

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present Annual Report and Audited Statement of Accounts of the company for the financial year ended 31st March 2012.

Financial Results

Your company has earned a profit after tax of ₹89 Thousand in financial year 2011-12 as compared to ₹68 Thousand in financial year 2010-11.

Directors

During the year, there was no change in the Directors of the Company.

Auditors

M/s Sharma Goel & Company, Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act 1956.

Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of auditors and notes on accounts is self explanatory. Pursuant to sec 217 (2AA) of the Companies Act, 1956 the directors placed on record the following statements:

That in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;

That the directors had selected such accounting policies and applied them consistently and made 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 at the end of the financial year and of the profit or loss of the company for that period;

That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

That the directors had prepared the annual account on a going concern basis.

Acknowledgement

Your company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of the Board

Ambarish Raghuvanshi
Sanjeev Bikhchandani
(Directors)

PLACE: Noida

DATED: April 30, 2012

NAUKRI INTERNET SERVICES PRIVATE LIMITED

AUDITOR'S REPORT

TO THE MEMBERS OF NAUKRI INTERNET SERVICES PRIVATE LIMITED.

We have audited the attached Balance Sheet of Naukri Internet Services Private Limited as at March 31, 2012 and also the Profit and Loss Account and the cash flow statement of the Company 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.

We conducted our audit in accordance with auditing 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 amounts 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.

The said company is exempt from the provisions of Companies (Auditor's Report) Order, 2003 as further amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board in terms of sub-section (4A) of section 227 of the Companies Act, 1956.

We report that:

- i. 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;
- ii. 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;
- iii. The Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956.
- v. On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
 - (b) In case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: 30.04.2012

Rajesh Mittal
Partner

BALANCE SHEET AS AT MARCH 31, 2012

Particulars	Note No.	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	100	100
(b) Reserves and Surplus	4	419	330
(2) Current Liabilities			
(a) Other current liabilities	5	163	133
(b) Trade Payables	6	75	66
T O T A L		757	629
II. ASSETS			
(1) Non-current assets			
(a) Non-current investments	7	0	0
(2) Current assets			
(a) Cash and cash equivalents	8	612	487
(b) Short-term loans and advances	9	145	142
T O T A L		757	629

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date.

The notes are an integral part of these financial statements.

Rajesh Mittal
Partner
Membership No.- 95681

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: April 30, 2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING MARCH 31, 2012

Particulars	Note No	Year Ended March 31, 2012 Amount (₹' 000)	Year Ended March 31, 2011 Amount (₹' 000)
I. Revenue from operations	10	100	100
II. Other Income	11	32	25
III. Total Revenue (I + II)		132	125
<u>IV. Expenses:</u>			
Administration and Other expenses	12	12	12
Total Expenses		12	12
V. Profit before tax (III - IV)		120	113
VI. Tax expense:			
(1) Current tax		31	45
VII. Profit(Loss) from the period from continuing operations (V-VI)		89	68
VIII. Profit/(Loss) from discontinuing operations		-	-
IX. Tax expense of discounting operations		-	-
X. Profit/(Loss) from Discontinuing operations (VIII - IX)		-	-
XI. Profit/(Loss) for the period (VII + X)		89	68
XII. Earning per equity share:	14		
(1) Basic		8.93	6.78
(2) Diluted		8.93	6.78

This is the Profit and Loss Account referred to in our report of even date

The Schedules referred to above form an integral part of these accounts

Rajesh Mittal
Partner
Membership No.- 95681

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: April 30, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

S.No.	Particulars	For the year ended March 31, 2012 Amount (₹' 000)	For the year ended March 31, 2011 Amount (₹' 000)
A.	Cash flow from operating activities:		
	Net profit before tax	120	113
	Adjustments for:		
	Interest received on Fixed Deposits	(32)	(25)
	Operating profit before working capital changes	88	88
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	-	-
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	35	87
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	9	8
	Cash generated from operating activities	132	183
	- Taxes (Paid) / Received (Net of TDS)	(39)	(68)
	Net cash from operating activities	93	115
B.	Cash flow from Investing activities:		
	Interest received on Fixed Deposits	32	28
	Net cash used in investing activities	32	28
C.	Cash flow from financing activities:		
	Net cash used in financing activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents	125	143
	Opening Balance of Cash and cash equivalents	487	344
	Closing Balance of Cash and cash equivalents	612	487
	Cash and cash equivalents comprise		
	Cash in hand	0	0
	Balance with Scheduled Banks		
	-in current accounts	208	104
	-in fixed deposits	404	383
	Total	612	487

Notes:

- 1 The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 07, 2006.
- 2 Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date

Rajesh Mittal
Partner
Membership No.- 95681
For and on behalf of
Sharma Goel & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Place: New Delhi
Date: April 30, 2012

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

1. Corporate Information

Naukri Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 (the 'Act') and the relevant provisions of the Act.

2.2 Investments

Long-term investments are carried at cost less provision for permanent diminution in value of such investments. Current investments are carried at lower of cost and fair value.

2.3 Revenue Recognition

Naukri Internet Services Pvt. Ltd. has entered into an agreement with Info Edge (India) Pvt. Ltd. dated 13th September 2005 whereby the management and day to day running of the operation of the former company will be done by the later and in lieu of it the later will be paying a annual license fee of ₹ 100,000/- to Naukri Internet Services Pvt. Ltd. as License fee for usage of its domain name(s), trade mark(s) etc.

2.4 Taxes on Income

As a measure of prudence the Deferred Tax Assets (Net) in terms of Accounting Standard No. 22 specified in Companies (Accounting Standard) Rules, 2006 have not been recognized in the absence of their being virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such deferred tax assets could be realized.

2.4 Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.5 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.6 Interest Income

Interest income is recognized on the time basis determined by the amount outstanding including the tax credits and the rate applicable and where no significant uncertainty as to measurability or collectibility exists.

2.7 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. SHARE CAPITAL

Particulars	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
AUTHORISED		
10,000 Equity Shares of ₹10/- each (Previous Year - 10,000 Equity Shares of ₹ 10/- each)	100	100
ISSUED, SUBSCRIBED & PAID-UP		
10,000 Equity Shares of ₹ 10/- each, fully paid up (Previous Year - 10,000 Equity Shares of ₹ 10/- each)	100	100
	100	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at	As at	As at	As at
	March 31, 2012 No of Shares	March 31, 2012 Amount (₹' 000)	March 31, 2011 No of Shares	March 31, 2011 Amount (₹' 000)
Equity Shares				
At the beginning of the period	10,000	100	10,000	100
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	100	10,000	100

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2011-12		FY 2010-11	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹ 10 each fully paid Info Edge (India) Ltd	9,998	99.98%	9,998	99.98%
	9,998	99.98%	9,998	99.98%

4. RESERVES AND SURPLUS

Particulars	As at	As at
	March 31, 2012 Amount (₹' 000)	March 31, 2011 Amount (₹' 000)
Profit & Loss Account		
Opening Balance	330	262
Add: Net Profit after tax transferred from statement of Profit and Loss	89	68
	419	330

5. OTHER CURRENT LIABILITIES

Particulars	As at	As at
	March 31, 2012 Amount (₹' 000)	March 31, 2011 Amount (₹' 000)
Provision for Income Tax	163	133
	163	133

6. TRADE PAYABLES

Particulars	Long Term		Short Term	
	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
Audit Fees Payable	-	66	75	-
	-	66	75	-

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2012.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

7. NON CURRENT INVESTMENTS

Particulars	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
Shares in Allcheckdeals India Pvt Ltd* 1 (Previous Year 1) Equity Share of ₹ 10/- fully paid up)	0	0
	0	0

* The amounts are less than one thousand and therefore appearing at zero value.

8. CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
Cash & Cash Equivalents		
(a) Cash in Hand*	0	0
(b) Balance with Bank in Current Account	208	104
(b) Balance with Bank in Fixed Deposit	404	383
	612	487

* The amounts are less than one thousand and therefore appearing at zero value.

9. SHORT TERM LOANS AND ADVANCES

Particulars	Long Term		Short Term	
	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
(Unsecured considered good)				
Recoverable from Holding Company	-	-	-	36
Advance Tax	-	-	145	106
	-	-	145	142

10. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
License Fees	100	100
	100	100

11. OTHER INCOME

Particulars	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
Interest Received on fixed deposits	32	25
	32	25

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

12. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
Auditor's Remuneration	8	8
Professional Charges	4	4
	12	12

13. AUDITORS REMUNERATION

Particulars	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
As Auditors	8	8
Out of Pocket Expenses & Service Tax	1	1
	8	8

14. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2012	As at March 31, 2011
Profit attributable to Equity Shareholders (₹'000)	89	68
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	8.93	6.78

15. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

16 (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2012:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi

Mr Ambarish Raghuvanshi

B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹' 000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	33	-	-	33

C) Amount due to/from related parties as at March 31, 2012

Amount (₹' 000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	84	-	-	84
Credit Balances				
Outstanding Payable	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

16 (2) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2011:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi

Mr Ambarish Raghuvanshi

- B) Details of transactions with related party for the year ended March 31, 2011 in the ordinary course of business:

Amount (₹' 000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	64	-	-	64

- C) Amount due to/from related parties as at March 31, 2011

Amount (₹' 000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	36	-	-	36
Maximum Amount outstanding during the year	43	-	-	43
Credit Balances				
Outstanding Payable	-	-	-	-

17. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

18. Employee Benefits

The requirements of AS-15 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

19. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present Annual Report and Audited Statement of Accounts of the company for the financial year ended 31st March 2012.

Financial Results

Your company has earned a profit after tax of ₹68 Thousand in financial year 2011-12 as compared to ₹57 Thousand in financial year 2010-11.

Directors

During the year, there was no change in the Directors of the Company.

Auditors

M/s Sharma Goel & Company, Chartered Accountants hold office until the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act 1956.

Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of auditors and notes on accounts is self explanatory. Pursuant to sec 217 (2AA) of the Companies Act, 1956 the directors placed on record the following statements:

- That in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;
- That the directors had selected such accounting policies and applied them consistently and made 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 at the end of the financial year and of the profit or loss of the company for that period;
- That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- That the directors had prepared the annual account on a going concern basis.

Acknowledgement

Your company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of the Board

Ambarish Raghuvanshi
Sanjeev Bikhchandani
(Directors)

PLACE: Noida

DATED: April 30, 2012

JEEVANSATHI INTERNET SERVICES PRIVATE LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF JEEVANSATHI INTERNET SERVICES PVT. LTD.

We have audited the attached Balance Sheet of Jeevansathi Internet Services Pvt. Ltd. as at March 31, 2012 and also the Profit and Loss Account and the cash flow statement of the Company 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.

We conducted our audit in accordance with auditing 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 amounts 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.

The said company is exempt from the provisions of Companies (Auditor's Report) Order, 2003 as further amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by the Company Law Board in terms of sub-section (4A) of section 227 of the Companies Act, 1956.

We report that:

- i 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;
- ii. 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;
- iii. The Balance Sheet and Profit and Loss Account and the cash flow statement dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account and the cash flow statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956.
- v. On the basis of written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
 - b) In case of the Profit & Loss Account, of the profit of the Company for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Dated: 30.04.2012

Rajesh Mittal
Partner

BALANCE SHEET AS AT MARCH 31, 2012

Particulars	Note No.	As at March 31, 2012 Amount (₹' 000)	As at March 31, 2011 Amount (₹' 000)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	100	100
(b) Reserves and Surplus	4	(27)	(94)
(2) Current Liabilities			
(a) Other current liabilities	5	-	279
(b) Trade Payables	6	72	64
(c) Short Term Provisions	7	125	120
TOTAL		270	469
II. ASSETS			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	8	2	3
(2) Current assets			
(a) Cash and cash equivalents	9	143	119
(b) Short-term loans and advances	10	125	347
TOTAL		270	469

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date

The notes are an integral part of these financial statements.

Rajesh Mittal
Partner
Membership No.- 95681

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: 30/04/2012

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING MARCH 31, 2012

Particulars	Note No	Year Ended March 31, 2012 Amount (₹'000)	Year Ended March 31, 2011 Amount (₹'000)
I. Revenue from operations	11	100	100
II. Other Income	12	13	-
III. Total Revenue (I + II)		113	100
<u>IV. Expenses:</u>			
Administration and Other expenses	13	12	12
Depreciation	8	1	2
Total Expenses		13	14
V. Profit before tax (III - IV)		100	86
VI. Tax expense:			
(1) Current tax		32	29
VII. Profit(Loss) from the period from continuing operations (V-VI)		68	57
VIII. Profit/(Loss) from discontinuing operations		-	-
IX. Tax expense of discounting operations		-	-
X. Profit/(Loss) from Discontinuing operations (VIII - IX)		-	-
XI. Profit/(Loss) for the period (VII + X)		68	57
XII. Earning per equity share:	14		
(1) Basic		6.80	5.70
(2) Diluted		6.80	5.70

Significant Accounting Policies

2

This is the Statement of Profit and Loss referred to in our report of even date

The notes are an integral part of these financial statements.

Rajesh Mittal
Partner
Membership No.- 95681

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: 30/04/2012

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

S.No.	Particulars	For the year ended March 31, 2012 Amount (₹'000)	For the year ended March 31, 2011 Amount (₹'000)
A.	Cash flow from operating activities:		
	Net profit before tax	99	86
	Adjustments for:		
	Depreciation	1	2
	Interest received on income tax refund	(12)	-
	Excess provision written back	(1)	-
	Operating profit before working capital changes	87	88
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	-	-
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	-	-
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	(270)	188
	Cash generated from operating activities	(183)	276
	- Taxes (Paid) / Received (Net of TDS)	207	(280)
	Net cash from operating activities	24	(4)
B.	Cash flow from Investing activities:		
	Interest received on Fixed Deposits	-	-
	Net cash used in investing activities	-	-
C.	Cash flow from financing activities:		
	Net cash used in financing activities	-	-
	Net Increase/(Decrease) in Cash & Cash Equivalents	24	(4)
	Opening Balance of Cash and cash equivalents	119	123
	Closing Balance of Cash and cash equivalents	143	119
	Cash and cash equivalents comprise		
	Cash in hand	-	-
	Balance with Scheduled Banks		
	-in current accounts	143	119
	Total	143	119

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 07, 2006.
- Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date

Rajesh Mittal
Partner
Membership No.- 95681

For and on behalf of the Board of Directors

For and on behalf of
Sharma Goel & Co.
Chartered Accountants

Place: New Delhi
Date: 30/04/2012

Ambarish Raghuvanshi
(Director)

Sanjeev Bikhchandani
(Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

1. General Information

Jeevansathi Internet Services Private Limited (the company) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is a wholly owned subsidiary of Info Edge (India) Ltd.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

These financial statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the applicable accounting standards notified u/s 211(3C) of the Companies Act, 1956 (the 'Act') and the relevant provisions of the Act.

2.2 Fixed Assets

Fixed Assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets.

2.3 Revenue Recognition

Jeevansathi Internet Services Pvt. Ltd. has entered into an agreement with Info Edge (India) Ltd. dated 13th September 2005 whereby the management and day to day running of the operation of the former company will be done by the later and in lieu of it the later will be paying a annual license fee of ₹ 100,000/- to Jeevansathi Internet Services Pvt. Ltd. as License fee for usage of its domain name(s), trade mark(s) etc.

2.4 Taxes on Income

As a measure of prudence the Deferred Tax Assets (Net) in terms of Accounting Standard No. 22 specified in Companies (Accounting Standard) Rules, 2006 have not been recognized in the absence of their being virtual certainty supported by convincing evidence that sufficient future taxable income would be available against which such deferred tax assets could be realized.

2.4 Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.5 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.6 Depreciation

Depreciation has been provided on fixed assets on written down value method as per the rates prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

2.7 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

3. SHARE CAPITAL

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
AUTHORISED		
10,000 Equity Shares of ₹10/- each (Previous Year - 10,000 Equity Shares of ₹ 10/- each)	100	100
ISSUED, SUBSCRIBED & PAID-UP		
10,000 Equity Shares of ₹ 10/- each, fully paid up (Previous Year - 10,000 Equity Shares of ₹ 10/- each)	100	100
	100	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2012 No of Shares	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 No of Shares	As at March 31, 2011 Amount (₹'000)
Equity Shares				
At the beginning of the period	10,000	100	10,000	100
Add: Issued during the period	-	-	-	-
Outstanding at the end of the period	10,000	100	10,000	100

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2011-12		FY 2010-11	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Ltd	9,800	98.00%	9,800	98.00%
	9,800	98.00%	9,800	98.00%

4. RESERVES AND SURPLUS

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
Statement of Profit & Loss		
Opening Balance	(94)	(151)
Add: Net Profit after tax transferred from statement of Profit and Loss	67	57
	(27)	(94)

5. OTHER CURRENT LIABILITIES

Particulars	Long Term		Short Term	
	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
Payable to Holding Company	-	-	-	279
	-	-	-	279

6. TRADE PAYABLES

Particulars	Long Term		Short Term	
	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
Audit Fees Payable	-	64	72	-
	-	64	72	-

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2012.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

7. PROVISIONS

Particulars	Long Term		Short Term	
	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
Provision for Income Tax	-	-	125	120
	-	-	125	120

8. FIXED ASSETS

Amount (₹' 000)

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2011	Additions during the year	Deletions during the year	As at March 31, 2012	Up to April 1, 2011	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2012	As at March 31, 2012	As at March 31, 2011
Tangible Assets										
Computers and Software	297	-	-	297	294	1		295	2	3
Total	297	-	-	297	294	1	-	295	2	3
Previous Year	297	-	-	297	292	2	-	294	5	

9. CASH & CASH EQUIVALENTS

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
Cash & Cash Equivalents		
(a) Cash in Hand	-	-
(b) Balance with Bank in Current Account	143	119
	143	119

10. SHORT TERM LOANS AND ADVANCES

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
(Unsecured, considered good)		
Advance Tax	125	347
	125	347

11. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
License Fees	100	100
	100	100

12. OTHER INCOME

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
Income Tax Refund	12	-
Excess Provision written back	1	-
	13	-

13. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
Auditor's Remuneration	8	8
Professional Charges	4	4
	12	12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

14. BASIC & DILUTED EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2012	As at March 31, 2011
Profit attributable to Equity Shareholders (₹'000)	68	57
Weighted average number of Equity Shares outstanding during the year (Nos.)	10,000	10,000
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	6.80	5.70

15. AUDITORS REMUNERATION

Particulars	As at March 31, 2012 Amount (₹'000)	As at March 31, 2011 Amount (₹'000)
As Auditors	8	8
Out of Pocket Expenses & Service Tax	1	1
	9	9

16. The Company is not engaged in either manufacturing or trading of goods. Accordingly disclosures relating to Quantitative information as required under Part II of Schedule VI to the Act, with regard to finished goods / raw materials and components consumed are not applicable.

17 (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2012:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi

Mr Ambarish Raghuvanshi

B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	27	-	-	27

C) Amount due to/from related parties as at March 31, 2012

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	84	-	-	84
Credit Balances				
Outstanding Payable	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

17 (2) Related Party Disclosures

- A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2011:

Holding Company

Info Edge (India) Limited

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi

Mr Ambarish Raghuvanshi

- B) Details of transactions with related party for the year ended March 31, 2011 in the ordinary course of business:

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
1. License Fees	100	-	-	100
2. Advances received for business purposes (net)	280	-	-	280

- C) Amount due to/from related parties as at March 31, 2011

Amount (₹'000)

Nature of relationship / transaction	Holding Company	KMP & Relatives	Enterprises over which KMP & Relatives have significant influence	Total
Debit Balances				
Outstanding Advances	-	-	-	-
Maximum Amount outstanding during the year	-	-	-	-
Credit Balances				
Outstanding Payable	279	-	-	279

18. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the Company is having the income from license fees received for the usage of its domain name, trademark etc.

19. Employee Benefits

The requirements of AS-15 on Employee Benefits specified in Companies (Accounting Standard) Rules, 2006 are not applicable on the company since there was no employee employed by the company during the year.

20. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

INFO EDGE (INDIA) MAURITIUS LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2012.

PRINCIPAL ACTIVITY

The principal activity of the Company is to act as an investment holding company.

BUSINESS REVIEW AND DIVIDEND

The loss for the year ended 31 March 2012 was **USD 7,233** (31 March 2011 – USD 8,335).

The directors do not recommend the payment of dividend for the year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance, and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Shareef Ramjan & Associates, have indicated their willingness to continue in office and will be automatically reappointed at the Annual Meeting.

By Order of the Board

SECRETARY
Date: 30/04/12

SECRETARY'S REPORT

INFO EDGE (INDIA) MAURITIUS LIMITED

AS PER SECTION 166(D) OF THE COMPANIES ACT 2001

We confirm that, based on records and information made available to us by the directors and shareholder of the Company, the Company has filed with the Registrar of Companies, for the year ended 31 March 2012, all such returns as are required of the Company under the Companies Act 2001.

Abax Corporate Services Ltd
CORPORATE SECRETARY

AUDITORS' REPORT TO THE MEMBER OF INFO EDGE (INDIA) MAURITIUS LIMITED

Report on the Financial Statements

1. We have audited the financial statements of Info Edge (India) Mauritius Limited on pages 7 to 21 which comprise the statement of financial position at 31 March 2012 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

2. The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritian Companies Act 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.
4. 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 judgement, 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 entity'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 accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, the financial statements on pages 7 to 21 give a true and fair view of the financial position of the Company at 31 March 2012 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritian Companies Act 2001.

Report on Other Legal and Regulatory Requirements

7. The Mauritian Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters: We confirm that:
 - (a) we have no relationship with or interests in the Company other than in our capacity as auditors;
 - (b) we have obtained all the information and explanations we have required; and
 - (c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other matters

8. This report, including the opinion, has been prepared for and only for the Company's member, as a body, in accordance with Section 205 of the Mauritian Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Shareef Ramjan & Associates

Shareef Ramjan (FCCA)

Signing partner

Date: April 30, 2012

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2012

Particulars	2012 USD	2011 USD
INCOME	-	-
EXPENSES	-	-
Licence fees	1,500	1,500
Secretarial fees	500	1,950
Accountancy fees	750	500
Audit fees	1,000	985
Directors fees	2,000	2,000
Domiciliation and compliance fees	1,000	1,000
Registration fees	313	250
Disbursements	50	-
Bank charges	120	170
	7,233	8,355
LOSS BEFORE TAXATION	(7,233)	(8,355)
Taxation (Note 5)	-	-
NET LOSS FOR THE YEAR	(7,233)	(8,355)
OTHER COMPREHENSIVE INCOME		
Losses recognised directly in equity:		
Fair value loss on available-for-sale financial assets	(78,483)	(81,610)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(85,716)	(89,965)

The notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION – 31 MARCH 2012

Particulars	2012 USD	2011 USD
ASSETS		
Non-current assets		
Available-for-sale financial assets (note 6)	-	78,483
	-	78,483
Current assets		
Other receivables (note 7)	375	375
Cash and cash equivalents (Note 8)	11,355	975
	11,730	1,350
Total assets	USD 11,730	79,833
EQUITY		
Capital and reserves		
Stated capital (Note 9)	1,112,001	1,112,001
Retained earnings	(45,583)	(38,350)
Fair value reserve (Note 6)	(1,100,000)	(1,021,517)
Total equity	(33,582)	52,134
LIABILITIES		
Current liabilities		
Amount due to ultimate holding company (Note 10)	39,999	19,999
Accruals	5,313	7,700
	45,312	27,699
Total equity and liabilities	USD 11,730	79,833

Authorised for issue by the Board of directors on and signed on its behalf by:

DIRECTORS

The notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2012

Particulars	Stated capital USD	Retained earnings USD	Fair value reserve * USD	Total equity USD
At 1 April 2010	1,112,001	(29,995)	(939,907)	142,099
Loss for the year	-	(8,355)	-	(8,355)
Other comprehensive income Fair value loss on available-for-sale financial assets	-	-	(81,610)	(81,610)
At 31 March 2011	1,112,001	(38,350)	(1,021,517)	52,134
Loss for the year	-	(7,233)	-	(7,233)
Other comprehensive income Fair value loss on available-for-sale financial assets	-	-	(78,483)	(78,483)
At 31 March 2012	USD	1,112,001	(45,583)	(1,100,000)
				(33,582)

* Fair value reserve represents the movement in the fair value of available for sale financial asset.

The notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2012

Particulars	2012 USD	2011 USD
<i>Cash flows from operating activities</i>		
Loss before taxation	(7,233)	(8,355)
(Decrease)/Increase in accruals	(2,387)	2,765
Net cash used in operations	(9,620)	(5,590)
<i>Cash flows from investing activities</i>		
Payments for acquisition of available-for-sale financial assets	-	-
Net cash used in investing activities	-	-
<i>Cash flows from financing activities</i>		
Amount from holding company	20,000	-
Issue of share capital	-	-
Net cash from financing activities	20,000	-
Net movement in cash and cash equivalents	10,380	(5,590)
Cash and cash equivalents at beginning of year	975	6,565
Cash and cash equivalents at end of year (Note 8)	USD 11,355	975

The notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2012

1 GENERAL INFORMATION

Info Edge (India) Mauritius Limited (the "Company") is a limited liability company incorporated and domiciled in Mauritius. The address of its registered office is c/o Abax Corporate Services Ltd, 6th Floor, Tower A, 1 Cybercity, Ebene, Mauritius. The Company holds a Category 1 Global Business Licence and its main activity is to act as an investment holding company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

Basis of Preparation

The financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention as modified by the fair valuation of available-for-sale financial assets.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors have considered estimates and judgement as disclosed in note 3.

Changes in accounting policy and disclosures

(a) Amendments to existing standards effective during the year

The following amendments to standards are mandatory for the year beginning 1 January 2011:

Standard	Title
IAS 1	Presentation of financial statements
IAS 24	Related party disclosures
IFRS 7	Financial instruments - Disclosures

The amendment to IAS 1, 'Presentation of financial statements' is part of the 2010 Annual Improvements and clarifies that an entity shall present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. The application of this amendment has no significant impact as the Company was already disclosing the analysis of other comprehensive income on its statement of changes in equity.

The amendment to IAS 24 clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. The Company is now required to disclose any transactions between its subsidiaries and its associates. Additionally, an entity that is controlled by an individual that is part of the key management personnel of another entity is now required to disclose transactions with that second entity. The application of this amendment does not have a significant impact on the Company's financial statements.

The amendments to IFRS 7, 'Financial Instruments - Disclosures' are part of the 2010 Annual Improvements and emphasises the interaction between quantitative and qualitative disclosures about the nature and extent of risks associated with financial instruments. The amendments have also removed the requirement to disclose the following:

- Maximum exposure to credit risk if the carrying amount best represents the maximum exposure to credit risk;
- Fair value of collaterals; and
- Renegotiated loans that would otherwise be past due but not impaired.

The application of the above amendment simplified financial risk disclosures made by the Company.

Other amendments and interpretations to standards became mandatory for the year beginning 1 January 2011 but had no significant effect on the Company's financial statements.

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

Numerous new standards, amendments and interpretations to existing standards have been issued but are not yet effective. Below is the list of the standards and amendments to existing standards that are likely to be relevant to the Company. However, the directors are yet to assess the impact on the Company's operations.

Standard/ Interpretation	Title	Applicable for financial years beginning on/after
IAS 1	Presentation of financial statements	1 July 2012
IFRS 9	Financial instruments part 1: Classification and measurement and part 2: Financial liabilities and De-recognition of financial instruments	1 January 2015
IAS 27	Separate financial statements	1 January 2013

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2012

Standard/ Interpretation	Title	Applicable for financial years beginning on/after
IAS 28	Investments in associates and joint ventures	1 January 2013
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangements	1 January 2013
IFRS 12	Disclosure of interests in other entities	1 January 2013
IFRS 13	Fair value measurement	1 January 2013

Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations is subject to interpretations and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Foreign currency translation*(a) Functional and presentation currency*

Items included in the financial statements are measured in United States dollars (USD), the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company ("the functional currency").

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Available-for-sale financial assets

Available-for-sale investments are non-derivatives that are either designated in this category or not classified in any other categories.

They are included in non-current assets unless management intends to dispose the investment within 12 months of the reporting date.

Available-for-sale investments are initially recognised at fair value plus transaction costs. They are subsequently remeasured at fair value. Gains and losses arising from changes in fair value of securities classified as available-for-sale are recognised in equity.

Fair values for unlisted equity securities are estimated using comparable recent arm's length transactions, applicable price/book value, price/earnings or price/cash flow ratios or discounted cash flow analysis refined to reflect the specific circumstances of the issuer. Fair value of quoted securities are derived from quoted bid prices. Equity securities for which fair values cannot be measured reliably are recognised at cost less impairment.

On disposal of an investment, the cumulative gain or loss that was recognised in equity plus the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Revenue recognition

Dividend is recognised when the Company's right to receive payment is established.

Expense recognition

Expenses are accounted for in the statement of comprehensive income on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2012

Equity

Ordinary shares are classified as equity.

Impairment of available-for-sale investment

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss. Reversals of impairment losses in respect of equity instruments classified as available-for-sale are not recognised in profit or loss. Reversals of impairment losses on debt instruments are reversed through profit or loss, if the increase in fair value of the debt instruments can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company has become a party to the contractual provisions of the financial instruments.

Financial instruments are initially measured at fair value. Subsequent to the initial recognition, they are measured as set out below:

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Trade and other payables

Trade and other payables are stated at their nominal value.

Amount due to ultimate holding company

Amount due to ultimate holding company is recognised at proceeds received net of capital repayment.

Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

The rights to receive cash flows from the asset have expired;

The Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass through" arrangement; or

The Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Related parties

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2012

provision due to the passage of time is recognised as a finance cost.

Comparatives

Where necessary, comparatives figures have been amended to conform with changes in presentation of the current year.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Fair value of unquoted instruments

The Company holds available -for-sale financial asset that is not traded in an active market. The fair value of the investment in Study Places Inc is based on the value of its investment in Zaptive Internet Services Pvt Ltd (ZIPL's) and ZISPL's further holding in Educomp Solutions Ltd ('ESL') which is the primary asset after transfer of the ZISPL business and assets. ESL is a company listed on the National Stock Exchange.

The directors use their judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date.

4 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to the various types of risks: market risk (including interest rate risk and currency risk), credit risk and liquidity risk.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Currency profile

The Company's financial assets and liabilities are denominated in United States dollars.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has no significant currency risk exposure as all its financial assets and liabilities are denominated in USD.

Interest rate risk

The Company has no significant exposure to interest-rate risk.

Price risk

The Company is exposed to equity securities price risk as it has classified its investment in Study Places Inc. ("SPI") as available-for-sale financial assets which are valued on the basis of the market value of SPI's investments in Educomp Solutions Ltd ("ESL").

The Company monitors the market value of ESL and management assesses the risk of potential loss to the company of holding these shares on a long-term or short-term basis. These shares are readily marketable as ESL is listed on the National Stock Exchange of India.

The fair value at 31 March 2012 would have no effect (2011-higher / lower by 3,924) if the price of ESL would have increased / decreased by 5 % respectively. Accordingly, fair value reserve would have been higher / lower by an equivalent amount.

Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's main credit risk concentration is cash and cash equivalents. The Company manages credit risk by banking with reputable financial institution.

Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash reserves, through funding from its ultimate holding company. The table below summarises the maturity profile of its financial liabilities at 31 March 2012 based on contractual undiscounted payments.

Particulars	2012	2012	2011	2011
	USD	USD	USD	USD
	On demand	Within 1 year	On demand	Within 1 year
Amount due to ultimate holding company	39,999	-	19,999	-
Other payable	-	5,313	-	7,700
At 31 March	39,999	5,313	19,999	7,700

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2012

Capital risk management

The Company manages its capital to ensure that it will be able to have sufficient funding to finance its investments and to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The capital management process is determined and managed at the ultimate holding company level.

Fair values

The carrying amounts of available-for-sale financial assets, cash at bank, amount due to ultimate holding company and payables approximate their fair values.

IFRS 7 requires disclosure of financial instruments that are measured in the statement of financial position at fair value by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Company's assets that are measured at fair value as at 31 March 2012:

Particulars	Level 1 USD	Level 2 USD	Level 3 USD	Total Balance USD
Available-for-sale financial asset	-	-	-	-
	-	-	-	-

The following table presents the Company's assets that are measured at fair value as at 31 March 2011:

Particulars	Level 1 USD	Level 2 USD	Level 3 USD	Total Balance USD
Available-for-sale financial asset	-	-	78,483	78,483
	-	-	78,483	78,483

The following table presents the changes in level 3 instrument for the year ended 31 March 2012:

Particulars	2012 USD	2011 USD
At beginning of year	78,483	160,093
Fair value loss	(78,483)	(81,610)
At end of year	-	78,483

5 TAXATION

The Company is liable to income tax in Mauritius on its chargeable income at **15%**. It is however entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and **80%** of the Mauritius tax on its foreign source income.

At 31 March 2012, the Company has accumulated tax losses of **USD 42,478** (2011 – USD 35,245) and is, therefore, not liable to income tax. The tax losses are available for set off against taxable profits of the Company as follows:

Particulars	USD
31 March 2013	9,145
31 March 2014	7,070
31 March 2015	10,695
31 March 2016	8,335
31 March 2017	7,233
	42,478

The foregoing is based on current interpretation and practice and is subject to any future changes in Mauritius tax laws.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2012

Tax reconciliation

The reconciliation between the actual income tax rate of **0.00%** (2011 - 0.00%) and the applicable income tax rate of **15.00%** (2011 - 15.00%) is as follows:

Particulars	2012 %	2011 %
Applicable income tax rate	15.00	15.00
Impact of:		
Unrecognised deferred tax	(15.00)	(15.00)
	-	-

Deferred tax

A deferred income tax asset of USD 1,274 (2011: USD 1,057) has not been recognised in respect of tax losses carried forward as the directors consider that it is not probable that future taxable profits will be available against which the unused tax losses can be utilised.

6 AVAILABLE-FOR-SALE FINANCIAL ASSETS

Particulars	2012 USD	2011 USD
At 01 April	78,483	160,093
Fair value loss	(78,483)	(81,610)
At 31 March	USD -	78,483

Available for sale financial assets represent 14.41% stake in Study Places Inc. ("SPI"), a company incorporated in the USA, which is engaged in the provision of services related to Education and other related areas.

In 2010, Zaptive Internet Services Pvt Ltd ("ZISPL"), subsidiary of SPI has been allotted equity shares in Educomp Solutions Ltd ("ESL") for an amount equivalent to USD 900,000 resulting from transfer of Study Places business including domain name and other assets in ZISPL. ESL is a diversified education Solutions Company listed on National Stock Exchange in India.

The fair value of the investment in SPI is based on the value of its investment in ZISPL and ZISPL's further holding in ESL which is the primary asset after transfer of the ZISPL business and assets.

7 OTHER RECEIVABLES

Particulars	2012 USD	2011 USD
Prepayment	375	375
	375	375

8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

Particulars	2012 USD	2011 USD
Cash at bank	11,355	975
	USD 11,355	975

9 STATED CAPITAL

Particulars	2012 Number	2012 USD	2011 Number	2011 USD
Ordinary Shares of no par value Issued and fully paid up	1,112,001	1,112,001	1,112,001	1,112,001
	USD 1,112,001	1,112,001	1,112,001	1,112,001

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2012

10 RELATED PARTY TRANSACTIONS

The nature, volume of transactions and balance involving the Company and its ultimate holding company are as follows:

Particulars	2012 USD	2011 USD
Amount due Ultimate Holding company: Info Edge (India) Limited		
At 01 April	19,999	19,999
Advances received during the year	20,000	-
At 31 March	39,999	19,999
	USD	

The amount due to parent company is interest free, unsecured and has no fixed terms of repayment.

Particulars	2012 USD	2011 USD
Key Management Personnel		
Directors' fees	2,000	2,000

11 PARENT AND ULTIMATE PARENT COMPANY

The directors consider Info Edge (India) Limited, a company incorporated in India, which is listed on National Stock Exchange of India (NSE) and Bombay Stock Exchange (BSE), as the Company's holding and ultimate holding company.

ALLCHECKDEALS INDIA PRIVATE LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

We are pleased to present the Annual Report and Audited Statement of Accounts of the company for the financial year ended 31st March 2012.

Financial Results

The Company made a loss of ₹56,572 Thousand in Financial year 2011-12 as compared to profit of ₹4,610 Thousand in Financial year 2010-11.

Directors

There was no change in Directors during the year.

Auditors

M/s Price Waterhouse & Co., Chartered Accountants Statutory Auditors being eligible offer themselves for re-appointment.

Personnel

The Company had no employee covered under section 217(2A) of the Companies Act 1956.

Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Directors have nothing to report on the aforesaid matters as the Company is not engaged in manufacturing activities. The Company has no foreign collaboration and has not exported or imported any goods or services.

Directors Responsibility Statement

The observation of auditors and notes on accounts is self explanatory. Pursuant to sec 217 (2AA) of the Companies Act, 1956 the directors placed on record the following statements:

- That in the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;
- That the directors had selected such accounting policies and applied them consistently and made 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 at the end of the financial year and of the profit or loss of the company for that period;
- That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- That the directors had prepared the annual account on a going concern basis.

Acknowledgement

Your company conveys their special gratitude to all stakeholders for their cooperation.

For and on behalf of the Board

Hitesh Oberoi
Ambarish Raghuvanshi
(Directors)

PLACE: Noida

DATED: May 3, 2012

AUDITORS' REPORT

To the Members of Allcheckdeals India Private Limited

1. We have audited the attached Balance Sheet of Allcheckdeals India Private Limited (the "Company") as at March 31, 2012, and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 the auditing 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 amounts 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. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:
 - (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the Company had been physically verified by the Management during the year ended March 31, 2012 and no material discrepancies between the book records and the physical inventory were noticed. In our opinion, the frequency of verification is reasonable.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
 - (ii) The Company does not maintain any inventory, accordingly clauses (ii)(a) to (ii)(c) of paragraph 4 of Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, are not applicable for the year.
 - (iii) 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.
 - (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 the sale of services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
 - (v) According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
 - (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
 - (vii) In our opinion, the Company has an internal audit commensurate with its size and nature of its business.
 - (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
 - (ix)
 - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty and cess which have not been deposited on account of a dispute.
 - (x) As the Company is registered for a period less than five years, clause (x) of paragraph 4 of the Order is not applicable.
 - (xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
 - (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 - (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.

ALLCHECKDEALS INDIA PRIVATE LIMITED

- (xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
 - (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
 - (xvi) The Company has not obtained any term loans.
 - (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
 - (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
 - (xix) The Company has not issued any debentures during the year; and does not have any debentures outstanding at year end.
 - (xx) The Company has not raised any money by public issues during the year.
 - (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
4. Further to our comments in the Annexure referred to in paragraph 3 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 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 dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

Gurgaon
May 3, 2012

Amitesh Dutta
Partner
Membership Number F58507

BALANCE SHEET AS AT MARCH 31, 2012

Particulars	Note No	As at March 31, 2012 (₹' 000)	As at March 31, 2011 (₹' 000)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	70,475	30,475
(b) Reserves and Surplus	4	(78,060)	(21,488)
(2) Current Liabilities			
(a) Trade payables	5	69,374	52,665
(b) Other current liabilities	6	10,999	37,675
(c) Short-term provisions	7	2,948	1,698
Total		75,736	101,025
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	3,146	3,847
(b) Deferred tax assets (net)	9	-	18,175
(c) Long term loans and advances	10	6,234	5,025
(d) Other non-current assets	11	135	11,911
(2) Current assets			
(a) Trade receivables	12	45,043	53,819
(b) Cash and Bank balances	13	1,818	4,176
(c) Short-term loans and advances	10	19,333	4,072
(d) Other current assets	11	27	-
Total		75,736	101,025

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number 0500032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Director

Ambarish Raghuvanshi
Director

Place : Gurgaon
Date : May 03, 2012

Place : Noida
Date : May 03, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	Note No	Year ended March 31, 2012	Year ended March 31, 2011
		(₹' 000)	(₹' 000)
I. Revenue from operations	14	107,450	160,937
II. Other Income	15	765	2,470
III. Total Revenue (I +II)		108,215	163,407
IV. Expenses:			
Employee Benefits Expense	16	63,643	58,941
Finance Costs	17	116	206
Depreciation	18	2,093	1,615
Advertising and Promotion cost	19	26,243	23,051
Administration and Other expenses	20	51,595	71,445
Network, Internet and Other direct charges	21	2,922	3,455
Total Expenses		146,612	158,713
V. Profit/(Loss) before tax (III - IV)		(38,397)	4,694
VI. Tax expense:			
(1) Current tax		-	18,259
(2) Deferred tax	9	18,175	(18,175)
VII. Profit/(Loss) for the year from continuing operations (V-VI)		(56,572)	4,610
VIII. Profit/(Loss) for the year (VII)		(56,572)	4,610
IX. Earnings per equity share: Nominal Value of Share ₹ 10/- (Previous Year ₹ 10/-)	26		
(1) Basic		(18.43)	1.51
(2) Diluted		(18.43)	1.51

Significant Accounting Policies

2

This is the Statement of Profit and Loss referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number 0500032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Director

Ambarish Raghuvanshi
Director

Place : Gurgaon
Date : May 03, 2012

Place : Noida
Date : May 03, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

S.No.	Particulars	For the year ended March 31, 2012 (₹' 000)	For the year ended March 31, 2011 (₹' 000)
A.	Cash flow from operating activities:		
	Net profit/(loss) before tax	(38,397)	4,694
	Adjustments for:		
	Depreciation	2,093	1,615
	Interest Expense	-	38
	Interest Income	(367)	(582)
	(Profit)/Loss on fixed assets sold (net)	-	(110)
	Other operating revenues	(1,344)	(1,635)
	Provision for Bad & Doubtful Debts	14,733	41,057
	Provision for Gratuity & Leave Encashment	410	(338)
	TDS on revenue receipts	(14,687)	(15,607)
	Employee Stock Option Scheme Compensation Expense	-	-
	Operating profit before working capital changes	(37,559)	29,132
	Adjustments for changes in working capital :		
	- (INCREASE)/DECREASE in Sundry Debtors	(5,957)	(74,904)
	- (INCREASE)/DECREASE in Loans, Advances and Other Current Assets	(1,400)	(5,706)
	- INCREASE/(DECREASE) in Current Liabilities and Provisions	(7,783)	67,804
	Cash generated from operating activities	(52,699)	16,326
	- Taxes (Paid) / Received (Net of TDS)	(410)	(55)
	Net cash from operating activities	(53,109)	16,272
B.	Cash flow from Investing activities:		
	Purchase of fixed assets	(1,392)	(4,153)
	Proceeds from Sale of fixed assets	-	502
	Interest Received	367	523
	Net cash used in investing activities	(1,025)	(3,126)
C.	Cash flow from financing activities:		
	Repayments of long term borrowings (Net)	-	(432)
	Proceed from fresh issue of share capital (Net)	40,000	-
	Interest Paid	-	(41)
	Net cash used in financing activities	40,000	(473)
	Net Increase/(Decrease) in Cash & Cash Equivalents	(14,134)	12,672
	Opening Balance of Cash and cash equivalents (April 01, 2011/April 01, 2010)	16,087	3,415
	Closing Balance of Cash and cash equivalents	1,953	16,087
	Cash and cash equivalents comprise of:		
	Cash in hand	70	37
	Balance with Scheduled Banks		
	-in current accounts	1,748	-
	-in fixed deposits	135	16,050
	Total	1,953	16,087

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard-3 on Cash Flow Statement, prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.
- Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date.

For Price Waterhouse & Co.
Firm Registration Number 050032S
Chartered Accountants

Amitesh Dutta
Partner
Membership Number 58507

Place: Gurgaon
Date: May 03, 2012

For and on behalf of the Board of Directors

Hitesh Oberoi
Director

Date: May 03, 2012

Ambarish Raghuvanshi
Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

1. General Information

Allcheckdeals India Private Limited (the Company) was incorporated on August 01, 2008 under the Companies Act, 1956 (the 'Act') and is engaged in the business of providing services in relation to property bookings placed with builders / real estate developers.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

2.2 Fixed Assets

Fixed Assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets.

Profit/Loss on disposal of fixed assets is recognized in the Statement of Profit and Loss.

2.3 Depreciation

Fixed Assets are depreciated under Straight Line Method over the estimated useful life of the assets, which are as follows:

Asset	Estimated life (Years)
Vehicle	4
Computers & Software	3
Office Equipment	3

Assets costing less than or equal to ₹ 5 Thousand are fully depreciated in the year of acquisition.

The effective rates of depreciation based on the estimated useful life are above the minimum rate as prescribed by Schedule XIV of the Act.

2.4 Revenue Recognition

Commission income on property bookings placed with builders/developers is accrued once the related services have been rendered by the company.

The income is shown net of service tax and is not recognized in instances where there is uncertainty with regard to ultimate collection. In such cases income is recognized on reasonable certainty of collection.

2.5 Employee Benefits

The company has Defined Contribution plan for post employment benefits namely Provident Fund which is recognized by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to revenue every year. The Company's contribution to state plans namely Employee State Insurance Fund is charged to revenue every year.

The Company has Defined Benefit plans namely leave encashment, compensated absence and gratuity for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year. The Gratuity Fund is recognized by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

Termination benefits are recognized as an expense immediately.

Gains and losses arising out of actuarial valuations are recognized immediately in the Statement of Profit and Loss as income or expense.

2.6 Leased Assets

- i) Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

- ii) Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Statement of Profit and Loss on a straight line basis over the lease term.

2.7 Taxes on Income

Tax expense comprises of current tax and deferred tax. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred tax assets are recognized and carried forward only to the extent there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

2.8 Earnings Per Share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.9 Employee Stock Option Based Compensation

Stock options granted to the employees who accepted the grant under the Company's Stock Option Plan are accounted in accordance with the Guidance Note on Accounting for Employee Share based payment issued by Institute of Chartered Accountants of India. The Company follows the intrinsic value method and accordingly, the excess, if any, of the fair value of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognized as employee compensation cost and amortized on straight line basis over the vesting period.

2.10 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rate prevailing on the date of the transaction. Gains/Loss arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Profit and Loss. Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Statement of Profit and Loss.

2.11 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

3. SHARE CAPITAL

Particulars	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
AUTHORIZED CAPITAL 8,000 Thousand Equity Shares of ₹ 10/- each (Previous year - 5,000 Thousand Equity Shares of ₹ 10/- each)	80,000	50,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL 7,047,500 Equity shares of ₹10/- each fully paid up * (Previous Year - 3,047,500 Equity shares of ₹10/- each) (* 7,009,999 equity shares (Previous Year 3,009,999 shares) of ₹ 10/- each are held by Info Edge (India) Limited, the holding company and it's nominee)	70,475	30,475
	70,475	30,475

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2012 No of Shares	As at March 31, 2012 (₹'000)	As at March 31, 2011 No of Shares	As at March 31, 2011 (₹'000)
Equity Shares				
At the beginning of the period	3,047,500	3,047	3,047,500	3,047
Add: Issued during the period	4,000,000	4,000	-	-
Outstanding at the end of the period	7,047,500	7,047	3,047,500	3,047

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

b. Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2011-12		FY 2010-11	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹ 10 each fully paid Info Edge (India) Limited	7,009,999	98.76%	3,009,999	98.76%
	7,009,999	98.76%	3,009,999	98.76%

4. RESERVES AND SURPLUS

Particulars	As at March 31, 2012		As at March 31, 2011	
	(₹'000)	(₹'000)	(₹'000)	(₹'000)
Surplus in Statement of Profit and Loss				
Opening Balance	(21,488)		(26,098)	
Add: Net Profit after tax transferred from Statement of Profit and Loss	(56,572)	(78,060)	4,610	(21,488)
		(78,060)		(21,488)

5. TRADE PAYABLES

Particulars	Long-Term		Short-Term	
	As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
	(₹'000)	(₹'000)	(₹'000)	(₹'000)
Trade Payables				
- total outstanding dues of micro, small and medium enterprises	-	-	-	-
- total outstanding dues of creditors other than micro, small and medium enterprises	-	-	69,374	52,665
	-	-	69,374	52,665

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2012.

6. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2012	As at March 31, 2011
	(₹'000)	(₹'000)
Amount payable to Holding Company	2,287	19,296
Book Overdraft	186	5,580
Others		
- Service Tax Payable	4,028	9,472
- TDS Payable	4,171	3,066
- Others	327	261
	10,999	37,675

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

7. PROVISIONS

Particulars	Long-Term		Short-Term	
	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
Provision for Employee Benefits				
Provision for Compensated Absence	-	-	991	784
Provision for Gratuity	-	-	367	164
Other Provisions				
Accrued Bonus	-	-	1,590	750
	-	-	2,948	1,698

8. FIXED ASSETS

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at April 1, 2011	Additions during the year	Deletions during the year	As at March 31, 2012	Up to April 1, 2011	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2012	As at March 31, 2012	As at March 31, 2011
OWN ASSETS										
Tangible Assets										
Computers and Software	3,777	1,165	-	4,942	836	1,483	-	2,319	2,623	2,941
Office Equipment	1,627	198	-	1,825	721	605	-	1,326	499	906
Plant & Machinery	-	29	-	29	-	5	-	5	24	-
Total	5,404	1,392	-	6,796	1,557	2,093	-	3,650	3,146	3,847
Previous Year	2,100	4,162	858	5,404	408	1,615	466	1,557	3,847	

9. DEFERRED TAX ASSET/ (LIABILITY)

Particulars	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
Deferred Tax Asset / (Liability)		
- Opening Balance	18,175	-
- Adjustment for the current year	(18,175)	18,175
	-	18,175

Significant components of deferred tax assets/ (liabilities) are shown in the following table:

Particulars	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
Deferred Tax Asset/(Liability)		
Provision for Leave Encashment	-	79
Provision for Doubtful Debts	-	12,923
Depreciation	-	(213)
Others	-	5,386
	-	18,175

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

10. LOANS & ADVANCES

Particulars	Long-Term		Short-Term	
	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
(Unsecured, considered good)				
Security Deposits	5,515	4,625	-	240
Others				
- Advance recoverable in cash or in kind or for value to be received	719	400	1,552	1,225
- Advance recoverable from ESOP Trust	-	-	399	399
- Balance with Service Tax Authorities	-	-	184	107
- Advance Tax	-	-	35,456	20,359
- Less: Provision for Tax	-	-	(18,259)	(18,259)
- Advance Tax - Fringe Benefits	-	-	6	6
- Less: Provision for Tax - Fringe Benefits	-	-	(5)	(5)
	6,234	5,025	19,333	4,072

11. OTHER NON CURRENT/ CURRENT ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
(Unsecured Considered Good)				
Non Current portion of Fixed Deposits transferred from Cash & Bank Balances	135	11,911	-	-
Interest Accrued on Fixed Deposits	-	-	27	-
	135	11,911	27	-

12. TRADE RECEIVABLES

Particulars	Non-Current		Current	
	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
Outstanding for a period exceeding six months from the date they are due for payment				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	-	-	4,069	-
- Doubtful	-	-	47,955	24,309
Provision for doubtful receivables	-	-	(47,955)	(24,309)
Total (A)	-	-	4,069	-
Other Receivables				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	-	-	40,974	53,819
- Doubtful	-	-	-	21,112
Provision for doubtful receivables	-	-	-	(21,112)
Total (B)	-	-	40,974	53,819
Grand Total (A) + (B)	-	-	45,043	53,819

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

13. CASH AND BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)	As at March 31, 2012 (₹'000)	As at March 31, 2011 (₹'000)
Cash & Cash Equivalents				
Cash In Hand	-	-	70	37
Bank Balances:				
-in Fixed Deposit Accounts with original maturity of less than 3 months	-	-	1,748	-
-in Fixed Deposit Accounts with original maturity for more than 12 months	135	11,911	-	-
Non Current portion transferred to non current assets	(135)	(11,911)	-	-
Other Bank Balances				
Balances in Fixed Deposit Accounts with original maturity for more than 3 months but less than 12 months	-	-	-	4,139
	-	-	1,818	4,176

14. REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Sale of Services	106,106	159,805
Other Operating Revenues	1,344	1,132
	107,450	160,937

15. OTHER INCOME

Particulars	Long Term		Short Term	
	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Interest Received/Receivable on Fixed Deposits with Banks	10	348	357	234
Profit on sale of Fixed Assets (net)	-	-	-	110
Miscellaneous Income	-	-	398	1,778
	10	348	755	2,122

16. EMPLOYEE BENEFITS EXPENSE

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Salaries, Wages and Bonus	46,282	36,899
Contributions to Provident and other funds	2,297	1,994
Sales Incentives and Commissions	9,281	14,984
Staff Welfare and Benefits	4,897	2,907
Other Employee Expenses	886	2,157
	63,643	58,941

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

17. FINANCE COSTS

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Interest	-	38
Others	116	168
	116	206

18. DEPRECIATION AND AMORTIZATION

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Depreciation of Tangible Assets	2,093	1,615
	2,093	1,615

19. ADVERTISING AND PROMOTION COST

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Advertisement Expenses	25,189	20,191
Promotion & Marketing Expenses	1,054	2,860
	26,243	23,051

20. ADMINISTRATION AND OTHER EXPENSES

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Electricity and Water	1,758	1,847
Rent	8,564	6,734
Repairs and Maintenance (Building)	639	962
Repairs and Maintenance (Machinery)	676	115
Legal and Professional Charges	559	538
Rates & Taxes	5	4
Insurance	2	9
Communication expenses	3,143	2,298
Travel & Conveyance	5,197	4,210
Provision for Doubtful Debts	14,733	41,057
Miscellaneous expenses	5,782	5,855
Infrastructure & Business Support Expenses	10,537	7,816
	51,595	71,445

21. NETWORK, INTERNET AND OTHER DIRECT CHARGES

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Internet and Server Charges	412	404
Others	2,510	3,051
	2,922	3,455

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

22. Operating Leases where the company is a lessee:

The company has entered into lease transaction mainly for leasing of office premise for a period of 5 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Statement of Profit and Loss amount to ₹ 8,564,139 (Previous Period ₹ 6,733,564) included in Note 16 – Administration and Other Expenses.

23. Expenditure in Foreign Currency

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Travel Expenses	-	66
Others	23	24
Total	23	90

24. Earnings in Foreign Exchange

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
Export of Services	Nil	Nil
Total	-	-

25. Auditor's Remuneration

Particulars	Year Ended March 31, 2012 (₹'000)	Year Ended March 31, 2011 (₹'000)
As Auditors	200	200
As Tax Auditors	50	50
Out of Pocket Expenses & Service Tax	66	42
Total	316	292

26. Basic and Diluted Earnings per share (EPS):

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Profit attributable to Equity Shareholders (₹' 000)	(56,572)	4,610
Weighted average number of Equity Shares outstanding during the year (Nos.)	3,069,358	3,047,500
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	(18.43)	1.51

27 (1) Related Party Disclosures

- A) **Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 (as amended) ("accounting standards") and where control exists for the year ended March 31, 2012:**

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi

Mr Ambarish Raghuvanshi

Fellow Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Private Limited (NISPL)

Info Edge (India) Mauritius Limited (IEIML)

Applect Learning Systems Pvt. Ltd. (ALSPL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹' 000)

Sr. No	Nature of relationship / transaction	Holding Company	Total
1	Advance received for business purposes (net): IEIL ₹ 11,368	11,368	11,368
2	Receipt of Service (inclusive of service tax) IEIL ₹ 11,622	11,622	11,622
3	Issue of Equity Shares IEIL ₹ 40,000	40,000	40,000

1. Amount due from Allcheckdeals Employee Stock Option Trust as on March 31, 2012 is ₹398 Thousand.

C) Amount due to/from related parties as at March 31, 2012

Amount (₹' 000)

Sr. No	Nature of relationship / transaction	Holding Company	Total
	Credit balances		
1	Outstanding Payable	2,287	2,287

27 (2) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 (as amended) ("accounting standards") and where control exists for the year ended March 31, 2011:

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Mr Sanjeev Bikhchandani

Mr Hitesh Oberoi

Mr Ambarish Raghuvanshi

Fellow Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)

Naukri Internet Services Private Limited (NISPL)

Info Edge (India) Mauritius Limited (IEIML)

Info Edge USA Inc.

Applect Learning Systems Pvt. Ltd. (ALSPL)

ETechAces Marketing & Consulting Pvt. Ltd. (EMCPL)

B) Details of transactions with related party for the year ended March 31, 2011 in the ordinary course of business:

Amount (₹' 000)

Sr. No	Nature of relationship / transaction	Holding Company	KMP & Relatives	Total
1	Remuneration Paid: Prashan Agarwal	-	2,994	-
2	Advance received for business purposes (net): IEIL ₹ 10,784	10,784		10,784
3	Receipt of Service (inclusive of service tax) IEIL ₹ 8,496	8,496		8,496

1. Amounts paid to / on behalf of Allcheckdeals Employee Stock Option Trust during the year are as below:

(a) Advance given for business purpose ₹ 10 Thousand

2. Amount due from Allcheckdeals Employee Stock Option Trust as on March 31, 2011 is ₹398 Thousand

C) Amount due to/from related parties as at March 31, 2011

(Amount ₹'000)

Sr. No	Nature of relationship / transaction	Holding Company	Total
	Credit balances		
1	Outstanding Payable	19,296	19,296

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

28. Employee Stock Option Scheme

The company has set up a trust to administer the ESOP scheme under which options have been granted to employees. Under this scheme the employees can purchase equity shares by exercising the options as vested at the price specified in the grant. The options granted till March 31st 2012 have a vesting period of maximum of 3 years from the date of grant.

- Number of options granted, exercised and forfeited during the year:-

Particulars	2011-12		2010-11	
	Number	Weighted Average Price (₹)	Number	Weighted Average Price (₹)
Options outstanding at beginning of year	15,100	10	410,300	1.77
Add:				
Options granted *	-	-	-	-
Less:				
Options exercised	-	-	-	-
Options forfeited	-	-	395,200	1.46
Options outstanding at the end of year	15,100	10	15,100	10
Option exercisable at the end of year	-	-	4,530	10

In accordance with the above mentioned ESOP Scheme, ₹NIL (Previous Year ₹ NIL) has been charged to the Statement of Profit and Loss in relation to the options vested during the year ended March 31, 2012 as Employee Stock Option Scheme Compensation.

2. (A) No options have vested during the current year ended March 31, 2012. (In respect of options vested during the previous year ended March 31, 2011, had the fair value method been used, the profit for the year would be lower by ₹ 12 Thousand and the EPS would be ₹ 1.51).
- (B) The fair value of each option is estimated on the date of grant using the Black Scholes model with the below listed assumptions:

ACD ESOP Plan 2009	2011-12	2010-11
Weighted average fair value of the options at the grant dates	-	8.57
Dividend Yield (%)	-	Nil
Risk free rate	-	6.90%
Expected life (years)	-	5.14
Expected volatility	-	Nil
Weighted average share price	-	10.05

29. No disclosure is required under Accounting Standard 17 on Segment Reporting specified in Companies (Accounting Standard) Rules, 2006 as the company is operating in single business/ geographical segment of earning commission income on property bookings.
30. The aggregate managerial remuneration under section 198 of the Companies Act, 1956 to the Directors including Managing Director is:

Particulars	Year ended 31st March, 2012	Year ended 31st March, 2011
Whole Time Directors (including Managing Director)		
Salary	-	2,044
Reimbursements	-	150
Bonus	-	800
Total Remuneration	-	2,994
Total Managerial Remuneration Paid/Payable (Amount ₹' 000)	-	2,994

The above amounts exclude company's contribution / provision for gratuity and leave encashment for the year, which is determined annually on actuarial basis.

Statement showing computation of Net Profit in accordance with section 349 of the Companies Act, 1956 for computing the Director's remuneration:

Particulars	Year ended March 31, 2012*	Year ended March 31, 2011
Net Profit before tax	-	4,694
Add: Depreciation as per accounts	-	1,615
Add: Wholetime Director's Remuneration	-	2,994
Add: Provision for Bad Debts	-	41,057
Less: Depreciation as per Section 350 of the Companies Act, 1956	-	1,615
Less: Profit on sale of fixed assets (net)	-	110
Net Profit for the year under section 349	-	48,635
Maximum amount payable to Whole time Directors (restricted to 10%)		
Maximum Amount payable to Directors (Amount ₹' 000)	-	4,864

* No managerial remuneration has been paid during the year ended March 31, 2012

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

31. Employee Benefits

The Company has classified the various benefits provided to employees as under (Amount ₹' 000);

A. Defined Contribution Plans

a) Provident Fund

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Employers' Contribution to Provident Fund *	1,643	1,442

Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 16)

B. State Plans

a) Employer's Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Employers' Contribution to Employee State Insurance *	283	383

Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 16)

C. Defined Benefit Plans

a) Contribution to Gratuity Funds – Life Insurance Corporation of India, Group Gratuity Scheme

b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment / Compensated Absences	
	Year ended March 31, 2012	Year ended March 31, 2011
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in Compensation levels	15% in first 3 years, 10% in next 5 years, & 7% thereafter	15% in first 3 years, 10% in next 5 years, & 7% thereafter

Particulars	Employee's Gratuity Fund	
	Year ended March 31, 2012	Year ended March 31, 2011
Discount Rate (per annum)	8.25%	8.25%
Rate of increase in Compensation levels	15% in first 2 years, 10% in next 5 years, & 7% thereafter	15% in first 3 years, 10% in next 5 years, & 7% thereafter
Rate of Return on Plan Assets	7.50%	7.50%
Expected Average remaining working lives of employees (years)	10.59	10.58

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund	Employee's Gratuity Fund
	Year ended March 31, 2012	Year ended March 31, 2011
Present Value of Obligation at the beginning of the year	932	714
Interest Cost	123	97
Past Service Cost	Nil	Nil
Current Service Cost	559	497
Curtailment Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Benefits paid	Nil	Nil
Actuarial (gain)/ loss on obligations	(251)	(376)
Present Value of Obligation at the end of the year	1,363	932

(B) Changes in the Fair value of Plan Assets	Employee's Gratuity Fund	Employee's Gratuity Fund
	Year ended March 31, 2012	Year ended March 31, 2011
Fair Value of Plan Assets at the beginning of the year	768	Nil
Expected Return on Plan Assets	65	Nil
Actuarial Gains and (Losses)	(1)	54
Contributions	164	714
Benefits Paid	Nil	Nil
Fair Value of Plan Assets at the end of the year	996	768

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	Employee's Gratuity Fund	Employee's Gratuity Fund
	Year ended March 31, 2012	Year ended March 31, 2011
Present Value of funded Obligation at the end of the year	1,363	932
Fair Value of Plan Assets as at the end of the year	996	768
Funded Status		
Present Value of unfunded Obligation at the end of the year	Nil	Nil
Unrecognized Actuarial (gains) / losses	Nil	Nil
Unfunded Net Asset / (Liability) Recognized in Balance Sheet*	367	164
*included in Provision for Employee Benefits (Refer Note 7)		

(D) Expense recognized in the Statement of Profit and Loss	Employee's Gratuity Fund	Employee's Gratuity Fund
	Year ended March 31, 2012	Year ended March 31, 2011
Current Service Cost	559	497
Past Service Cost	Nil	Nil
Interest Cost	123	97
Expected Return on Plan Assets	(65)	Nil
Curtailement Cost / (Credit)	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil
Net actuarial (gain)/ loss recognized in the year	(250)	(430)
Total Expenses recognized in the Statement of Profit and Loss #	367	164
#Included in Contribution to Provident and Other Funds under Employee Benefits Expense (Refer Note 16)		

In respect of leave encashment/compensated absence the present value of obligation as at March 31, 2012 is ₹991 Thousand* (Previous Year 784 Thousand). The expense recognized in the Statement of Profit and Loss is ₹ 879 Thousand** (Previous Year ₹950 Thousand)

*included in Provision for Employee Benefits (Refer Note 7)

**Included in Staff Welfare and Benefits under Employee Benefits Expense (Refer Note 16)

32. The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company and its projected cash flows have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, although the net worth has eroded at the year-end. The company is also assured of financial and operational support by its parent company. Basis all of the above, the Company has continued to adopt the going concern basis of accounting in preparing the financial statements.
33. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

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

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Hitesh Oberoi
Director

Ambarish Raghuvanshi
Director

Place : Gurgaon
Date : May 03, 2012

Place: Noida
Date: May 03, 2012

APPLECT LEARNING SYSTEMS PRIVATE LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Tenth Annual Report on the operations of the Company together with audited Profit and Loss Account for the year ending 31st March, 2012 and the Balance Sheet as on that date.

Financial Results

(Amount in ₹'000)

Particulars	For the Year Ended 31 st March 12	For the Year Ended 31 st March 11
Revenue (Including Other Income)	51,288	16,528
Profit & Loss (Before Depreciation)	(44,576)	(38,183)
Depreciation	4,503	2,576
Profit & Loss (After Depreciation)	(49,079)	(40,759)
Provision for Tax (Including deferred Tax)	-	322
Profit & Loss carried to balance sheet	(49,079)	(41,081)

Dividend

The Company did not declare any dividend for strengthening the financial position of the Company.

Directors

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

Auditors Report

Observation made by the Auditors in their Report are self explanatory and therefore, do not call for any further comments under section 217(3) of the Companies Act, 1956.

Statutory Auditors

M/s Price Waterhouse & Co., Chartered Accountants are the retiring auditors and are eligible to be re-appointed as Statutory Auditors to hold their office from the conclusion of the forthcoming Annual General Meeting to the conclusion of the next Annual General Meeting. They also have confirmed that if they would be appointed as statutory auditors of the Company, their appointment would be in accordance with Section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment.

Directors Responsibility Statement

In terms of the provisions of Section 217 (2AA) of the Companies Act, 1956, your directors declare as follows:

- (i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the directors had selected such accounting policies and applied them consistently and made 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 at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors had prepared the annual accounts on a going concern basis.

Particulars of Employees

None of the employees of your Company is getting salary in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

The Information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

Particulars relating to conservation of energy, technology absorption are NIL

Foreign Earning: NIL

Foreign Outgo :

Details of the foreign Outgo during the financial Year 2011-12

Particulars	Amount (in ₹)
Expense	
Server Hire Charges	4,905,475
Others Expense	446,561
TOTAL (A)	5,352,036

Acknowledgement

Your board places on record its gratitude to Company's valued Customers, Dealers, Central and State Government and Bankers for their continued support and confidence in the Company.

For and on behalf of the Board

Place: New Delhi
Dated: May 3, 2012

Pavan Chauhan
Chairman

APPLECT LEARNING SYSTEMS PRIVATE LIMITED

AUDITORS' REPORT

To the Members of Applect Learning Systems Private Limited

1. We have audited the attached Balance Sheet of Applect Learning Systems Private Limited (the "Company") as at March 31, 2012, and the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 the auditing 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 amounts 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. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we further report that:
 - (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
 - (ii)
 - (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
 - (iii) 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.
 - (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 inventory, fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
 - (v) According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that Section. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.
 - (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
 - (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
 - (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
 - (ix)
 - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except dues in respect of income-tax, where delay was noted in few cases, the Company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, sales-tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty and cess as at March 31, 2012 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disallowance of certain expenses	1,225,352	AY 2007-08	Commissioner of Income Tax, Appeals

APPLECT LEARNING SYSTEMS PRIVATE LIMITED

- (x) The accumulated losses of the Company did not exceed fifty percent of its net worth as at March 31, 2012 and it has incurred cash losses in the financial year ended on March 31, 2012 and in the immediately preceding financial year.
 - (xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
 - (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 - (xiii) The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/ societies are not applicable to the Company.
 - (xiv) In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
 - (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
 - (xvi) The Company has not obtained any term loans.
 - (xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
 - (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
 - (xix) The company has not issued any debentures during the year; and does not have any debentures outstanding as at the year end.
 - (xx) The Company has not raised any money by public issues during the year.
 - (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
4. Further to our comments in the Annexure referred to in paragraph 3 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 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 dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2012;
 - (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

Gurgaon
May 3, 2012

Amitesh Dutta
Partner
Membership Number 58507

BALANCE SHEET AS AT MARCH 31, 2012

Particulars	Note No	Figures as at March 31, 2012	Figures as at March 31, 2011
		₹'000	₹'000
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	281	197
(b) Reserves and Surplus	4	173,531	(31,935)
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	-	50,000
(b) Long-term provisions	6	901	-
(3) Current Liabilities			
(a) Trade payables	7	11,944	2,589
(b) Other current liabilities	8	34,221	15,386
(c) Short-term provisions	6	1,695	2,053
TOTAL		222,573	38,290
II. ASSETS			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	9	10,626	4,442
(ii) Intangible assets	9	2,317	1,183
(b) Deferred tax assets (net)	10	-	-
(c) Long term loans and advances	11	4,555	1,620
(d) Other non-current assets	12	21,386	-
(2) Current assets			
(a) Inventories	13	189	-
(b) Cash and bank balances	14	170,221	24,974
(c) Short-term loans and advances	11	7,959	4,921
(d) Other current assets	12	5,320	1,150
TOTAL		222,573	38,290

Significant Accounting Policies

2

This is the Balance Sheet referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Pavan Chauhan
Director

Ritesh Hemrajani
Director

Place : Gurgaon
Date : May 03, 2012

Place : Delhi
Date : May 03, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	Note No	Year ended March 31, 2012	Year ended March 31, 2011
		₹'000	₹'000
I. Revenue from operations	15	40,699	14,040
II. Other Income	16	10,589	2,488
III. Total Revenue (I + II)		51,288	16,528
IV. Expenses:			
Changes in inventories of Stock-in-Trade	17	(189)	-
Employee Benefits Expense	18	46,278	24,685
Finance Costs	19	1,088	2,860
Depreciation and Amortisation	20	4,503	2,576
Advertising and Promotion cost	21	20,999	11,837
Administration and Other expenses	22	21,203	13,635
Network, Internet and Other direct charges	23	6,485	1,694
Total Expenses		100,367	57,287
V. (Loss) before tax (III - IV)		(49,079)	(40,759)
VI. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	10	-	322
VII. (Loss) for the year from continuing operations (V-VI)		(49,079)	(41,081)
VIII. (Loss) for the year (VII)		(49,079)	(41,081)
IX. Earnings per equity share: Nominal Value of Share ₹ 10/- (Previous Year ₹ 10/-)	29		
(1) Basic		(2,035)	(2,090)
(2) Diluted		(2,035)	(2,090)

Significant Accounting Policies

2

This is the Statement of Profit and Loss referred to in our report of even date.

The notes are an integral part of these financial statements.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Pavan Chauhan
Director

Ritesh Hemrajani
Director

Place : Gurgaon
Date : May 03, 2012

Place : Delhi
Date : May 03, 2012

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2012

Sr. No.	PARTICULARS	For the Year Ended 31st March 2012	For the Year Ended 31st March 2011
		₹'000	₹'000
A.	Cash Flow From Operating Activities:		
	Profit/(Loss) before tax	(49,079)	(40,759)
	Adjustments for:		
	Interest Income	(10,589)	(2,242)
	Depreciation and Amortisation	4,503	2,576
	Interest on debentures	781	-
	Liability no longer required written back	-	(244)
	Employee Stock Option Scheme Compensation Expense	38	47
	Operating Profit /(Loss) before working capital changes	(54,346)	(40,622)
	Adjustments for changes in working capital:		
	- (Increase)/Decrease in Loans and Advances and Other Current Assets	(5,022)	(869)
	- Increase/(Decrease) in Trade payables and other liabilities	28,733	10,093
	Cash generated from operations	(30,635)	(31,398)
	Direct Taxes (Paid) / Received	(1,125)	(224)
	Net Cash used in Operating Activities	(31,760)	(31,622)
B.	Cash Flow From Investing Activities:		
	Purchase of Fixed Assets	(11,821)	(3,726)
	Interest received	5,532	1,119
	Net Cash used in Investing Activities	(6,289)	(2,607)
C.	Cash Flow From Financing Activities:		
	Proceeds including securities premium from issue of equity shares	254,592	-
	Redemption (Conversion in to equity shares)of debentures	(50,000)	50,000
	Interest on debentures	(781)	-
	Loan given to ESOP trust	(16)	(7)
	Net Cash from Financing Activities	203,795	49,993
	Net Increase/(Decrease) in Cash and Cash Equivalents	165,746	15,764
	Opening balance of Cash and Cash Equivalents (April 01, 2011/April 01, 2010)	24,974	9,210
	Closing balance of Cash and Cash Equivalents	190,720	24,974
	Cash and cash equivalents comprise of:		
	Cash in hand	-	-
	Balance with Banks		
	-in current accounts	37,576	4,138
	-in fixed deposits	153,144	20,836
	Total	190,720	24,974

Notes:

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard(AS) - 3 on Cash Flow Statements, prescribed under Companies (Accounting Standards) Rules 2006, as notified by the Central Government vide its notification dated December 7, 2006.

2. Figures in brackets indicate cash outflow.

This is the Cash Flow Statement referred to in our report of even date.

For Price Waterhouse & Co.
Firm Registration Number:050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number: 58507

Pavan Chauhan
Director

Ritesh Hemrajani
Director

Place : Gurgaon
Date :

Place :- Delhi
Date:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

1. General Information

Applect Learning Systems Private Limited (the Company) was incorporated on April 04, 2001 under the Companies Act, 1956 (the 'Act') and is engaged in the business of providing online education services.

2. Significant Accounting Policies

2.1 Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

2.2 Fixed Assets

Fixed Assets are stated at cost of acquisition along with related taxes, duties and incidental expenses related to these assets.

Intangible assets are stated at their cost of acquisition.

Profit/Loss on disposal of fixed assets is recognized in the Profit & Loss Account.

2.3 Depreciation

Fixed assets are depreciated under written down value method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the related assets.

Assets costing less than or equal to ₹ 5,000 are fully depreciated in the year of acquisition.

2.4 Inventories

Inventories are stated at lower of cost and net realisable value. Cost is determined using weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.5 Revenue Recognition

The Company primarily earns revenue from online coaching services.

Revenue from online coaching is received in the form of subscription fee which is recognized over the period that coaching is imparted.

Revenue is shown net of service tax and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

2.6 Employee Benefits

The company has Defined Contribution plan for post employment benefits namely Provident Fund which is recognized by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to revenue every year.

The Company has Defined Benefit plans namely leave encashment, compensated absence and gratuity for employees, the liability for which is determined on the basis of an actuarial valuation at the end of the year.

Termination benefits are recognized as an expense immediately.

Gains and losses arising out of actuarial valuations are recognized immediately in the Profit and Loss Account as income or expense.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

2.7 Leased Assets

- i) Assets acquired on lease where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease amount paid is allocated between the liability and the interest cost, so as to maintain a constant periodic rate of interest on the outstanding liability for each period.
- ii) Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Profit and Loss Account on a straight line basis over the lease term.
Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognised as expense in the Profit and Loss Account on a straight line basis over the lease term.

2.8 Taxes on Income

Tax expense comprises of current tax and deferred tax. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. Deferred tax assets are recognized and carried forward only to the extent there is a reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

2.9 Earnings Per Share (EPS)

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

2.10 Employee Stock Option Based Compensation

Stock options granted to the employees who accepted the grant under the Company's Stock Option Plan are accounted in accordance with the Guidance Note on Accounting for Employee Share based payment issued by Institute of Chartered Accountants of India. The Company follows the intrinsic value method and accordingly, the excess, if any, of the fair value of the underlying equity shares as of the date of the grant of the option over the exercise price of the option, is recognized as employee compensation cost and amortized on straight line basis over the vesting period.

2.11 Foreign Currency Transactions

Transactions in foreign currency are accounted for at the rate prevailing on the date of the transaction. Gains/Loss arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Profit and Loss. Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the year end and the overall net gain/loss is adjusted to the Profit and Loss Account.

2.12 Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

2.13 Interest Income

Interest income is recognized on the time basis determined by the amount outstanding including the tax credits and the rate applicable and where no significant uncertainty as to measurability or collectibility exists.

3. SHARE CAPITAL

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
AUTHORIZED CAPITAL		
247,000 Equity Shares of ₹10/- Each (Previous Year 250,000 Equity shares of ₹10 each)	2,470	2,500
30,000 Preference Shares of ₹1/- Each (Previous Year Nil)	30	-
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
Equity Shares 26,600 of ₹10/- Each (Previous Year 19,655 Equity shares of ₹10 Each)	266	197
0.1% Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) 15,000 of ₹1/- Each (Previous Year Nil Preference Shares)	15	-
	281	197

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2012 No of Shares	As at March 31, 2012 (₹ '000)	As at March 31, 2011 No of Shares	As at March 31, 2011 (₹ '000)
Equity Shares				
At the beginning of the period	19,655	197	19,655	197
Add: Issued during the period	6,945	69	-	-
Outstanding at the end of the period	26,600	266	19,655	197

Particulars	As at March 31, 2012 No of Shares	As at March 31, 2012 (₹ '000)	As at March 31, 2011 No of Shares	As at March 31, 2011 (₹ '000)
Preference Shares				
At the beginning of the period	-	-	-	-
Add: Issued during the period	15,000	15	-	-
Outstanding at the end of the period	15,000	15	-	-

b. (1) Terms/Rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend if any declared is payable in Indian Rupees. The dividend if any proposed by the board of directors is subject to the approval of the shareholders in Annual General Meeting.

b. (2) Terms/ Rights attached to preference shares

The company has only one class of 0.1% OCCRPS having a par value of ₹ 1 per share, each holder of preference shares is entitled to one vote per share only if any proposed resolution directly affects any rights or the interest of the holder including resolution for winding up or reduction of share capital. Each OCCRPS is entitled to a preferential dividend 0.1% per annum payable in Indian Rupees.

Ranking: The OCCRPS shall rank senior to all classes of Shares currently existing or established hereafter, with respect to distributions and shall rank pari passu with the Ordinary Shares in all other respects including voting rights and adjustments for any stock splits, bonuses, sub-division, recapitalization, issuance of bonus shares, non-cash dividends/ distributions to holders of Shares, reclassification, conversion, buyback, cancellation, consolidation or merger.

Dividends : (i) Each OCCRPS is entitled to a preferential dividend rate of 0.1% (Zero point one per cent.) per annum (the "Preferential Dividend"). The Preferential Dividend is cumulative and shall accrue from year to year, whether or not paid. All accrued dividends shall be paid in full (together with dividends accrued from prior years) prior and in preference to any dividend or distribution.

ii) Dividends due and payable on any other Shares of the Company will be subordinate to any dividend payable on the OCCRPS. Under no circumstances shall any amounts be paid or dividends declared on any Shares other than the OCCRPS, until all dividends and other amounts due and owing on the OCCRPS shall have been paid in full.

(iii) In addition, the OCCRPS shall fully participate with the Ordinary Shares in all dividends declared by the Company

c. 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	FY 2011-12	FY 2010-11	FY 2009-10	FY 2008-09	FY 2007-08
Equity Shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	-
Equity Shares allotted as fully paid up pursuant to contracts for consideration other than cash	-	-	-	-	-
Equity Shares bought back by the company	-	-	-	-	-
	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

d. Details of shareholders holding more than 5% shares in the company

Particulars	FY 2011-12		FY 2010-11	
	No of Shares	% Holding	No of Shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Info Edge (India) Ltd.	13,210	49.66%	7,865	40.02%
ESOP - Applect	4,203	15.80%	2,673	13.60%
Ritesh Hemrajani	3,040	11.43%	3,040	15.47%
Pavan Chauhan	5,987	22.51%	5,987	30.46%
	26,440	99.40%	19,565	99.54%

Particulars	FY 2011-12		FY 2010-11	
	No of Shares	% Holding	No of Shares	% Holding
Preference Shares of ₹1 each Fully Paid up				
Info Edge (India) Ltd.	15,000	100.00%	-	-
	15,000	100.00%	-	-

e. Details of share held by Holding Company

Name of Holding company	FY 2011-12		FY 2010-11	
	No. of Shares	In %	No. of Shares	In %
Equity Shares Of ₹ 10 each				
Info Edge (India) Ltd.	13,210	49.66%	7,865	40.02%
	13,210	49.66%	7,865	40.02%

Name of Holding company	FY 2011-12		FY 2010-11	
	No. of Shares	In %	No. of Shares	In %
Preference Shares of ₹1 each Fully Paid up				
Info Edge (India) Ltd.	15,000	100.00%	-	-
	15,000	100.00%	-	-

f) Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

i) 3372 Equity shares of ₹10 each (Face Value) at 15737.16 each (Security Premium) were issued on 4-Jul-2011 to debenture holders in settlement of their dues (₹50,000,000/- Convertible debenture and ₹3,099,424 /-Interest on debenture due, till date of conversion of debentures in to equity shares.)

g). Terms of Securities convertible into Equity Shares

The 0.1% OCCRPS may be converted into Ordinary Shares at the option of the holder of the OCCRPS on the fourth anniversary of the date of issuance and allotment of the 0.1% OCCRPS. The number of Ordinary Shares issuable pursuant to the conversion of any 0.1% OCCRPS ("Conversion Ratio") shall be based on the following formula:

Subscription Amount paid for the 0.1% OCCRPS being converted / (Subscription Amount paid for the 0.1% OCCRPS being converted + Company Valuation)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

4. RESERVES AND SURPLUS

Particulars	As at	As at	As at	As at
	March 31, 2012 (₹ '000)	March 31, 2011 (₹ '000)	March 31, 2011 (₹ '000)	March 31, 2011 (₹ '000)
Securities Premium Account				
Opening Balance	65,664		65,664	
Add : Security premium credited on share issue	254,507	320,171	-	65,664
General Reserve				
Opening Balance	-		-	
Add: Statement of Profit and Loss	-		-	
Stock Options Outstanding Account				
Opening Balance	77		30	
Add: Transfer during the year	38	115	47	77
Statement Of Profit and Loss				
Opening Balance	(97,676)		(56,595)	
Add: Net Loss after tax transferred from Statement of Profit and Loss	(49,079)	(146,755)	(41,081)	(97,676)
		173,531		(31,935)

5. LONG TERM BORROWINGS

Particulars	Non-Current Portion		Current Maturities	
	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
SECURED LOANS				
6% optionally fully convertible Debentures of ₹50 lacs Each)	-	50,000	-	-
	-	50,000	-	-

6. PROVISIONS

Particulars	Long-Term		Short-Term	
	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Provision for Employee Benefits				
Provision for Compensated Absence	87	-	4	46
Provision for Gratuity	814	-	10	488
Other Provisions				
Provision for Income Tax	-	-	1,394	1,394
Bonus	-	-	287	125
	901	-	1,695	2,053

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

7. TRADE PAYABLES

Particulars	Long-Term		Short-Term	
	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Trade Payables				
- total outstanding dues of micro, small and medium enterprises	-	-	-	-
- total outstanding dues of creditors other than micro, small and medium enterprises	-	-	11,944	2,589
	-	-	11,944	2,589

Based on information available with the Company, there are no dues to micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Development Act, 2006 as on March 31, 2012.

8. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Interest accrued and due on borrowings	-	2,397
Income received in advance (Deferred Sales Revenue)	26,030	9,722
Unpaid Application Money due for refund	*	-
Others		
Salary & Reimbursements	4,963	2,087
Expenses Payable	1,660	597
TDS	1,106	511
Service Tax Payable	173	-
Others	109	-
EPF - Employee Contribution	156	63
ESIC - Employee Contribution	24	9
	34,221	15,386

* Amount is below the rounding off norm adopted by the company

9. Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at April 1, 2011	Additions During The Year	Deletions/ Write off during the year	As at March 31, 2012	Up to April 1, 2011	Depreciation/ Amortisation for the year	Accumulated Depreciation on Deletions	Up to March 31, 2012	As at March 31, 2012	As at March 31, 2011
Own Assets										
Tangible Assets										
Leasehold improvement	3,367	1,836	-	5,203	1,805	513	-	2,318	2,885	1,562
Plant & Machinery	915	172	-	1,087	249	103	-	352	735	666
Furniture and Fixtures	541	628	-	1,169	494	607	-	1,101	68	47
Office Equipment	867	1,277	-	2,144	483	457	-	940	1,204	384
Computers	4,200	5,832	-	10,032	2,417	1,881	-	4,298	5,734	1,783
	9,890	9,745	-	19,635	5,448	3,561	-	9,009	10,626	4,442
Intangible Assets										
Own Assets (Acquired)										
Computer software	1,780	2,076	-	3,856	597	942	-	1,539	2,317	1,183
	1,780	2,076	-	3,856	597	942	-	1,539	2,317	1,183
Total	11,670	11,821	-	23,491	6,045	4,503	-	10,548	12,943	5,625
Previous Year	7,944	3,726	-	11,670	3,469	2,576	-	6,045	5,625	4,476

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

10. DEFERRED TAX ASSET/ (LIABILITY)

Particulars	As at	As at
	March 31, 2012 (₹ '000)	March 31, 2011 (₹ '000)
Deferred Tax Asset / (Liability)		
- Opening Balance	-	322
- Adjustment for the current year	-	(322)
	-	-

11. LOANS & ADVANCES

Particulars	Long-Term		Short-Term	
	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
(Unsecured, considered good)				
Security Deposits	4,349	1,430	-	-
Others				
Staff Advance	-	-	52	5
Balance with Service Tax Authorities	-	-	896	866
Advance recoverable from ESOP Trust	206	190	-	-
Advance recoverable in cash or in kind or for value to be received	-	-	2,840	1,004
Advance Tax	-	-	4,165	3,040
Advance Tax - Fringe Benefits	-	-	6	6
	4,555	1,620	7,959	4,921

12. OTHER NON CURRENT/ CURRENT ASSETS

Particulars	Non-Current		Current	
	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
(Unsecured Considered Good)				
Non Current portion of Fixed Deposits transferred from Cash & Bank Balances	20,499	-	-	-
Interest Accrued on Fixed Deposits	887	-	5,320	1,150
	21,386	-	5,320	1,150

13. Inventories

Particulars	As at	As at
	March 31, 2012 (₹ '000)	March 31, 2011 (₹ '000)
Stock In Trade (At Cost) Books (590 books @ 320/-)	189	-
	189	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

14. CASH AND BANK BALANCES

Particulars	Non-Current		Current	
	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Cash & Cash Equivalents				
Balances with Banks:				
-In current Accounts	-	-	37,576	4,138
-in Fixed Deposit Accounts with original maturity of less than 3 months	-	-	25,000	20,600
-in Fixed Deposit Accounts with original maturity for more than 12 months	20,499	-	-	-
Non Current portion transferred to non current assets	(20,499)	-	-	-
Other Bank Balances				
Balances in Fixed Deposit Accounts with original maturity for more than 3 months but less than 12 months	-	-	107,645	236
	-	-	170,221	24,974

15. REVENUE FROM OPERATIONS

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Sale of Services	40,699	14,040
	40,699	14,040

16. OTHER INCOME

Particulars	Long Term		Short Term	
	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Interest Received/ Receivable on fixed deposits with banks	986	-	9,603	2,242
Other non-operating income	-	-	-	2
Sundry Balance W/back	-	-	-	244
	986	-	9,603	2,488

17. INCREASE/ (DECREASE) IN INVENTORIES

(Amount in ₹ '000)

Opening Balance of Inventories	-
Closing Balance of Inventories	189
Increase/ (Decrease) In Inventories	189

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

18. EMPLOYEE BENEFITS EXPENSE

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Salary & Other Allowances	31,103	16,890
Bonus	1,017	413
House Rent Allowance	8,200	4,495
Gratuity	394	-
Leave Encashment	137	36
ESI Employer Contribution	523	199
Contribution to Provident Fund	1,449	732
Staff Welfare Expenses	3,455	1,920
	46,278	24,685

19. FINANCE COSTS

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Interest on long term borrowings	781	2,663
Others	307	197
	1,088	2,860

20. DEPRECIATION AND AMORTIZATION

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Depreciation of Tangible Assets	3,561	2,073
Amortisation of Intangible Assets	942	503
	4,503	2,576

21. ADVERTISING AND PROMOTION COST

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Advertisement Expenses	20,871	11,803
Promotion & Marketing Expenses	128	34
	20,999	11,837

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

22. ADMINISTRATION AND OTHER EXPENSES

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Books & Periodicals	29	29
Communication Expenses	2,707	1,002
Domain Name Expenses	43	12
Electricity & Water Expenses	1,209	622
Foreign Exchange Variation	129	36
Fee & Subscription	110	80
Import Services Expenses	-	175
Insurance Expenses	13	10
Commission	964	-
Legal and Professional Charges	1,288	2,188
Miscellaneous Expenses	25	9
Office Expenses	697	245
Postage & Courier	675	465
Printed Educational Material	1,831	2,975
Printing & Stationery	207	203
Rates & Taxes	5	12
Recruitment & Training Expenses	2,280	287
Rent	5,396	3,447
Repairs and Maintenance -Others	1,562	788
Payment to Auditors	-	-
As Auditor:-	-	-
Statutory Audit Fee	200	200
Tax Audit Fee	50	50
Out Of Pocket Expenses	11	15
Transaction Charges	1,294	429
Travel & Conveyance	270	281
Web Development Expenses	208	75
	21,203	13,635

23. NETWORK, INTERNET AND OTHER DIRECT CHARGES

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Server Charges	6,130	1,479
Broadband & Internet Expense	355	215
	6,485	1,694

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

24. Operating Leases where the company is a lessee:

The company has entered into lease transaction mainly for leasing of office premise for a period of 2 to 5 years. The terms of lease include terms of renewal, increase in rents in future periods and terms of cancellation. The operating lease payments recognized in the Statement Profit and Loss amount to ₹ 5,388 thousand (Previous Period ₹3,447 thousand) included in Note 22 – Administration and Other Expenses.

Operating Lease Where The Company Is Lessee:

Lease Liabilities- minimum lease payments:	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Lease payment recognised in Statement Of Profit and Loss	5,388	3,447
Total of future minimum lease payments under non - cancellable operating lease		
Not later than 1 year	12,180	4,976
Later than 1 year and not later than 5 years	47,719	6,550
Total minimum lease payments	59,899	11,526

25. Expenditure in Foreign Currency

Amount in ₹'000

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Server Hire Charges	4,905	-
Others	447	-
Total	5,352	

26. Earnings in Foreign Exchange

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Sales	Nil	Nil
Total	-	-

27. Contingent Liabilities

Claims against the Company not acknowledged as debts

Particulars	As at March 31, 2012 (₹ '000)	As at March 31, 2011 (₹ '000)
Income Tax Matters	1,225	1,225
	1,225	1,225

It is not practicable for the company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the proceeding.

28. Auditor's Remuneration

Amount in ₹'000

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
As Auditors	200	200
As Tax Auditors	50	50
Out of Pocket Expenses	11	15
Total	261	265

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

29. Basic and Diluted Earnings per share (EPS):

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Loss attributable to Equity Shareholders (₹ '000)	(49,079)	(41,081)
Weighted average number of Equity Shares outstanding during the year (Nos.)	24,116	19,655
Basic & Diluted Earnings Per Equity Share of ₹10 each (₹)	(2,035)	(2,090)

30 (1) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2012:

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Mr. Ritesh Hemrajani (Director)

Mr. Pavan Chauhan (Director)

Mr. Sudhir Bhargava (Director)

B) Details of transactions with related party for the year ended March 31, 2012 in the ordinary course of business:

Amount (₹'000)

Sr. No	Nature of relationship / transaction	Holding Company	KMP	Total
1	Amount received towards shares subscription (Including Share Premium)	200,000	-	200,000
2	Amount paid towards Resdex Premium services of Naukri.com	126	-	126
3	Amount of Interest on 6% Debenture payable during the year	781	-	781
4	6% debentures of ₹.50,000,000 and interest of ₹ 3,099,424 due till date of conversion, converted in to 3372 Equity Shares of ₹ 10 each issued at a premium of ₹ 15737.16 per share.	53,099	-	53,099
5	Amount given to Mr. Ritesh Hemrajani as Advance for business purpose	-	100	100

C) Amount due to/from related parties as at March 31, 2012

Sr. No	Nature of relationship / transaction	Holding Company	KMP	Total
1	Debit balances			
	Outstanding Advances/Receivables	-	100	100
	Maximum amount outstanding during the year	-	100	100
1	Credit balances			
	Outstanding Payable			
	Maximum amount outstanding during the year	200,140	-	200,140

1. Loan given to Applect Employees Stock Option Plan Trust during the year ₹ 16 thousand

2. Amount due from Applect Employees Stock Option Plan Trust as on March 31, 2012 is ₹ 206 thousand

3. The directors do not take any remuneration.

30 (2) Related Party Disclosures

A) Names of related parties with whom transactions were carried out and description of relationship as identified and certified by the Company as per the requirements of Accounting Standard – 18 specified in Companies (Accounting Standard) Rules, 2006 and where control exists for the year ended March 31, 2011:

Holding Company

Info Edge (India) Limited (IEIL)

Key Management Personnel (KMP) & Relatives

Mr. Ritesh Hemrajani (Director)

Mr. Pavan Chauhan (Director)

Mr. Sudhir Bhargava (Director)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

B) Details of transactions with related party for the year ended March 31, 2011 in the ordinary course of business:

Amount (₹ '000)

Sr. No	Nature of relationship / transaction	Holding Company	KMP & Relatives	Total
1	Amount received towards issue of 6% optionally Fully Convertible debentures.	50,000	-	50,000
2	Amount paid towards Resdex Premium services of Naukri.com	82	-	82
3	6% Debenture interest payable (Gross of TDS)	2,663	-	2,663
4	Amount given to Mr. Ritesh Hemrajani as advance for business purpose.	-	50	50
5	Amount received from Mr. Ritesh Hemrajani as repayment of advance for business purpose.	-	50	50

1. Loan given to Applect Employees Stock Option Plan Trust during the year ₹ 7 thousand
2. Amount due from Applect Employees Stock Option Plan Trust as on March 31, 2011 is ₹ 190 thousand
3. The directors do not take any remuneration.

C) Amount due to/from related parties as at March 31, 2011

Sr. No	Nature of relationship / transaction	Holding Company	KMP	Total
1	Debit balances			
	Outstanding Advances/Receivables			
	Maximum amount outstanding during the year	-	50	50
1	Credit balances			
	Outstanding Payable			
	Maximum amount outstanding during the year	50,082	-	50,082

31. Employee Stock Option Scheme 2009 (ESOP)

The board vide its resolution dated 29-Dec-09 approved ESOP 2009 for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the company, monitored and supervised by the compensation Committee of the Board of Directors

The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

- Number of options granted, exercised and forfeited during the year:-

Particulars	2011-12		2010-11	
	Number	Weighted Average Exercise Price (₹)	Number	Weighted Average Exercise Price (₹)
Options outstanding at beginning of year	745	10	1,138	10
Add:				
Options granted	-	-	-	-
Less:				
Options exercised	-	-	-	-
Options forfeited	-	-	393	10
Options outstanding at the end of year	745	10	745	10
Option exercisable at the end of year	745	10	745	10

In accordance with the above mentioned ESOP Scheme, ₹38 thousand (Previous Year ₹47 thousand) has been charged to the Statement of Profit and Loss in relation to the options vested during the year ended March 31, 2012 as Employee Stock Option Scheme Compensation.

2. (A) - In respect of options vested during the year, had the fair value method been used, the loss for the year would be higher by ₹ 1 thousand (Previous year ₹ .8 thousand) and the EPS would be ₹ -2035.16 (Previous year ₹ -2090.16).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(B) - The fair value of each option is estimated on the date of grant using the Black Scholes model with the below listed assumptions:

ESOP Plan 2009	2011-12	2010-11
Weighted average fair value of the options at the grant dates	155.82	155.82
Volatility	0.00%	0.00%
Risk free rate	6.53%	6.53%
Expected volatility	0.00%	0.00%

32. The Company is in the business of internet based service delivery which constitute a single business segment, therefore there is no reportable segment as per the requirements of Accounting Standards – 17 on “Segment Reporting” prescribed under Companies (Accounting Standards) Rules, 2006 as notified by the Central Government vide its notification dated December 7, 2006.

33. Employee Benefits

The Company has classified the various benefits provided to employees as under (Amount ₹' 000):

A. Defined Contribution Plans

a) Provident Fund

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Employers' Contribution to Provident Fund*	1,449	646

*Included in the employee benefit expenses refer note 18

B. State Plans

a) Employer's Contribution to Employee State Insurance

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Employers' Contribution to Employee State Insurance *	523	199

*Included in the employee benefit expenses refer note 18

C. Defined Benefit Plans

a) Gratuity payable to employees

b) Leave Encashment/ Compensated Absences for Employees

Particulars	Leave Encashment/Compensated Absences	
	FY 2011-12	FY 2010-11
Discount Rate (per annum)	8.50%	8.00%
Rate of increase in Compensation levels (Per Annum)	5.50%	5%

Particulars	Employee's Gratuity Fund	
	FY 2011-12	FY 2010-11
Discount Rate (per annum)	8.50%	8.00%
Rate of increase in Compensation levels	5.50%	5%
Expected Average remaining working lives of employees (years)	32.27	31.51

(A) Changes in the Present Value of Obligation	Employee's Gratuity Fund FY 2011-12	Employee's Gratuity Fund FY 2010-11	Leave Encashment FY 2011-12	Leave Encashment FY 2010-11
Present Value of Obligation at the beginning of the year	488	301	46	58
Interest Cost	42	24	4	5
Past Service Cost	Nil	Nil	Nil	Nil
Current Service Cost	334	185	28	16
Curtailment Cost / (Credit)	Nil	Nil	Nil	Nil
Settlement Cost / (Credit)	Nil	Nil	Nil	Nil
Benefits paid	(58)	Nil	(92)	(48)
Actuarial (gain)/ loss on obligations	18	(22)	105	15
Present Value of Obligation at the end of the year*	824	488	91	46

*Included in the provision for employee benefits refer note 6

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(B) Assets and Liabilities recognized in the balance sheet :	Employee's Gratuity Fund	Employee's Gratuity Fund	Leave Encashment	Leave Encashment
	FY 2011-12	FY 2010-11	FY 2011-12	FY 2010-11
Present value of unfunded Obligation as at March 31, 2012	824	488	91	46
Unrecognized Actuarial (gains)/losses				
Unfunded Net Asset / (Liability) Recognized in Balance Sheet	824	488	91	46

(C) Expense recognized in the Profit and Loss Statement	Employee's Gratuity Fund	Employee's Gratuity Fund	Leave Encashment	Leave Encashment
	FY 2011-12	FY 2010-11	FY 2011-12	FY 2010-11
Current Service Cost	334	185	28	16
Past Service Cost	Nil	Nil	Nil	Nil
Interest Cost	42	24	4	5
Expected Return on Plan Assets	Nil	Nil		
Actuarial (gain) / loss on Obligations	18	(22)	105	15
Settlement Cost / (Credit)	Nil	Nil		
Total Expenses recognized in the Statement Profit and Loss*	394	187	137	36
*Included in the employee benefit expenses refer note 18				

(D) Expected Contribution to the fund in the next year	Year ended March 31, 2012	Year ended March 31, 2011
	(₹ '000)	(₹ '000)
Gratuity	793	339
Leave Encashment	41	22

34. The Company's business activities, together with the factors likely to affect its future development and performance along with the financial position of the Company and its projected cash flows have been reviewed by the Board of Directors and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, although the net worth has significantly eroded as at the year-end. Thus the Company has continued to adopt the going concern basis of accounting in preparing the financial statements

35. The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

For Price Waterhouse & Co.
Firm Registration Number: 050032S
Chartered Accountants

For and on behalf of the Board of Directors

Amitesh Dutta
Partner
Membership Number 58507

Pavan Chauhan
Director

Ritesh Hemrajani
Director

Place : Gurgaon
Date : May 03, 2012

Place: Delhi
Date: May 03, 2012