

Auditor's Report to the Members of MAKESENSE TECHNOLOGIES PRIVATE LIMITED

1. We have audited the attached Balance Sheet of MAKESENSE TECHNOLOGIES PRIVATE LIMITED as at 31st March, 2013, the Profit and Loss Account and also cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing and Assurance Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion, the Provisions of the Companies (Auditors' Report) Order, 2004 issued by the central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 are not applicable (in spite of it being a subsidiary of a listed public company) as :
 - CARO is-applicable to private limited company as defined u/s. 3(1)(iii). Further, this company does not have a paid-up capital and Reserves exceeding fifty lakh rupees and has not accepted any public deposit and does not have loan outstanding of Twenty five lakh rupees or more from any bank or financial institution and does not have a turnover exceeding five crore rupees.
4. Further to our comments in the Annexure referred above, 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of those books;
 - (c) The Balance Sheet and Profit and Loss Account and cash flow dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the Balance sheet, Profit and Loss Account and Cash flow dealt with by the report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable;
- (e) On the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) sub-section (1) of section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-
- (i) In the case of Balance Sheet, of the state of affairs of the Company' as at 31st March, 2013;
- (ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date;
and
- (iii) In the case of cash flow statement, the cash flows for the ended on that date.

For NARESH S. SHAH & ASSOCIATES

(Chartered Accountants)

NARESH S.SHAH
PROPRIETOR
MEMBERSHIP NO. 010585
Firm Reg No. 127332W

Place : Mumbai
Date : 1st May, 2013

Makesense Technologies Private Limited

Balance Sheet as at 31st March, 2013

Particulars		Note No.	As at 31st March, 2013	As at 31st March, 2012
A	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders' funds			
	(a) Share capital	3	5,000,000	100,000
	(b) Reserves and surplus	4	(4,097,579)	(1,851,669)
			902,421	(1,751,669)
2	Non-current liabilities			
	(a) Long-term borrowings	5	2,428,910	4,200,000
	(b) Deferred tax Liability(Net)		-	-
	(c) Other long-term liabilities		-	-
	(d) Long-term Provisions		-	-
			2,428,910	4,200,000
3	Current liabilities & provisions	6		
	(a) Short-term borrowings		-	-
	(b) Trade Payables		-	-
	(c) Other Current liabilities		25,000	61,844
	(d) Short-term Provisions		-	-
			3,356,331	2,510,175
	TOTAL			
B	<u>ASSETS</u>			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	7	95,893	110,536
	(ii) Intangible assets under development		3,248,844	2,098,094
	(b) Miscellaneous expenditure	8	-	191,910
			3,344,737	2,400,540
2	Current assets			
	Cash and cash equivalents		816	94,316
	Bank balance		10,778	15,319
			11,594	109,635
			3,356,331	2,510,175
	TOTAL			
	See accompanying notes forming part of the financial statements			

As per our Report of even date
For Naresh S. Shah & Associates
(Chartered Accountants)

CA Naresh S. Shah & Associates
Membership No. 10585
Firm Reg No. 127332W

Date: 1st May 2013
Mumbai

For & on behalf of the Board of Directors of
Makesense Technologies Pvt. Ltd

Director

Director

Date: 1st May 2013
Mumbai

Makesense Technologies Private Limited

Statement of Profit and Loss for the period ended on 31st March, 2013

Sr. No.	Particulars	Note No.	For the year ended 31 March,2013	For the year ended 31 March,2012
1	Revenue from operations (gross)		-	56,780
2	Other income		-	-
3	Total revenue (1+2)		-	56,780
4	Expenses	9	2,245,910	1,478,241
	Total expenses		2,245,910	1,478,241
5	Profit / (Loss) before tax		(2,245,910)	(1,421,461)
	Profit / (Loss) before tax		(2,245,910)	(1,421,461)
6	Tax expense:			
	Current tax expense		-	-
			(2,245,910)	(1,421,461)
7	Profit / (Loss) for the year		(2,245,910)	(1,421,461)
As per our Report of even date For Naresh S. Shah & Associates (Chartered Accountants)		For & on behalf of the Board of Directors of Makesense Technologies Pvt. Ltd.		
CA Naresh S.Shah & Associates Membership No. 10585 Firm Reg No. 127332W		Director		
Date: 1st May 2013 Mumbai		Director		
		Date: 1st May 2013 Mumbai		

Makesense Technologies Private Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	Particulars	Current Year	Previous year
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net profit (Loss) before Tax	(2,245,910)	(1,421,461)
	Operating Profit (Loss) before working capital changes	(2,245,910)	(1,421,461)
	ADJUSTMENT FOR:		
	Trade Payables & short term provisions	36,844	42,080
	Cash used in operations	(2,282,754)	(1,379,381)
	Net Cash used in operating activities (A)	(2,282,754)	(1,379,381)
B	CASH FLOW FROM INVESTING ACTIVITIES:	-	-
	Net Cash used in Investing activities (B)	-	-
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Change in Fixed Assets	14,643	(68,786)
	Change in Intangible assets	(1,150,750)	(1,696,546)
	Change in miscellaneous expenditure (Fully w/off)	191,910	(66,022)
	Increase in Paid up Capital	4,900,000	-
	Unsecured Loan Repaid	(1,771,090)	3,100,000
	Net Cash used in Financing activities (C)	2,184,713	1,268,646
	Net Increase in cash & cash activities (A+B+C)	(98,041)	(110,735)
	OPENING BALANCE		
	Cash & Bank Balance	109,635	220,370
	CLOSING BALANCE		
	Cash & Bank Balance	11,594	109,635

As per our Report of even date
For Naresh S. Shah & Associates
(Chartered Accountants)

CA Naresh S. Shah & Associates
Membership No. 10585
Firm Reg No. 127332W

Date: 1st May 2013
Mumbai

For & on behalf of the Board of Directors of
Makesense Technologies Pvt. Ltd.

Director

Director

Date: 1st May 2013
Mumbai

Significant Policies & Notes forming part of Accounts

FOR PERIOD: 1.4.2012 to 31.3.2013

1. Corporate information - MakeSense Technologies Private Limited. The Company is incorporated on 21/09/2010 Under Registration No. U74999MH 2010PTC 207974 having its registered office at 7, SIIIIn Heights, Sun City Complex, Mumbai 400076. The company's main activity is providing services and solutions in relation to placement consultancy, personnel recruitment, staffing etc, and to develop, possess, buy, sell and market certain technological solutions in area of placement consultancy including technologies like development and marketing of recruitment framework software. Company has not yet generated significant revenue as it this is only the 3rd year of the company.
2. **Significant Accounting Policies:**
 - a) **Basis of Accounting**

These accounts are prepared on historical cost basis and on the principle of going concern. Method of accounting employed by the company is mercantile system. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply' with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956.
 - b) **Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.
 - c) **Tangible Assets:**

Tangible Assets are stated at cost of acquisition inclusive of freight, duties, taxes and incidental expenses related thereto, less accumulated depreciation.
 - d) **Depreciation:**

Depreciation on fixed assets are provided on straight-line method as per rates and in the manner specified in the Schedule XIV to the Companies Act, 1956.

e) Taxation

Current tax is NIL because, company has not had any revenue in current year.

f) Earning per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average

number of equity shares outstanding during the reporting period.

g) Miscellaneous expenditure (written off in current year)

Mainly consists of increase of authorized capital costs and promotional expenditure which is now written off in current year, as considered reasonable by management.

Makesense Technologies Private Limited

Notes forming part of the financial statements

Note 3- Share capital

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised Share Capital				
Equity shares of 10/- each with voting rights	500000	5000000	500000	5000000
	500000	5000000	500000	5000000
(b) Issued Share Capital				
500000 Equity Shares of Rs.10 each fully paid up	500000	5000000	10000	100000
	500000	5000000	10000	100000
(c) Subscribed and Paid up Share Capital				
500000 Equity Shares of Rs.10 each	500000	5000000	1000	10000
	500000	5000000	1000	10000
Total	500,000	5,000,000	1,000	10,000

Makesense Technologies Private Limited

Notes forming part of the financial statements

Note 3a. Share capital (contd.)

<u>Particulars</u>								
<u>Notes:</u>								
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:								
<u>Particulars</u>	<u>Opening</u>	<u>Fresh issue</u>	<u>Bonus</u>	<u>ESOP</u>	<u>Conversion</u>	<u>Buy back</u>	<u>Other changes</u>	<u>Closing</u>
Equity shares with voting rights								
Year ended 31st Jan, 2013								
- Number of shares	10000	490000	-	-	-	-	-	500000
- Amount (Rs.)	100000	4900000	-	-	-	-	-	5000000
<p>Presently, the issued, subscribed and paid up capital of company comprises of only 1 class of capital - equity having par value of Rs.10 per share.</p> <p>Company increased its authorised capital from 150000 to Rs.5000000 during the year and its paid up capital from Rs. 1 lakh to Rs.50 lakhs, against cash.</p>								

Makesense Technologies Private Limited

Notes forming part of the financial statements

Note 4 Reserves and surplus

Particulars	As at 31st March, 2013	As at 31st March, 2012
<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
Opening balance	(1,851,669)	(430,208)
Add: Profit / (Loss) for the year	(2,245,910)	(1,421,461)
Closing balance	(4,097,579)	(1,851,669)
Total	(4,097,579)	(1,851,669)

Note 5-Borrowings Details

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Secured	Unsecured	Secured	Unsecured
	Amount	Amount	Amount	Amount
Advet Advisory Pvt Ltd	-	-	-	1,300,000
Ravi Jakhar	-	-	-	1,150,000
Ravi Jakhar (For Shares)	-	-	-	1,650,000
Samrat Fageria	-	-	-	100,000
Info Edge India Ltd	-	2,428,910	-	-
Total	-	2,428,910	-	4,200,000

Makesense Technologies Private Limited

Note 6-Current liabilities & provisions

Particulars	As at 31st Mar, 2013	As at 31st Mar, 2012
	Amount	Amount
<u>Trade Payable</u>		
Naresh S Shah & Associates	25,000	15,000
CA Kunjan Shah		10,000
<u>Duties & Taxes</u>		
TDS payable	-	17,223
Credit Card Settlement A/c	-	19,621
Total	25,000	61,844

Makesense Technologies Private Limited

Note 8-Miscellaneous expenditure

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Rs.	Rs.
Formation Fees		16,000
ROC increase in authorised capital fees	91,200	91,200
Promotional Exp	84,710	84,710
<u>Less : W/off during the year</u>	-175,910	-
Total	-	191,910

Makesense Technologies Private Limited

Notes forming part of the financial statements

Note 9 Expenses

Particulars	For the year ended	For the year ended
	31st March, 2013	31st March, 2012
Directors remuneration	393,000	132,500
Monthly Allowances to directors	269,000	-
Professional Fees	41,000	11,000
Audit Fees	25,000	15,000
Professional Tax	41,500	-
Bank Charges	505	138
Repairs & Maintainance	6,100	24,400
Electricity Charges	120,510	129,490
Telephone & Mobile charges	44,568	51,571
Office Rent	329,000	327,000
SMS & Dedicated long code service Pack Charges	37,753	42,921
Internet Chagres	115,563	9,870
Other exp	24,672	387,504
Preliminary Exps w/off	4,000	4,000
Travelling Expenses	58,803	227,800
Advertising Exp	10,350	-
BPO Teleservices	104,522	-
HR Conference	7,303	-
IVR Recording Project	10,000	-
Printing & Stationery	500	-
PRI Port Rental	93,301	-
PRI Telephone Line Rental	46,399	-
ROC Filing Fees	7,000	-
Staff Welfare	2,500	-
Technical charges	-	60,665
Web Server & Domain Rental	262,508	-
Misc exp w/off during the year	175,910	43,978
Depreciation on tangible assets	14,643	10,404
Total	2,245,910	1,478,241

...(Continued from notes 3 to 9 which are part of notes in excel format)

10. In the opinion of the Board, all the current assets, loans and advances, which are shown in the financial statement, have realizable value in the ordinary course of the business at least equivalent to the amount at which they are stated.
11. Intangible asset is mainly payments to software experts including employee's salaries that were used for software development.
12. Company has increased authorised capital from Rs. 1.50 lakhs to RS.50 lakhs issuing 490000 equity shares of RS.10 each fully paid up against cash.
13. The board is of the opinion that the provisions of Gratuity Act are not applicable to the Company

14. Related Party Disclosures:

The company has below transactions with related parties within the meaning of Accounting Standard - 18:-

Key management persons (KMP) -Mr. Vivek Arya, Mr. Anand R, Mr. Sumit Kundu

Parent company (as on 31.3.2013) - Info Edge (India) Limited

Major Ex-shareholder (as on 31.3.2013)- Mr.Ravi Jakhar, Vivek Arya, Anand R, Sumit Kundu

Particular of Transaction	KMP	Ex Shareholder	Parent Company
Total Director's Remuneration (paid before company was taken over by public company)	Rs. 3.93 (Previous Year Rs. 1.32)		
Cash allowance (paid before company was taken over by public company)	Rs. 2.69 (Previous year Rs. 2.27)		
Loan Repayment		24.10 (Previous year Rs. 11.50)	
Loan Taken			24.28
New Allotment of Share		49.00	

After the -above new allotment of Rs. 49 lakh shares, on or around 20.3.2013, individual shareholders of the company sold their 499999 shares to public limited company Info Edge (India) Limited and one share was sold to Naukri Internet Services Pvt Ltd , thus making this company a 99.99% subsidiary of Info Edge (India) Limited. Hence, technically, this company becomes a public limited company, though the words Pvt. Ltd, are stated in this company,

15. As company is just taken over in Feb/March 2013 by a public company and directors are also likely to change, as on 31.3.2013, certain compliances specifically required for public companies like audit committees, etc. are in process of being completed,
16. Company shall file a compliance certificate u/s. 383A in due course of time.
17. The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements the disclosure and presentation made in the financial statements.

For Naresh S.Shah &. ASSociates

(Chartered Accountants)

CA Naresh S,ShBh

Proprietor

Membership No. 10585

Firm Reg.No, 127332W

Mumbai, 1st May, 2013

For &. on Behalf of Board of
Makesense Technologies Pvt. Ltd.

Mumbai, 1st May, 2013