 0120-3082000 Fax No: - 0120-3082095 E-Mail ID: - investors@naukri.com
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**Plant Locations** The Company has 52 offices as on March 31, 2012 spread in 32 cities across India apart from offices in Dubai, Bahrain, Riyadh and Abu Dhabi. The addresses of these offices are available on our corporate website.

**Address for Correspondence**

Info Edge (India) Limited,  
A-88, Sector-2, Noida-201301.  
Tel No's: - 0120-3082000  
Fax No: - 0120-3082095  
E-Mail ID: - investors@naukri.com

**CEO's DECLARATION TO COMPLIANCE OF CODE OF ETHICS**

This is to confirm that the Company has adopted a Code of Ethics for its Board Members and Senior Management and the same is available on our corporate website [www.infoedge.in](http://www.infoedge.in).

I confirm that the Company has in respect of financial year ended March 31, 2012 received from Members of the Board & Senior Management team of the Company a declaration of the compliance with the Code of Ethics as applicable to them.

Place: Noida  
Date: June 19, 2012

Hitesh Oberoi  
Chief Executive Officer

## **CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY**

We, Hitesh Oberoi , Chief Executive Officer and Managing Director and Ambarish Raghuvanshi, Chief Financial Officer and Director of Info Edge (India) Limited, to the best of our knowledge and belief, certify that -

- a. We have reviewed financial statements for the year ended March 31, 2012 and that to the best of our knowledge and belief :
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. 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.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee -
- i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Noida  
Date : May 2, 2012

Hitesh Oberoi  
*Chief Executive Officer*

Ambarish Raghuvanshi  
*Chief Financial Officer*

## **AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

### **To the Members of Info Edge India Limited**

We have examined the compliance of conditions of Corporate Governance by Info Edge India Limited, for the year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).

We 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.

Place: Gurgaon  
Date: June 28, 2012

For Price Waterhouse & Co.  
Firm Registration Number 007567S  
Chartered Accountants

Amitesh Dutta  
Partner  
Membership No: 58507