

Notes to the financial statements for the year ended March 31, 2020

1. Corporate Information

Info Edge (India) Ltd (the Company) CIN : L74899DL1995PLC068021 is a public limited company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at GF-12A, 94 Meghdoot Building, Nehru Place, New Delhi – 110019 and principal place of business is in B-8, Sector-132, Noida-201304. Its shares are listed on two stock exchanges of India. The Company is primarily engaged in providing online & offline services primarily through its online portal Naukri.com, Jeevansathi.com, 99 acres.com, shiksha.com & offline portal Quadrangle.com. The financial statements are approved for issue by the Company's Board of Directors on June 22, 2020.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

2.1 Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under section 133 of the Companies Act, 2013 ('the Act') [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

The financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off upto two decimal points to the nearest Million (as per the requirement of Schedule III), unless otherwise stated.

(ii) Historical Cost Convention

The Financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) which are measured at fair value / amortised cost less diminution, if any;
- Defined benefit plans-plan assets measured at fair value; and
- Share based payments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in profit or loss during the reporting period, in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful lives of assets, based on internal assessment and independent technical evaluation done by the Management experts which are stated as under, except in case of Plant and Machinery, Furniture and Fixtures and Vehicles where useful life is lower than life prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

Assets	Estimated useful life (Years)
Building	60
Computers	3
Plant and Machinery	10
Furniture and Fixtures	8
Office Equipment	5
Vehicles	6

The leasehold improvements are depreciated over the assets' useful life or over the shorter of the assets' useful life and the lease term.

The asset's useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount of the asset. These are included in profit or loss within other income.

Assets costing less than or equal to Rs. 5,000 are fully depreciated pro-rata from date of acquisition.



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2.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at historical cost. Intangibles assets have a finite life and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses if any.

Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.

Amortisation methods and estimated useful lives

Assets	Estimated useful life (Years)
Enterprise resource planning software	5
Other software licenses	3

Assets costing less than or equal to Rs. 5,000 are fully amortised pro-rata from date of acquisition.

2.4 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists or when annual impairment testing for an asset is required, an estimate of the recoverable amount of the asset/cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each balance sheet for possible reversal of an impairment loss recognized for an asset, in prior accounting periods.

2.5 Foreign currency translations

(i) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency') i.e., Indian Rupee (INR) which is its presentation currency as well.

(ii) Transactions and balances

Initial recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent recognition

As at the reporting date, foreign currency monetary items are translated using the closing rate and non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction.

Exchange gains and losses arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the year in which they arise.

During the previous year ended March 31, 2019, the company had adopted Appendix B to Ind AS 21 – Foreign Currency Transactions and Advance Considerations which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Translation of foreign operations

The financial statements of foreign operations are translated using the principles and procedures mentioned above, since these businesses are carried on as if it is an extension of the Company's operations.

2.6 Revenue recognition

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective approach, applied to contracts that were not completed as of April 1, 2018. In accordance with modified retrospective approach, the comparatives have not been retrospectively adjusted.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services. (net of goods and services tax).

The Company earns revenue significantly from the following sources viz.

a) Recruitment solutions through its career web sites such as, Naukri.com:-

Revenue is received primarily in the form of fees, which is recognized prorata over the subscription / advertising / service agreement, usually ranging between one to twelve months.

b) Matrimonial web site, Jeevansathi.com, Real Estate website, 99acres.com and Education classified website, Shiksha.com:-

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Revenue is received in primarily the form of subscription fees, which is recognized over the period of subscription / advertising / service agreement, usually ranging between one to twelve months. The revenue is recognized on principal to principal basis and recognized gross of agency/commission fees, as applicable in case of Jeevansathi.com.

c) Placement search division, Quadrangle:-

Revenue is received in the form of fees, for placements at various levels in a client's organization. Revenue is recognized on the successful completion of the search and selection activity.

d) Resume Fast Forward Service:-

The revenue from Resume Sale Services is earned in the form of fees and is recognized on completion of the related service.

Revenue in relation to rendering of the services mentioned in (a) & (b) above where performance obligations are satisfied over time and where there is no uncertainty as to measurability or collectability of consideration, is recognized ratably over the period of in which services are rendered (subscription period) and rendering of the services mentioned in (c) to (d) above are recognised in the accounting period in which the services are rendered. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

In respect of (a) and (b) above, the unaccrued amounts are reflected in the Balance sheet as Income received in advance (deferred sales revenue).

The company has as a matter of practical expedient recognised the incremental costs of obtaining a contract as an expense when incurred, since the amortisation period of the asset that the entity otherwise would have recognised is generally one year or less.

2.7 Retirement and other employee benefits

(i) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other Long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

a) defined contribution plans - provident fund

b) defined benefit plans - gratuity plans

a) Defined contribution plans

The Company has a defined contribution plan for the post-employment benefit namely Provident Fund which is administered through the Regional Provident Fund Commissioner and the contributions towards such fund are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

b) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each period. The Gratuity Fund is recognised by the income tax authorities and is administered through Life Insurance Corporation of India under its Group Gratuity Scheme.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(iv) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Notes to the financial statements for the year ended March 31, 2020

(v) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(vi) Share based payments

Share-based compensation benefits are provided to employees via the Info Edge Limited Employee Option Plan and share-appreciation rights. These are equity settled schemes.

Employee options

The fair value of options granted under the Info Edge Employees' Stock Option Scheme is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the grant date fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Share appreciation rights

Share appreciation rights granted are considered to be towards equity settled share based transactions and as per IND AS 102, cost of such options are measured at fair value as at the grant date. Company's share appreciation rights are recognised as employee benefit expense over the relevant service period.

2.8 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax is calculated on the basis of the tax rates and the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions or make reversals of provisions made in earlier years, where appropriate, on the basis of amounts expected to be paid to / received from the tax authorities.

Deferred tax is recognized for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only if it is probable that sufficient future taxable amounts will be available against which such deferred tax asset can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets and liabilities and the deferred tax balances relate to the same taxable authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.9 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as a finance cost.

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2.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. The criteria for held for sale is considered to have met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

2.11 Leases (as lessee)

Operating Lease:

The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the Contract involves the use of an identified asset,
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of lease
- (iii) the Company has the right to direct the use of asset

As at the date of commencement of the lease, the Company recognises a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for the leases with a term of twelve month or less (short term leases). For these short term leases, the Company recognises the lease payments as an operating expense on a straight line basis over the period of lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term. The lease liability is initially measured at amortized cost at the present value of the future lease payments. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition

The Ministry of Corporate Affairs on 30 March 2019 notified the new leasing standard, viz., Ind AS 116 Leases. Ind AS 116 is applicable for the financial year beginning on or after 1 April 2019 for all Ind AS companies. It replaces current guidance under Ind AS 17 Leases.

Hence effective April 01, 2019 the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective approach and has taken the cumulative adjustment to right of use of assets, on the date of initial application. Consequently the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application. Comparatives of previous periods have not retrospectively adjusted and therefore will continue to be reported under previously adopted accounting policy as per Ind AS 17. Refer note 2.10-Significant accounting policies-Leases in the Annual report of the Company for the year ended March 31, 2019.

On transition; the Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The Company recognised a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement of the lease, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The effect of adoption of Ind AS 116 as at April 1, 2019 is as follows:

The Company has recognised Right of use assets for Rs. 853.15 Mn and Lease liabilities of Rs. 853.15 Mn as at April 1, 2019 i.e., transition date. The lease equalisation reserve of Rs. 32.22 Mn and prepaid rent arising due to discounting of security deposit of Rs. 32.24 Mn has been adjusted with the Right of use asset (ROU). The Company also reclassified its leasehold land amounting to Rs. 135.87 Mn as ROU asset.

During the year ended March 31, 2020, depreciation of Rs. 216.59 Mn on Right of use assets and interest expense of Rs. 66.30 Mn on Lease liabilities has been charged to statement of profit and loss. Accordingly, Contractual lease rentals amounting to Rs. 224.44 Mn and Network & other expense of Rs. 27.09 Mn pertaining to the year have not been recognized as expenses. The profit before tax for the year is lower by Rs. 31.36 Mn in view of these changes.

The principle portion of the lease payments have been disclosed under cash flow from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flow from operating activities. Refer note 3(b) & 10(d) of financial statement for detailed disclosure.

The following is the summary of practical expedients elected on initial application:

- 1. Single discount rate is applied to a portfolio of leases of similar assets in similar economic environment with a similar end date

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2. The exemption for not recognising right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application has been availed
3. The initial direct costs from the measurement of the right-of-use asset at the date of initial application have been excluded
4. Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.
The incremental borrowing rate applied to lease liabilities as at April 1, 2019 is taken at 8.50%

2.12 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

All operating segments' results are reviewed regularly by the Company's Managing Director & Chief Executive Officer (MD & CEO) who have been identified as the CODM, to assess the financial performance and position of the Company and makes strategic decisions.

The Company is primarily in the business of internet based service delivery operating in four service verticals through various web portals in respective verticals namely recruitment solutions comprising primarily naukri.com, other recruitment related portals and ancillary services related to recruitment, 99acres.com for real estate related services, Jeevansathi.com for matrimony related services and Shiksha.com for education related services.

(a) Description of segments and principal activities

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in preparing these financial statements are consistently applied to record revenue & expenditure in individual segments. The reportable segments represent "Recruitment Solutions" and "99acres" and the "Others".

1: **Recruitment Solutions:** This segment consists of Naukri (both India and Gulf business) and all other allied business which together provides complete hiring solutions which are both B2B as well as B2C. Apart from all Other Online business, it also includes Offline headhunting business 'Quadrangle'.

2: **Real State- 99acres:** 99acres.com derives its revenues from property listings, builders' and brokers' branding and visibility through micro-sites, home page links and banners servicing real estate developers, builders and brokers.

3: **Others:** This segment comprises primarily Jeevansathi and Shiksha service verticals since they individually do not meet the qualifying criteria for reportable segment as per the Ind AS.

The CODM primarily uses a measure of profit before tax to assess the performance of the operating segments. However, the CODM also receives information about the segments' revenue and assets on a monthly basis.

(b) Profit before tax

Profit before tax for any segment is calculated by subtracting all the segment's expenses (excluding taxes) incurred during the period from the respective segment's revenue earned during the period. To calculate the segment level expenses, certain common expenditures which are incurred for the entity as a whole but cannot be directly mapped to a single segment are allocated basis best management estimates to all the segments.

Interest income is not allocated to segments as this type of activity is driven by the central treasury function. Similarly, certain costs including corporate expenses which are not directly related to general functioning of business are not allocated to segments.

2.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand, amount at banks and other short-term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management

2.14 Earnings Per Share (EPS)

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit for the period attributable to equity holders of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential instruments into equity shares.

For the purpose of calculating basic EPS, shares allotted to ESOP trust pursuant to the employee share based payment plan are not included in the shares outstanding as on the reporting date till the employees have exercised their right to obtain shares, after fulfilling the requisite vesting conditions. Till such time, the shares so allotted are considered as dilutive potential equity shares for the purpose of calculating diluted EPS.

2.15 Treasury shares (Shares held by the ESOP Trust)

The Company has created an Employee Stock Option Plan Trust (ESOP Trust) for providing share-based payment to its employees. The Company uses the trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Company allots shares to the ESOP Trust. The Company treats the ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares. Share options exercised during the reporting period are satisfied with treasury shares.

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The consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from retained earnings.

2.16 Financial Instruments

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income,
- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded either through profit or loss or thru other comprehensive income. For investments in equity instruments in subsidiaries, associates and jointly control entities these are carried at cost less diminution, if any. However, the gains or losses with respect to Controlled Trust are recognised through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company has classified its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows and where the contractual terms give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVTOCI) :** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit & loss in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost, are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the statement of profit and loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments which are within the scope of Ind AS 109 at fair value, other than investments in equity instruments in subsidiaries, associates and jointly control entities, which are carried at cost less diminution, if any. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established. The investment in Controlled Trust is subsequently measured at fair value through Other Comprehensive Income.

iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 44 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(iv) Derecognition of financial instruments

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial

Notes to the financial statements for the year ended March 31, 2020

asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

A financial liability (or a part of financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(v) Financial Liabilities

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short term maturity of these instruments.

(vi) Income recognition

Interest income

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss

Dividends

Dividends are recognized in profit or loss only when the right to receive the payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably, which is generally when the shareholders approve the dividend.

2.17 Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

2.18 Cash dividends to equity holders

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorised and is no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period. A corresponding amount is recognized directly in equity.

2.19 Exceptional items

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner.

Following are considered as exceptional items -

- a) Gain or loss on disposal of investments to wholly owned subsidiaries at higher or lower than the cost / book value
- b) Write down of investments in subsidiaries, jointly controlled entities and associates which are carried at cost in accordance with IND AS 27 to recoverable amount, as well as reversals of such write down.
- c) Impact of any retrospective amendment requiring any additional charge to profit or loss.
- d) Fair value loss of asset classified as held for sale

2.20 Critical estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS that requires management to make accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. 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.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of non-current investments and has been discussed below. Key source of estimation of uncertainty in respect of current tax expense and payable, employee benefits and fair value of unlisted subsidiary entities have been discussed in their respective policies.

The areas involving critical estimates or judgments are:

- a) Estimation of current tax expenses and payable-Note 42
- b) Estimation of employee benefits - Note 30
- c) Share based payments - Note 26
- d) Impairment of trade receivable - Note 44

2.21 Estimation of Impairment on Non-Current Investment

The Company carries reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectation of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the financial statements for the year ended March 31, 2020

3 (a). Property, plant & equipment

Amount (₹Mn)

Particulars	Building	Leasehold improvements	Computers	Plant and equipment	Furniture and fixtures	Office equipment	Leasehold Land	Vehicles	Total
Gross carrying amount at cost									
As at April 1, 2018	74.30	201.58	485.42	33.81	64.75	54.78	135.87	32.12	1,082.63
Additions	-	1.26	152.22	5.48	1.34	11.50	-	9.11	180.91
Disposals	-	0.38	3.31	0.19	0.03	1.75	-	7.19	12.85
As at March 31, 2019	74.30	202.46	634.33	39.10	66.06	64.53	135.87	34.04	1,250.69
Accumulated depreciation									
As at April 1, 2018	4.01	133.42	340.43	8.71	31.51	39.57	5.86	12.67	576.18
Depreciation charged during the year	1.34	45.54	105.70	4.18	10.26	9.59	1.95	6.25	184.81
Disposals	-	0.38	3.25	0.09	0.02	1.55	-	4.88	10.17
As at March 31, 2019	5.35	178.58	442.88	12.80	41.75	47.61	7.81	14.04	750.82
Net carrying amount	68.95	23.88	191.45	26.30	24.31	16.92	128.06	20.00	499.87
Gross carrying amount at cost									
As at April 1, 2019	74.30	202.46	634.33	39.10	66.06	64.53	135.87	34.04	1,250.69
Additions	-	10.11	184.56	14.22	10.45	6.75	-	3.58	229.67
Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	135.87	-	135.87
Disposals	-	2.24	59.39	0.72	1.61	1.05	-	3.95	68.96
As at March 31, 2020	74.30	210.33	759.50	52.60	74.90	70.23	-	33.67	1,275.53
Accumulated depreciation									
As at April 1, 2019	5.35	178.58	442.88	12.80	41.75	47.61	7.81	14.04	750.82
Reclassified on account of adoption of Ind AS 116	-	-	-	-	-	-	7.81	-	7.81
Depreciation charged during the year	1.34	14.66	115.69	5.70	12.52	9.82	-	5.43	165.16
Disposals	-	2.23	59.14	0.34	1.25	1.00	-	2.72	66.68
As at March 31, 2020	6.69	191.01	499.43	18.16	53.02	56.43	-	16.75	841.49
Net carrying amount	67.61	19.32	260.07	34.44	21.88	13.80	-	16.92	434.04

Note :

Refer Note 10(a) for information on property, plant and equipment pledged/hypothecated as security by the company.

3 (b). Right of use asset

Amount (₹Mn)

Particulars	Building	Computers	Leasehold Land	Vehicles	Total
Gross carrying amount					
As at April 1, 2019*	814.34	31.93	-	6.90	853.17
Reclassified on account of adoption of Ind AS 116	-	-	135.87	-	135.87
Addition	104.50	-	-	-	104.50
Disposals	21.27	-	-	-	21.27
As at March 31, 2020	897.57	31.93	135.87	6.90	1,072.27
Accumulated depreciation					
As at April 1, 2019*	-	-	-	-	-
Reclassified on account of adoption of Ind AS 116	-	-	7.81	-	7.81
Depreciation charged during the year	199.54	14.19	1.96	2.86	218.55
Disposals	4.06	-	-	-	4.06
As at March 31, 2020	195.48	14.19	9.77	2.86	222.30
Net carrying amount	702.09	17.74	126.10	4.04	849.97

* As at April 01, 2019 the Company adopted Ind AS 116 and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective approach and has taken the cumulative adjustment to right of use of assets, on the date of initial application, refer note 2.11.

Notes to the financial statements for the year ended March 31, 2020

3 (c). Other Intangible assets

Particulars	Amount (₹Mn)			
	Enterprise resource planning software	Other software licenses	Total	Intangible assets under development
Gross carrying amount at cost				
As at April 1, 2018	2.04	82.60	84.64	-
Additions	-	45.19	45.19	20.00
Disposals	-	-	-	-
As at March 31, 2019	2.04	127.79	129.83	20.00
Accumulated amortisation				
As at April 1, 2018	2.03	59.90	61.93	-
Amortisation charged during the year	-	18.99	18.99	-
Disposals	-	-	-	-
As at March 31, 2019	2.03	78.89	80.92	-
Net carrying amount	0.01	48.90	48.91	20.00
Gross carrying amount at cost				
As at April 1, 2019	2.04	127.79	129.83	20.00
Additions	-	21.81	21.81	-
Disposals	-	-	-	-
As at March 31, 2020	2.04	149.60	151.64	20.00
Accumulated amortisation				
As at April 1, 2019	2.03	78.89	80.92	-
Amortisation charged during the year	-	30.07	30.07	-
Disposals	-	-	-	-
Provision for Impairment (refer note 20)	-	-	-	20.00
As at March 31, 2020	2.03	108.96	110.99	20.00
Net carrying amount	0.01	40.64	40.65	-

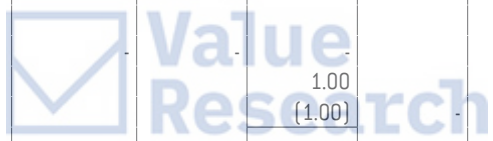
4. Financial assets

(a) Non current investments

Particulars	As at March 31, 2020				As at March 31, 2019			
	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)
At Cost								
Investments in Equity instruments of Subsidiary Companies (fully paid up)								
Unquoted								
Jeevansathi Internet Services Private Limited -Two hundred shares (March 31, 2019- Two hundred shares) are held by the nominees of the Company	9,800	10	0.10	0.10	9,800	10	0.10	0.10
Naukri Internet Services Limited Add : Equity component of debt instruments Less: Impairment in value of investment -Six shares (March 31, 2019- Six shares) are held by the nominees of the Company	9,994	10	0.10 263.37 (4.22)	259.25	9,994	10	0.10 3,117.29 (89.99)	3,027.40
Allcheckdeals India Private Limited Add : Equity component of debt instruments Less : Impairment in value of investment -One share (March 31, 2019- One share) is held by Naukri Internet Services Limited	9,847,499	10	98.47 41.32 (139.79)	-	9,847,499	10	98.47 41.32 -	139.79

Notes to the financial statements for the year ended March 31, 2020

Particulars	As at March 31, 2020				As at March 31, 2019			
	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)
Applect Learning Systems Private Limited (refer Note 38) -Share premium of ₹ Nil (March 31, 2019- ₹8,255.31) per share computed on average basis	-	-	-	-	5,871	10	48.52	48.52
Startup Investments (Holding) Limited Less: Impairment in value of investment Add : Equity component of debt instruments -Six shares (March 31, 2019- Six shares) are held by the nominees of the Company	49,994	10	0.50 (2,100.56) 2,800.67	700.61	49,994	10	0.50 (1,093.92) 2,800.67	1,707.25
Smartweb Internet Services Limited Less: Impairment in value of investment Add : Equity component of debt instruments -Six shares (March 31, 2019- Six shares) are held by the nominees of the Company	48,994	10	0.49 (127.92) 213.98	86.55	48,994	10	0.49 (91.71) 213.98	122.76
Startup Internet Services Limited Add : Equity component of debt instruments Less: Impairment in value of investment -Six shares (March 31, 2019- Six shares) are held by the nominees of the Company	49,994	10	0.50 7.27 (7.42)	0.35	49,994	10	0.50 7.27 (7.42)	0.35
Interactive Visual Solutions Private Limited Add : Equity component of debt instruments Less: Impairment in value of investment	-	-	1.00 (1.00)	-	-	-	1.00 -	1.00
Newinc Internet Services Private Limited Add : Equity component of debt instruments	-	-	20.07	20.07	-	-	20.07	20.07
Diphda Internet Services Limited -Six shares (March 31, 2019- Six shares) are held by the nominees of the Company	50,000	10	0.50	0.50	50,000	10	0.50	0.50
Highbit Careers Private Limited -Share premium of ₹ 24,898.42/- (March 31, 2019- Nil) per share computed on average basis	26,353	10	656.41	656.41	-	-	-	-
Sub-total (A)				1,723.84				5,067.74
Investments in Equity instruments of Joint ventures (fully paid up)								
Unquoted								
Makesense Technologies Limited -Six shares (March 31, 2019- Six shares) are held by the nominees of the Company -Share premium of ₹1693.22/- per share (March 31, 2019- ₹1693.22) per share	608,305	10	1,036.09	1,036.09	608,305	10	1,036.09	1,036.09
Zomato Media Private Limited -Share premium of ₹5282.02/- (March 31, 2019- ₹5282.02) per share computed on average basis	164,451	1	868.80	868.80	164,451	1	868.80	868.80



Notes to the financial statements for the year ended March 31, 2020

Particulars	As at March 31, 2020				As at March 31, 2019			
	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)
Greytip Software Private Limited -Share premium of ₹659.31/- (March 31, 2019- Nil) per share computed on average basis	29,948	10	20.04	20.04	-	-	-	-
Terralytics Analysis Private limited -Share premium of ₹3490/- (March 31, 2019- Nil) per share computed on average basis	1	10	0.00	0.00	-	-	-	-
Metis Eduventures Private Limited -Share premium of ₹71026.85/- (March 31, 2019- Nil) per share computed on average basis	994	10	70.61	70.61	-	-	-	-
Sunrise Mentors Private Limited -Share premium of ₹6,926.48/- (March 31, 2019- Nil) per share computed on average basis	1,444	10	10.02	10.02	-	-	-	-
Sub-total (B)				2,005.56				1,904.89
Investments in Preference shares of Subsidiary Companies (fully paid up) Unquoted								
Startup Investments (Holding) Limited -0.0001% compulsory convertible preference shares	2,432,346	100	243.23		2,432,346	100	243.23	
Less : Equity component of debt instruments			(220.90)				(220.90)	
Add : Interest income on account of measurement at amortised cost method			10.14	32.47			10.14	32.47
Naukri Internet Services Limited -0.0001% cumulative redeemable preference shares	324,000	100	2,886.32		34,324,000	100	3,432.40	
Less : Equity component of debt instruments			(3,117.29)				(3,117.29)	
Add : Interest income on account of measurement at amortised cost method			236.20	5.23			188.84	503.95
Smartweb Internet Services Limited -0.0001% compulsory convertible preference shares	3,406,100	100	340.61		2,406,100	100	240.61	
Less: Impairment in value of investment			(4.25)				(4.25)	
Less : Equity component of debt instruments			(213.98)				(213.98)	
Add : Interest income on account of measurement at amortised cost method			10.88	133.26			10.88	33.26
Startup Internet Services Limited -0.0001% compulsory convertible preference shares	80,000	100	8.00		80,000	100	8.00	
Less : Equity component of debt instruments			(7.27)				(7.27)	
Add : Interest income on account of measurement at amortised cost method			0.16	0.89			0.16	0.89
Diphda Internet Services Limited -0.0001% compulsory convertible preference shares	34,813,175	100	3,481.32	3,481.32	-	-	-	-

Notes to the financial statements for the year ended March 31, 2020

Particulars	As at March 31, 2020				As at March 31, 2019			
	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)
Highbit Careers Private Limited -0.01% compulsory convertible preference shares -Share premium of ₹ 24,898.42/- (March 31, 2019- Nil) per share computed on average basis	6,096	10	151.84	151.84	-	-	-	-
Sub-total (C)				3,805.01				570.57
Investments in Preference shares of Joint ventures (fully paid up)								
Unquoted								
Zomato Media Private Limited - 0.0001% cumulative convertible preference shares with share premium of ₹26,969.94/- (March 31, 2019- ₹26,969.94/-) per share computed on average basis	21,225	10	572.65	572.65	21,225	10	572.65	572.65
' - 0.0001% cumulative convertible preference shares received as bonus shares	142,186,275	1	-	572.65	142,186,275	1	-	572.65
Greytip Software Private Limited -Share premium of ₹805.32/- (March 31, 2019- Nil) per share computed on average basis	404,696	10	329.96	329.96	-	-	-	-
Terralytics Analysis Private limited -Share premium of ₹3490/- (March 31, 2019- Nil) per share computed on average basis	14,285	10	50.00	50.00	-	-	-	-
Metis Eduventures Private Limited -Share premium of ₹119,634.06/- (March 31, 2019- Nil) per share computed on average basis	1,750	10	209.38	209.38	-	-	-	-
Sunrise Mentors Private Limited -Share premium of ₹9,899.25/- (March 31, 2019- Nil) per share computed on average basis	36,426	10	360.95	360.95	-	-	-	-
Sub-total (D)				1,522.94				572.65
Investments in Debentures of Subsidiary Companies (fully paid up)								
Unquoted								
Applert Learning Systems Private Limited (refer Note 38) -0.01% compulsorily convertible debentures into equity shares	-	-	-	-	189,665	1,000	189.67	189.67
Allcheckdeals India Private Limited -0.0001% compulsorily convertible debentures into compulsory convertible preference shares	755,000	100	75.50	75.50	755,000	100	75.50	75.50
Less : Equity component of debt instruments			(41.32)				(41.32)	
Less: Impairment in value of investment			(4.70)				-	
Add : Interest income on account of measurement at amortised cost method			1.29	30.77			1.29	35.47



Notes to the financial statements for the year ended March 31, 2020

Particulars	As at March 31, 2020				As at March 31, 2019			
	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)	Number of Shares	Face Value per share (₹)	(₹Mn)	(₹Mn)
Newinc Internet Services Private Limited -0.0001% compulsorily convertible debentures into compulsory convertible preference shares	2,993,713	100	299.37		2,993,713	100	299.37	
Less : Equity component of debt instruments			(20.07)				(20.07)	
Less: Impairment in value of investment			(37.38)				-	
Add : Interest income on account of measurement at amortised cost method			0.57	242.49			0.57	279.87
Interactive Visual Solutions Private Limited -0.0001% compulsorily convertible debentures into compulsory convertible preference shares	12,004	100	1.20		12,004	100	1.20	
Less : Equity component of debt instruments			(1.00)				(1.00)	
Less: Impairment in value of investment			(0.21)				-	
Add : Interest income on account of measurement at amortised cost method			0.01	-			0.01	0.21
Startup Internet Services Limited -0.0001% compulsorily convertible debentures into compulsory convertible preference shares	3,500,000	100	350.00	350.00	-	-	-	-
Smartweb Internet Services Limited -0.0001% compulsorily convertible debentures into compulsory convertible preference shares	500,000	100	50.00	50.00	-	-	-	-
Startup Investments (Holding) Limited -0.0001% compulsorily convertible debentures into compulsory convertible preference shares	58,521,295	100	6,452.12		42,225,922	100	4,222.58	
Less : Equity component of debt instruments			(2,579.77)				(2,579.77)	
Add : Interest income on account of measurement at amortised cost method			69.20	3,941.55			69.20	1,712.01
Sub-total (E)				4,614.81				2,217.23
Investments in Units (fully paid up) (Fair Value through OCI) Unquoted								
Info Edge Venture Fund (refer note 39)	10,000,000	100	1,000.00		-	-	-	
Sub-total (F)				1,000.00				-
Total Non current investments				14,672.16				10,333.08
Aggregate amount of quoted investments & market value thereof				-				-
Aggregate amount of unquoted investments				14,672.16				10,333.08
Aggregate amount for impairment in value of investments				2,427.45				1,287.29

Note: FVTPL=Fair value through profit or loss

Notes to the financial statements for the year ended March 31, 2020

(b) Current investments

Particulars	As at March 31, 2020				As at March 31, 2019			
	Number of Units	Amount per unit (₹)	(₹Mn)	(₹Mn)	Number of Units	Amount per unit (₹)	(₹Mn)	(₹Mn)
Investment measured at FVTPL								
Investment in Mutual Funds (unquoted) (Liquid/Liquid Plus)								
ICICI Prudential Liquid Plan - Direct Plan - Daily Dividend	1,777,658	100.11	177.96		1,291,136	100.15	129.30	
ICICI Prudential Liquid - Direct Plan - Growth	1,258,580	293.78	369.75		-	-	-	
Aditya Birla Sun Life Liquid Fund - Daily Dividend-Direct Plan	423,260	100.19	42.41		260,589	100.24	26.12	
HDFC Money Market Fund-Direct Plan-Growth	-	-	-		29,261	3,919.32	114.68	
HDFC Liquid Fund-Direct Plan-Dividend-Daily Reinvest	129,319	1,019.82	131.88		23,517	1,019.82	23.98	
HDFC Liquid Fund-Direct Plan-Growth	114,599	3,906.61	447.69		6,442	3,678.29	23.70	
IDFC Cash Fund-Daily Dividend (Direct Plan)	4,794	1,001.67	4.80		1,031,961	1,002.05	1,034.08	
SBI Premier Liquid Fund-Direct Plan-Daily Dividend	108,584	1,003.25	108.94		1,544,246	1,003.25	1,549.26	
SBI Premier Liquid Fund - Direct Plan - Growth	31,705	3,109.02	98.57		120,496	2,928.57	352.88	
Kotak Liquid Direct Plan Growth	18,988	4,014.87	76.23		-	-	-	
Kotak Liquid Direct Plan Daily Dividend - Reinvest	260,123	1,222.81	318.08		-	-	-	
HSBC Cash Fund-Direct Plan Growth	5,194	1,977.49	10.27		-	-	-	
Axis Liquid Fund-Direct Plan-Daily Dividend Reinvestment	101,170	1,000.96	101.27		-	-	-	
Axis Liquid Fund - Direct-Growth	302,213	2,204.34	666.18	2,554.03	70,169	2,073.52	145.50	3,399.50
Total current investments				2,554.03				3,399.50
Aggregate amount of quoted investments & market value thereof				-				-
Aggregate amount of unquoted investments				2,554.03				3,399.50
Aggregate amount of impairment in value of investments				-				-

Notes to the financial statements for the year ended March 31, 2020

(c) Trade receivables

Particulars	Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Unsecured Considered good	70.05	60.11
Trade Receivables which have significant increase in credit risk	51.72	5.76
Trade Receivables-credit impaired	2.41	2.41
Allowance for bad and doubtful debts		
Trade Receivables which have significant increase in credit risk	(51.72)	(5.76)
Trade Receivables-credit impaired	(2.41)	(2.41)
Total	70.05	60.11

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

(d) Cash & bank balances

Particulars	Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Cash & cash equivalents		
Balances with banks:		
-In current accounts	386.06	662.07
-In fixed deposit accounts with original maturity of less than 3 months	3,858.40	11.53
Cheque in hand	6.50	-
Cash on hand	3.38	9.22
Total (A)	4,254.34	682.82
Other bank balances		
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	19.80	368.91
Unpaid dividend accounts (refer Note 29)	0.78	0.72
Total (B)	20.58	369.63
Total (A)+(B)	4,274.92	1,052.45

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Notes to the financial statements for the year ended March 31, 2020

(e) Other financial assets

Particulars	Non-current		Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
(Unsecured, considered good)				
Security deposits	68.15	81.62	14.48	7.91
Balance in fixed deposit accounts with original maturity more than 12 months*	408.50	1,217.80	5,772.72	10,501.05
Interest accrued on fixed deposits with banks	4.42	11.23	181.42	358.82
Amount receivable from subsidiary companies towards rendering of services & sub lease	-	-	0.11	0.08
* Includes ₹245.24 Mn (March 31, 2019 - ₹228.32 Mn) as margin money with bank				
Total	481.07	1,310.65	5,968.73	10,867.86

5. Deferred tax assets

Particulars	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Deferred tax asset		
- Opening balance	415.53	358.60
- Adjustment for the year: - credited through profit or loss	(80.91)	56.93
Total	334.62	415.53

Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2020 (₹Mn)	(Charged)/credited to profit or loss (₹Mn)	As at March 31, 2019 (₹Mn)
Deferred tax asset			
-Routed through profit or loss			
-Provision for leave obligations	5.02	(8.90)	13.92
-Provision for doubtful debts	17.86	15.70	2.16
-Provision for Bonus	13.89	(6.05)	19.94
-Provision for lease equalisation (on account of adoption of Ind AS 116)	-	(11.46)	11.46
-Property, Plant & Equipment	53.56	(23.58)	77.14
-Employee stock option scheme compensation (ESOP)	231.90	(62.99)	294.89
-Right to use of asset & Finance lease liability	6.81	6.81	-
-Security deposit & deferred rent expense	8.94	6.25	2.69
-Others	1.51	(5.24)	6.75
Total deferred tax assets	339.49	(89.46)	428.95
Set-off of deferred tax liabilities pursuant to set-off provisions :-			
-Routed through profit or loss			
-Fair valuation of mutual funds	(4.87)	8.55	(13.42)
Net deferred tax asset	334.62	(80.91)	415.53

Notes to the financial statements for the year ended March 31, 2020

6. Other non-current/current assets

Particulars	Non-current		Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
(Unsecured, considered good, unless otherwise stated)				
Capital advances				
Considered good	4.77	16.13	-	-
Receivables - credit impaired	55.18	55.18	-	-
Less: Provision for doubtful capital advances	(55.18)	(55.18)	-	-
Others				
- Amount recoverable in cash or in kind or for value to be received	17.42	24.21	178.69	188.87
- Prepaid rent	3.26	22.74	-	-
- Balance with service tax authorities	-	-	3.62	3.62
Less : provision for doubtful advance	-	-	(3.62)	(3.62)
	-	-	-	-
Total	25.45	63.08	178.69	188.87

7. Non Current tax assets (net)

Particulars	Non-current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
- Advance tax	9,435.57	8,323.81
Less: provision for tax	(8,210.93)	(7,174.94)
- Advance tax - fringe benefits	29.79	29.79
Less: provision for tax - fringe benefits	(28.69)	(28.69)
Total	1,225.74	1,149.97

8. Equity share capital

Particulars	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Authorised capital 150.00 Mn Equity Shares of ₹10/- each (March 31, 2019 - 150.00 Mn Equity Shares of ₹10/- each)	1,500.00	1,500.00
Issued, subscribed and paid-up capital 122.27 Mn Equity Shares of ₹10/- each fully paid up (March 31, 2019 - 122.01 Mn Equity Shares of ₹10/- each fully paid up)	1,222.66	1,220.08
Total	1,222.66	1,220.08

Notes to the financial statements for the year ended March 31, 2020

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at	As at	As at	As at
	March 31, 2020	March 31, 2020	March 31, 2019	March 31, 2019
	No of shares	(₹Mn)	No of shares	(₹Mn)
Equity shares				
At the beginning of the year	122,007,940	1,220.08	121,589,095	1,215.89
Add: Shares held by ESOP Trust at the beginning of the year	108,219	1.08	177,064	1.77
Add: Issued during the year to the ESOP Trust	400,000	4.00	350,000	3.50
	122,516,159	1,225.16	122,116,159	1,221.16
Add: Shares held by ESOP Trust as at the year end	(249,661)	(2.50)	(108,219)	(1.08)
Outstanding at the end of the year	122,266,498	1,222.66	122,007,940	1,220.08

During the year ended March 31, 2020, the Company has issued 400,000 (March 31, 2019: 350,000) equity shares of ₹10/- each fully paid up at ₹10/- per share respectively to the Info Edge Employees Stock Option Plan Trust which have been listed in the respective Stock Exchanges, ranking pari passu with the existing equity shares of the Company.

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. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

c. Dividends

The Board of Directors in its meeting held on May 28, 2019 proposed a final dividend of ₹2 per equity share and the same was approved by the shareholders at the Annual General Meeting held on August 13, 2019. The amount was recognised as distribution to equity shareholders during the quarter ended September 30, 2019.

The Board of Directors in its meeting held on November 12, 2019 has declared an interim dividend of ₹2.5 per equity shares and the same was paid on November 27, 2019.

The Board of Directors in its meeting held on February 12, 2020 has declared an interim dividend of ₹3.5 per equity shares and the same was paid on February 26, 2020.

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

Particulars	As at		As at	
	March 31, 2020		March 31, 2019	
	No. of shares	% Holding	No. of shares	% Holding
Equity shares of ₹10 each fully paid				
- Sanjeev Bikhchandani	31,731,019	25.90	31,831,019	26.07
- Sanjeev Bikhchandani (Trust)	8,356,673	6.82	8,434,880	6.91
- Hitesh Oberoi	6,547,608	5.34	6,547,608	5.36
- Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Long Term Equity Fund	6,841,440	5.58	6,146,438	5.03
Total	53,476,740	43.64	52,959,945	43.37

9. Other equity

Particulars	As at	As at
	March 31, 2020	March 31, 2019
	(₹Mn)	(₹Mn)
Securities premium	8,227.66	8,227.66
General reserve	1,036.52	1,018.90
Stock options outstanding account	397.38	172.07
Retained earnings	13,432.37	12,600.35
	23,093.93	22,018.98

Nature and purpose of reserves

a) Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Notes to the financial statements for the year ended March 31, 2020

b) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013

c) Stock options outstanding account

The stock options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

Particulars	As at	As at	As at	As at
	March 31, 2020 (₹Mn)	March 31, 2020 (₹Mn)	March 31, 2019 (₹Mn)	March 31, 2019 (₹Mn)
Securities premium account				
Opening balance	8,227.66		8,227.66	
Add : Securities premium on shares issued to and held by ESOP Trust as at the beginning of the year	-		-	
Add: Securities premium on shares issued during the year to the ESOP Trust	-		-	
	8,227.66		8,227.66	
Securities premium on shares issued to and held by ESOP Trust as at the year end	-	8,227.66	-	8,227.66
General reserve				
Opening balance	1,018.90		693.59	
Add: Transfer from Stock Options Outstanding Account	17.62	1,036.52	325.31	1,018.90
Stock options outstanding account				
Opening balance	172.07		345.82	
Less: Transfer to General reserve	17.62		325.31	
Add: Transfer during the year	242.93	397.38	151.56	172.07
Retained earnings				
Opening balance	12,600.35		10,591.50	
Add: Net profit after tax transferred from Statement of Profit and Loss	2,056.65		2,817.03	
Add: Profit/(loss) on sale of shares by ESOP trust recognised directly in retained earnings	-		22.30	
Add: Remeasurement of post-employment benefit obligation, net of tax	(48.54)		(22.28)	
Add: Dividend Paid	(241.68)		(182.58)	
Add: Interim Dividend	(735.82)		(487.59)	
Add: Corporate Dividend Tax	(198.59)		(138.03)	
		13,432.37		12,600.35
Total		23,093.93		22,018.98

10. Financial liabilities

a. Borrowings

Particulars	Non-Current		Current	
	As at	As at	As at	As at
	March 31, 2020 (₹Mn)	March 31, 2019 (₹Mn)	March 31, 2020 (₹Mn)	March 31, 2019 (₹Mn)
Secured loans				
Term loans from banks	2.42	3.74	3.77	4.53
Current maturities transferred to Other financial liabilities	-	-	(3.77)	(4.53)
Total	2.42	3.74	-	-

a. Term Loans from banks are secured by hypothecation of vehicles taken on lease.

b. Term loans carry interest rates ranging from 8% to 13%. The loan is repayable along with interest with in 3 years from the date of loan.

c. Outstanding installments for such term loans ranges from 1-34 installments.

Notes to the financial statements for the year ended March 31, 2020

b. Other financial liabilities

Particulars	Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Current maturities of term loans transferred from long term borrowings	3.77	4.53
Interest accrued but not due on loans	0.04	0.04
Total	3.81	4.57

c. Trade payables

Particulars	Non-Current		Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Trade Payables				
- total outstanding dues of micro enterprises and small enterprises	-	-	-	0.01
- total outstanding dues of creditors other than micro enterprises and small enterprises	-	31.47	592.05	617.41
Total	-	31.47	592.05	617.42

d. Lease Liability

Particulars	Non-Current		Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Lease liability	556.53	-	194.41	-
Total	556.53	-	194.41	-

The following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Year ended March 31, 2020 (₹Mn)
Balance at the beginning	853.15
Additions	99.35
Deletions	(24.02)
Finance cost accrued during the year	66.30
Payment of lease liabilities	(243.84)
Balance at the end	750.94

The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2020 on an undiscounted basis:

Particulars	Amount in (₹Mn)
Less than one year	194.41
One to five years	493.33
More than five years	63.20

Notes to the financial statements for the year ended March 31, 2020

11. Provisions

Particulars	Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Provision for employee benefits		
- Gratuity (refer Note 30)	127.25	79.06
- Leave obligations (refer Note 30)	68.76	54.25
- Accrued bonus & incentives	352.80	363.18
Total	548.81	496.49

12. Other liabilities

Particulars	Non-Current		Current	
	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)	As at March 31, 2020 (₹Mn)	As at March 31, 2019 (₹Mn)
Income received in advance (deferred sales revenue) (refer Note 45)	9.75	10.83	4,646.19	4,733.55
Unpaid dividend (refer Note 29)	-	-	0.78	0.72
Advance from customers (refer Note 45)	-	-	21.51	14.96
Employee benefits payable	-	-	12.55	10.34
Others				
- TDS payable	-	-	90.76	78.34
- GST	-	-		
GST payable	-	-	209.75	288.40
Less: Balance with GST authorities	-	-	(182.22)	(152.19)
- GCC VAT	-	-		
VAT payable	-	-	6.26	10.86
Less: Balance with authorities	-	-	(1.94)	(6.61)
-EPF payable	-	-	21.20	20.00
-Service tax payable under SVLDR scheme	-	-	60.03	-
- Other statutory dues	-	-	0.88	7.93
Total	9.75	10.83	4,885.75	5,006.30

13. Revenue from operations

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Sale of services*	12,726.95	10,982.56
Total	12,726.95	10,982.56

*for disaggregated revenue refer note 28 segment reporting

Notes to the financial statements for the year ended March 31, 2020

14. Other income

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Interest income from financial assets measured at amortised cost		
- on fixed deposits with banks	675.00	598.18
- on other financial assets	47.37	108.22
Dividend income from financial assets measured at FVTPL	62.79	266.03
Net gain on disposal of property, plant & equipment	0.65	0.68
Net gain on financial assets mandatorily measured at FVTPL	61.81	107.28
Unwinding of discount on security deposits	9.56	7.82
Interest income on deposits with banks made by ESOP Trust	15.82	14.52
Miscellaneous income	3.18	8.79
Total	876.18	1,111.52

15. Employee benefits expense

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Salaries, wages and bonus	4,307.61	3,611.79
Contribution to provident and other funds (refer Note 30)	172.56	150.53
Sales incentives	443.30	464.66
Staff welfare expenses	100.50	81.39
Share based payments to employees (refer Note 26)	242.93	151.56
Other employee related expenses	128.82	126.46
Total	5,395.72	4,586.39

16. Finance costs

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Interest on borrowings	0.59	0.84
Interest on Lease liability	66.30	-
Total	66.89	0.84

17. Depreciation and amortisation

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Depreciation of Property, plant and equipment	165.16	184.81
Depreciation on right to use asset	218.55	-
Amortisation of Intangible assets	30.07	18.99
Total	413.78	203.80

Notes to the financial statements for the year ended March 31, 2020

18. Advertising and promotion cost

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Advertisement expenses	1,967.63	1,700.29
Promotion & marketing expenses	76.58	56.64
Total	2,044.21	1,756.93

19. Network, internet and other direct charges

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Internet and server charges	183.66	184.89
Others	50.37	35.69
Total	234.03	220.58

20. Administration and other expenses

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Electricity and water	81.00	79.50
Rent	27.38	232.27
Repairs and maintenance (building)	58.71	47.47
Repairs and maintenance (machinery)	42.89	54.62
Legal and professional charges*	174.29	134.97
Rates & taxes	60.10	0.06
Insurance	2.67	2.64
Communication expenses	49.92	58.64
Travel & conveyance	119.35	117.58
Bad debts /provision for doubtful debts (net)	49.14	3.52
Collection & bank related charges	56.44	50.95
Expenditure towards Corporate Social Responsibility activities (refer Note 41)	108.24	46.89
Impairment of Intangible asset under development	20.00	-
Miscellaneous expenses	175.55	176.13
Total	1,025.68	1,005.24

* refer note 23 for Auditor's remuneration

21. COMMITMENTS

a) Capital commitments

Amount in (₹Mn)

Capital expenditure contracted for at the end of the year but not recognised as liabilities is as follows:

Particulars	March 31, 2020	March 31, 2019
Property, plant & equipment (net of advances)	23.05	7.32

b) Non-cancellable operating lease

The Company leases various offices under non-cancellable operating leases expiring within one to three years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of leases are re-negotiated.

Amount in (₹Mn)

Particulars	March 31, 2020	March 31, 2019
Commitments of minimum lease payments in relation to non-cancellable operating leases are payable as follows:-		
Within one year	-	17.33
Later than one year but not later than five years	-	26.24
Later than five years	-	-

Notes to the financial statements for the year ended March 31, 2020

Rental expense relating to operating lease:

The Company has entered into lease transactions mainly for leasing of office premises & Company provided leased accommodation to employees for periods between 11 months to 11 years. The operating lease payments, which are minimum lease payments, recognised in the Statement of Profit and Loss amount to ₹27.38 Mn [previous year ₹232.27 Mn] [included in Note 20 – Administration and Other Expenses].

22. Expenditure in foreign currency

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Internet and server charges	16.04	17.20
Advertising and promotion cost	3.08	81.71
Travel & conveyance	1.35	0.58
Others	41.57	27.31
Foreign branch expenses		
-Internet and server charges	0.76	0.71
-Advertising and promotion cost	0.96	1.06
-Travel & conveyance	5.74	2.16
-Employee benefits expense	157.32	149.00
-Others	18.79	19.42
Total	245.61	299.15

23. Auditor's Remuneration*

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
As Auditors		
- Audit Fees	5.55	4.26
- Tax Audit Fees	0.40	0.30
Other Services		
- Certification	0.05	0.04
Reimbursement of Expenses	0.25	0.47
Total	6.25	5.07

*excluding GST

24. Earnings per share (EPS):

A)

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Profit attributable to Equity Shareholders (₹Mn)	2,056.65	2,817.03
Basic		
Weighted average number of Equity Shares outstanding during the year (Nos.)	122,081,252	121,866,570
Basic EPS of ₹10 each (₹)	16.85	23.12
Diluted		
Weighted average number of Equity Shares outstanding during the year (Nos.)	122,081,252	121,866,570
Add : Weighted average number of potential equity shares on account of employee stock options	713,755	976,080
Weighted average number of shares outstanding for diluted EPS	122,795,007	122,842,650
Diluted EPS of ₹10 each (₹)	16.75	22.93

B) Information concerning the classification of securities Options

Options granted to employees under the Info Edge Employee stock option plan are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share.

Notes to the financial statements for the year ended March 31, 2020

25 (1) . Related Party Disclosures for the year ended March 31, 2020:

(A). Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)
 Naukri Internet Services Limited (NISL)
 Allcheckdeals India Private Limited (ACDIPL)
 Applect Learning Systems Private Limited (ALSPL) (till January 02, 2020) (refer Note 38)
 Interactive Visual Solutions Private Limited (IVSPL) (Subsidiary of ACDIPL)
 Startup Investments (Holding) Limited (SIHL)
 Smartweb Internet Services Limited (SWISL)
 Startup Internet Services Limited (SISL)
 Newinc Internet Services Private Limited (NEWINC)(Subsidiary of ACDIPL)
 Diphda Internet Services Limited (DISL)
 Highorbit Careers Private Limited(HCPL)(w.e.f. June 25, 2019) (refer Note 37)

(B). Joint ventures which entered into transactions with Company

Bizcrum Infotech Private Limited#
 Greytip Software Private Limited
 Happily Unmarried Marketing Private Limited#
 Ideaclicks Infolabs Private Limited ##
 International Educational Gateway Private Limited#
 Makesense Technologies Limited
 Medcords Healthcare Solutions Private Limited#
 Metis Eduventures Private Limited
 Nopaperforms solutions Private limited#
 Rare Media Company Private Limited#
 Sunrise Mentors Private Limited
 Terralytics Analysis Private Limited
 Unnati Online Private Limited#
 Zomato Media Private Limited



(C). Key Management Personnel

Sanjeev Bikhchandani
 Hitesh Oberoi
 Chintan Thakkar
 Murlee Manohar Jain

(D). Controlled Trust

Info Edge Venture Fund (IEVF) (refer note no. 39)

(E). Key management personnel compensation

Particular	(₹Mn)
Short term employee benefits	57.79
Employee share based payments	19.42
Total compensation	77.21

(F). Details of transactions with related party for the year ended March 31, 2020 in the ordinary course of business:

Sr. No.	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors- Non Executive & Relatives	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Controlled Trust	Amount (₹Mn)
									Total
1	License Fees Paid: JISPL	0.10	-	-	-	-	-	-	0.10
2	Remuneration Paid: Sanjeev Bikhchandani Hitesh Oberoi Chintan Thakkar* Murlee Manohar Jain* Surabhi Bikhchandani	-	-	15.93 16.71 35.82 8.75 1.73	-	-	-	-	78.94

VALUE RESEARCH PREMIUM

INFO EDGE (INDIA) LIMITED

Notes to the financial statements for the year ended March 31, 2020

									Amount (₹Mn)
Sr. No.	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors- Non Executive & Relatives	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Controlled Trust	Total
3	Receipt of Service: Minik Enterprises Oyester Learning Divya Batra HCPL	- - - 39.63	- - - -	- - 1.25 -	- - - -	- - - -	1.49 2.09 - -	- - - -	44.46
4	Dividend Paid Sanjeev Bikhchandani Hitesh Oberoi Surabhi Bikhchandani Dayawanti bikhchandani Chintan Thakkar Arun Duggal Saurabh Srivastava Bala Deshpande Sharad Malik Endeavour Holding Trust Ashish Gupta Nita Goyal Kapil Kapoor	- - - - - - - - - - - - - -	- - - - - - - - - - - - - -	253.85 52.38 11.95 11.75 0.08 - - - - - - - - -	- - - - - 0.29 - - 0.43 4.31 - - 0.44 0.69 -	- - - - - - - - - - - - - 20.49	- - - - - - - - - - 67.01 - - - -	- - - - - - - - - - - - - - -	423.67
5	Services Rendered: ALSPL Zomato Media Private Limited Happily Unmarried Marketing Private Limited# Ideaclicks Infolabs Private Limited ## Bizcruz Infotech Private Limited# Nopaperforms solutions private limited# Oyester Learning International Foundation for Research & Education Medcords Healthcare Solutions Private Limited# Sunrise Mentors Private Limited Greytip Software Private Limited HCPL International Educational Gateway Private Limited#	0.45 - - - - - - - - - - - - - 0.97 -	- 0.69 0.02 0.03 0.03 0.20 - - 0.20 0.06 0.37 - 0.26 -	- - - - - - - - - - - - - - -	- - - - - - - - - - - - - - -	- - - - - - - - - - - - - - -	- - - - - - 0.03 0.10 - - - - - -	- - - - - - - - - - - - - - -	3.41
6	Investment in Equity Shares Greytip Software Private Limited Metis Eduventures Private Limited Sunrise Mentors Private Limited	- - - -	20.04 70.61 10.02	- - -	- - -	- - -	- - -	- - -	100.67
7	Investment in Preference Shares SWISL DISL Greytip Software Private Limited Metis Eduventures Private Limited Sunrise Mentors Private Limited Terralytics Analysis Private Limited	100.00 3,481.32 - - - -	- - 329.96 209.38 360.95 50.00	- - - - - -	- - - - - -	- - - - - -	- - - - - -	- - - - - -	4,531.61

Notes to the financial statements for the year ended March 31, 2020

									Amount (₹Mn)	
Sr. No.	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors- Non Executive & Relatives	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Controlled Trust	Total	
8	Investment in Debentures SWISL SISL SIHL	50.00 350.00 2,229.54	- - -	- - -	- - -	- - -	- - -	- - -	2,629.54	
9	Investment in Units IEVF	-	-	-	-	-	-	1,000.00	1,000.00	
10	Redemption of Preference shares NISL	3,400.00	-	-	-	-	-	-	3,400.00	
11	Advance given for business purpose Smartweb ACDIPL	2.09 0.07	- -	- -	- -	- -	- -	- -	2.16	
12	Repayment of advance given for business purpose Smartweb ACDIPL	2.09 0.07	- -	- -	- -	- -	- -	- -	2.16	
13	Sitting Fees: Arun Duggal (till December 19, 2019) Bala Deshpande Kapil Kapoor Naresh Gupta Sharad Malik Ashish Gupta Geeta Mathur Saurabh Srivastava	- - - - - - - -	- - - - - - - -	- - - - - - - -	0.70 0.60 - 1.23 1.05 0.60 0.88 1.50	- - 1.10 - - - - -	- - - - - - - -	- - - - - - - -	7.66	
14	Rent Received Zomato Media Private Limited ACDIPL JISPL IVSPL SIHL SWISL SISL NEWINC DISL NISL HCPL Makesense Technologies Limited	- 0.02 0.02 0.04 0.02 0.02 0.02 0.02 0.02 0.02 0.01 -	0.02 - - - - - - - - - - 0.02	- - - - - - - - - - - -	- - - - - - - - - - - -	- - - - - - - - - - - -	- - - - - - - - - - - -	- - - - - - - - - - - -	0.25	

*including employee share based payments.

#joint venture of SIHL (wholly owned subsidiary)

joint venture of ACDIPL (wholly owned subsidiary)

(G). Amount due to / from related parties as at March 31, 2020

									Amount (₹Mn)	
Sr. No	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Controlled Trust	Total	
1	Amount receivable against Service rendered & sub lease Zomato Media Private Limited	-	0.11	-	-	-	-	-	0.11	

Notes to the financial statements for the year ended March 31, 2020

(H). Terms & conditions

Transactions related to investment in wholly owned subsidiaries made in debenture/preference share were made at face value.
All other transactions were made on normal commercial terms and conditions.
All outstanding balances are unsecured and are repayable in cash.
The remuneration to key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole

25 (2). Related Party Disclosures for the year ended March 31, 2019:

(A). Subsidiaries

Jeevansathi Internet Services Private Limited (JISPL)
Naukri Internet Services Limited (NISL)
Allcheckdeals India Private Limited (ACDIPL)
Applect Learning Systems Private Limited (ALSPL)
Canvera Digital Technologies Private Limited (CDTPL)(Subsidiary of SIHL) (till August 22, 2018)
Interactive Visual Solutions Private Limited (IVSPL) (Subsidiary of ACDIPL)
Startup Investments (Holding) Limited (SIHL)
Smartweb Internet Services Limited (SWISL)
Startup Internet Services Limited (SISL)
Newinc Internet Services Private Limited (NEWINC)(Subsidiary of ACDIPL)
Diphda Internet Services Limited (DISL) (w.e.f June 13, 2018)

(B). Joint ventures which entered into transactions with Company

Happily Unmarried Marketing Private Limited#
Ideaclinks Infolabs Private Limited ##
International Educational Gateway Private Limited#
Makesense Technologies Limited
Mint Bird Technologies Pvt. Ltd#
Nopaperforms solutions Private limited#
Rare Media Company Private Limited#
Shop Kirana E Trading Private Limited#
Unnati Online Private Limited#
Wishbook Infoservices Pvt Ltd#
Zomato Media Private Limited



(C). Key Management Personnel

Sanjeev Bikhchandani
Hitesh Oberoi
Chintan Thakkar
Murlee Manohar Jain

(D). Key management personnel compensation

Particular	(₹Mn)
Short term employee benefits	82.86
Employee share based payments	22.30
Total compensation	105.16

(E). Details of transactions with related party for the year ended March 31, 2019 in the ordinary course of business:

Sr. No	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors- Non Executive & Relatives	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Amount (₹Mn)
								Total
1	License Fees Paid: JISPL	0.10	-	-	-	-	-	0.10
2	Remuneration Paid: Sanjeev Bikhchandani Hitesh Oberoi Chintan Thakkar* Murlee Manohar Jain Surabhi Bikhchandani	-	-	27.29 28.24 44.15 5.48 2.55	-	-	-	107.71

Notes to the financial statements for the year ended March 31, 2020

								Amount (₹Mn)
Sr. No	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors- Non Executive & Relatives	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Total
3	Receipt of Service: Minik Enterprises Oyester Learning Divya Batra Rare Media Company Private Limited#	- - - -	- - - 0.46	- - 1.14 -	- - - -	- - - -	1.63 1.53 - -	4.76
4	Purchase of Intangible Asset Rare Media Company Private Limited# Unnati Online Private Limited#	- -	15.70 20.00	- -	- -	- -	- -	35.70
5	Dividend Paid Sanjeev Bikhchandani Hitesh Oberoi Surabhi Bikhchandani Dayawanti bikhchandani Arun Duggal Bala Deshpande Sharad Malik Endeavour Holding Trust Ashish Gupta Nita Goyal Kapil Kapoor	- - - - - - - - - - - -	- - - - - - - - - - - -	183.02 36.01 8.22 1.65 - - - - - - - -	- - - - 0.35 0.37 3.06 - 0.36 0.48 -	- - - - - - - - - - - 15.30	- - - - - - - 47.74 - - - -	296.56
6	Services Rendered: ALSPL Zomato Media Private Limited CDTPL Happily Unmarried Marketing Private Limited# Rare Media Company Private Limited# Ideaclicks Infolabs Private Limited## Nopaperforms solutions private limited# Wishbook Infoservices Pvt Ltd# Mint Bird Technologies Pvt. Ltd# Oyester Learning International Foundation for Research & Education Shop Kirana E Trading Private Limited# International Educational Gateway Private Limited#	0.57 - - - - - - - - - - - - - - -	- 1.52 0.12 0.02 0.02 0.22 0.07 0.07 0.01 - - 0.23 0.06	- - - - - - - - - - - - - - -	- - - - - - - - - - - - - - -	- - - - - - - - - - - - - - -	- - - - - - - - - - 0.01 0.42 - -	3.34
7	Investment in Equity Shares Makesense Technologies Limited DISL	- 0.50	953.68 -	- -	- -	- -	- -	954.18
8	Investment in Debentures IVSPL ACDIPL SIHL	0.10 30.00 1,318.22	- - -	- - -	- - -	- - -	- - -	1,348.32
9	Unsecured loans/Advances given SIHL	400.00	-	-	-	-	-	400.00
10	Interest on Unsecured loans/Advances given SIHL	6.58	-	-	-	-	-	6.58

VALUE RESEARCH PREMIUM

INFO EDGE (INDIA) LIMITED

Notes to the financial statements for the year ended March 31, 2020

								Amount (₹Mn)
Sr. No	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors- Non Executive & Relatives	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Total
11	Repayment received of unsecured loan/advances given (including interest) SIHL	405.92	-	-	-	-	-	405.92
12	Sitting Fees: Arun Duggal Bala Deshpande Kapil Kapoor Naresh Gupta Sharad Malik Ashish Gupta Saurabh Srivastava	- - - - - - -	- - - - - - -	- - - - - - -	1.33 1.30 - 1.33 1.16 0.70 1.93	- - 1.30 - - - -	- - - - - - -	9.05
13	Commission Payable Arun Duggal Bala Deshpande Naresh Gupta Ashish Gupta Sharad Malik Saurabh Srivastava	- - - - - -	- - - - - -	- - - - - -	1.00 1.00 1.00 1.00 1.00 1.00	- - - - - -	- - - - - -	6.00
14	Rent Received Zomato Media Private Limited ACDIPL JISPL IVSPL SIHL SWISL SISL NEWINC DISL NISL Makesense Technologies Limited	- 0.02 0.02 0.02 0.02 0.02 0.02 0.02 0.02 0.02 0.02 -	0.02 - - - - - - - - - - 0.02	- - - - - - - - - - -	- - - - - - - - - - -	- - - - - - - - - - -	- - - - - - - - - - -	0.22

*including employee share based payments.

#joint venture of SIHL (wholly owned subsidiary)

joint venture of ACDIPL (wholly owned subsidiary)

[F]. Amount due to / from related parties as at March 31, 2019

								Amount (₹Mn)
Sr. No	Nature of relationship / transaction	Subsidiary Companies	Joint Ventures	KMP & Relatives	Independent Directors Non Executive	Non Executive Director	Enterprise over which KMP & Relatives have significant influence	Total
1	Amount receivable against Service rendered & sub lease Zomato Media Private Limited	-	0.08	-	-	-	-	0.08

[G]. Terms & conditions

Transactions related to investment in wholly owned subsidiaries made in debenture/preference share were made at face value.

All other transactions were made on normal commercial terms and conditions.

All outstanding balances are unsecured and are repayable in cash.

The remuneration to key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole

26. Share Based Payments

The establishment of the Info Edge Limited Employee Option Plan(s) are approved by shareholders at annual general meeting. ESOP scheme 2015 was approved by shareholders through postal ballot on April 16, 2016. The employee stock option plan is designed to provide incentives to employees generally at and above the designation of managers to deliver long-term returns. Under the plan, participants are granted options which vest upon completion of three years of service from the grant date. Participation in the plan is at the board appointed committee's discretion and no individual has a contractual right to

Notes to the financial statements for the year ended March 31, 2020

participate in the plan or to receive any guaranteed benefits.

The Company has set up a trust to administer the ESOP scheme under which Stock Appreciation Rights (SAR) and Stock options (ESOP), with substantially similar types of share based payment arrangements, have been granted to employees. The scheme only provides for equity settled grants to employees whereby the employees can purchase equity shares by exercising SAR/options as vested at the exercise price specified in the grant, there is no option of cash settlement. The SAR/options granted till March 31, 2020 have a vesting period of maximum 3 years from the date of grant.

Set out below is a summary of SAR/options granted under the plan:

	March 31, 2020		March 31, 2019	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	829.25	1,772,238	717.53	2,499,809
Granted during the year	1,932.22	441,175	1,174.43	384,200
Exercised during the year*	790.60	389,206	651.96	717,440
Forfeited during the year	1,003.42	305,139	785.08	386,356
Expired during the year	-	-	530.00	7,975
Closing balance		1,519,068		1,772,238
Vested and exercisable		693,421		542,828

*The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2020 was ₹2280.63 (March 31, 2019 - ₹1503.68).

Share options outstanding at the end of the year have the following exercise price range :

Exercise price (₹) (Range)	March 31, 2020	March 31, 2019
0-300	282,105	266,550
300-600	-	-
600-900	513,910	1,010,588
900-above	723,053	495,100
Total	1,519,068	1,772,238
Weighted average remaining contractual life of options outstanding at end of year	4.12	4.04

Fair value of SAR/options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, term of option, the share price at grant date, and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of option.

Model inputs for Options/SAR granted during the year are as follows:-

Options are granted for no consideration and vest upon completion of service for a period of three years. Vested options are exercisable for a period of four years after vesting.

	March 31, 2020	March 31, 2019
Fair Value of options (₹ per share)	822.81	573.43
Share price at measurement date (₹ per share)	2,253.74	1,540.37
Expected volatility (%)	34.71%	33.72%
Dividend yield (%)	0.36%	0.39%
Risk-free interest rate (%)	6.55%	7.52%
Expected Life (Years)	4.43	4.12

The expected price volatility is based on the historic volatility (based on the remaining life of options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions (refer Note 15)

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	Amount (₹Mn)	
	March 31, 2020	March 31, 2019
Total employee share-based payment expense (Stock appreciation rights)	146.98	89.09
Total employee share-based payment expense (Employee Stock Options)	95.95	62.47
Total employee share-based payment expense	242.93	151.56

27. The Company has received various legal notices of claims/lawsuits filed against including suits relating to infringement of Intellectual Property Rights (IPR), Consumer suits, etc. in relation to the business activities carried on by it. The management based on internal assessment and legal opinion obtained, believes that no material liability is likely to arise on account of such claims/law suits.

Notes to the financial statements for the year ended March 31, 2020

28. The Company is primarily in the business of internet based service delivery operating in four service verticals through various web portals in respective verticals namely recruitment solutions comprising primarily naukri.com, other recruitment related portals and ancillary services related to recruitment, 99acres.com for real estate related services, Jeevansathi.com for matrimony related services and Shiksha.com for education related services.

The Managing Director & Chief Executive Officer of the Company examines the Company's performance both from a business & geographical prospective and has identified as reportable segment of its business which are "Recruitment Solutions" and "99acres"; the "Other segments" comprises primarily Jeevansathi & Shiksha verticals are not considered as reportable operating segment since they individually do not meet qualifying criteria for the reportable segment as per Ind AS 108.

Business Segment		Amount (₹ Mn)	
	Particular	2019-20	2018-19
1	Segment Revenue:		
	Recruitment solutions	9,067.60	7,858.49
	99acres for real estate	2,279.61	1,919.64
	Others	1,379.74	1,204.43
	Segment Revenue-Total	12,726.95	10,982.56
2	Results (Profit) after tax:		
	Recruitment Solutions	4,810.32	4,198.29
	99acres for real estate	(57.91)	(275.88)
	Others	(708.34)	(363.78)
	Total Segment Result	4,044.07	3,558.63
	Less: unallocable expenses	(497.43)	(349.85)
	Add : unallocated income	876.18	1,111.52
	Exceptional Item -loss	(1232.95)	(334.08)
	Profit Before Tax	3,189.87	3,986.22
	Tax Expense	1,133.22	1,169.19
	Profit after tax	2,056.65	2,817.03
3	Assets		
	Recruitment solutions	539.33	597.47
	99acres for real estate	242.77	326.62
	Others	144.47	124.24
	Total Segment Assets	926.57	1,048.33
	Unallocable assets	30,183.55	28,361.55
	Total assets	31,110.12	29,409.88
4	Liabilities		
	Recruitment solutions	4,027.53	4,065.19
	99acres for real estate	1,032.30	1,301.76
	Others	779.09	644.57
	Total Segment Liabilities	5,838.92	6,011.52
	Unallocable liabilities	954.61	159.30
	Total Liabilities	6,793.53	6,170.82

Significant clients

No client individually accounted for more than 10% of the revenues in the year ended March 31, 2020 & March 30, 2019.

B) Geographical Segment

Amount (₹Mn)

Particulars	2019-20				2018-19			
	Domestic	Overseas	Unallocated	Total	Domestic	Overseas	Unallocated	Total
Revenue from customers (sale of services)	11,812.02	914.93	-	12,726.95	10,137.54	845.02	-	10,982.56
Segment assets	11,468.60	125.37	19,516.15	31,110.12	13,991.32	103.42	15,315.14	29,409.88

Notes :-

a) Domestic segment revenue includes sales and services to customers located in India and overseas segment (primarily in Gulf countries) revenue includes sales and services rendered to customers located outside India. Segment revenue is measured in the same way as in the Statement of Profit and loss.

b) Segment assets includes fixed assets, trade receivables, cash and bank balances (except dividend bank account), loans & advances and other current assets and are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Unallocated assets include dividend bank accounts, investments, Interest accrued and Deferred Tax asset.

c) Segment liabilities includes borrowings, trade payable, other current liabilities, provisions and other financial liabilities. Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

Notes to the financial statements for the year ended March 31, 2020

29. As at March 31, 2020 the Company had ₹0.56 Mn (March 31, 2019: ₹0.58 Mn) outstanding with Yes Bank, ₹0.05 Mn (March 31, 2019 ₹0.05 Mn) outstanding with ICICI Bank, ₹0.09 Mn (March 31, 2019 Nil) outstanding with HDFC Bank and ₹0.08 Mn (March 31, 2019 ₹0.09 Mn) outstanding with Indusind Bank as unclaimed dividend. These amounts are not available for use by the Company and will be credited to Investor Education & Protection Fund as and when due.

30. Employee Benefits

The Company has classified the various benefits provided to employees as under:

A. Defined Contribution Plans

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

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

Particulars	Year ended	Year ended
	March 31, 2020	March 31, 2019
	(₹Mn)	(₹Mn)
Employers' Contribution to Provident Fund	100.30	85.15

Included in 'Contribution to provident and other funds' under Employee Benefits Expense (Refer Note 15)

B. Other Long term benefits

Leave obligations:

The leave obligations cover the Company's liability for earned leave.

The amount of the provision for ₹68.76 Mn (March 31, 2019 - ₹54.25) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment with in the next twelve months.

Particulars	Amount (₹Mn)	
	March 31, 2020	March 31, 2019
Current leave obligations expected to be settled with in the next twelve months	30.31	25.39

Assumption used by the Actuary

Particulars	Leave Encashment / Compensated Absences	
	Year ended March 31, 2020	Year ended March 31, 2019
Discount Rate (per annum)	5.65%	6.95%
Rate of increase in Compensation levels	10% for First 5 years, & 8% thereafter	10% for First 5 years, & 8% thereafter

The estimates of future salary increases considered in the actuarial valuation takes into account factors like inflation, seniority, promotions and other relevant factors.

C. Defined Benefit Plans

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

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India.

Assumption used by the Actuary

Particulars	Gratuity	
	Year ended March 31, 2020	Year ended March 31, 2019
Discount Rate (per annum)	5.65%	6.95%
Rate of increase in Compensation levels	10% for First 5 years, & 8% thereafter	10% for First 5 years, & 8% thereafter

Notes to the financial statements for the year ended March 31, 2020

The amounts recognised the balance sheet & movements in the net defined benefit obligation over the year are as follows :

Changes in the Present Value of Obligation	Year ended March 31, 2020	Year ended March 31, 2019
	(₹Mn)	(₹Mn)
Present Value of Obligation at the beginning of the year	344.80	273.52
Interest Cost	24.01	20.91
Current Service Cost	58.12	46.37
Benefits paid	(36.37)	(28.64)
Remeasurement due to		
-Actuarial loss/(gain) arising from change in financial assumptions	47.78	21.29
-Actuarial loss/(gain) arising on account of experience changes	7.30	10.12
-Actuarial loss/(gain) arising on account of demographical assumptions	(0.03)	1.23
Present Value of Obligation at the end of the year	445.61	344.80

Changes in the Fair value of Plan Assets	Year ended March 31, 2020	Year ended March 31, 2019
	(₹Mn)	(₹Mn)
Fair Value of Plan Assets at the beginning of the year	265.74	190.09
Interest on Plan Assets	18.50	14.53
Actuarial Gains/(Losses)	(9.81)	(1.60)
Contributions made by the Company	80.30	91.36
Benefits Paid	(36.37)	(28.64)
Fair Value of Plan Assets at the end of the year	318.36	265.74

Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets	March 31, 2020	March 31, 2019
	(₹Mn)	(₹Mn)
Present Value of funded obligation at the end of the year	(445.61)	(344.80)
Fair Value of Plan Assets as at the end of the year	318.36	265.74
Deficit of funded plan	(127.25)	(79.06)

*Included in Provision for employee benefits (refer Note 11)

The present value of the defined benefit obligation relates primarily to active employees.

Expense recognised in the Statement of Profit and Loss	Year ended March 31, 2020	Year ended March 31, 2019
	(₹Mn)	(₹Mn)
Current Service Cost	58.12	46.37
Past Service Cost	-	-
Interest Cost	5.51	6.38
[Gains]/Loss on Settlement	Nil	Nil
Total Expenses recognized in the Statement of Profit and Loss #	63.63	52.75

#Included in 'Contribution to provident and other funds' under 'Employee benefits expense' (refer Note 15)

Amount recorded in Other comprehensive Income (OCI)	Year ended March 31, 2020	Year ended March 31, 2019
	(₹Mn)	(₹Mn)
Remeasurements during the year due to		
-changes in financial assumptions	47.78	21.29
-changes in demographic assumptions	(0.03)	1.23
-Experience adjustments	7.30	10.12
-Actual return on plan assets less interest on plan assets	9.81	1.60
Amount recognised in OCI during the year	64.86	34.24
*Included in Provision for employee benefits (refer Note 11)		

Notes to the financial statements for the year ended March 31, 2020

(D) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

	Change in assumption			Impact on defined benefit obligation				
	March 31, 2020	March 31, 2019		Increase in assumption		Decrease in assumption		
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Discount Rate	0.50%	0.50%	Decrease by	-4.10%	-3.70%	Increase by	4.40%	4.00%
Salary growth rate	0.50%	0.50%	Increase by	2.80%	2.60%	Decrease by	-2.70%	-2.60%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(E) Major Category of Plan Asset as a % of total Plan Assets

Category of Assets (% Allocation)	As at	As at	As at	As at
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	%		(₹Mn)	(₹Mn)
Insurer managed funds	100.00%	100.00%	318.36	265.74
Total	100.00%	100.00%	318.36	265.74

(F) Risk exposure

Through its defined benefit plans, the group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The gratuity fund is administered through Life Insurance Corporation of India (insurer) under its group gratuity scheme. Accordingly almost the entire plan asset investments is maintained by the insurer. These are subject to interest rate risk which is managed by the insurer.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets maintained by the insurer.

The gratuity fund is administered through Life Insurance Corporation (LIC) of India under its Group Gratuity Scheme.

(G) Defined benefit liability and employer contribution

The Company generally eliminates the deficit in the defined benefit gratuity plan with in next one year.

Expected contribution to the post employment benefit plan (Gratuity) for the year ending March 31, 2021 is ₹ 190.32 mn.

The weighted average duration of the defined benefit obligation is 9 years (March 31, 2019- 8 years).

The expected maturity analysis of undiscounted post employment benefit plan (gratuity) is as follows :

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2020					
Defined benefit obligation (gratuity)	55.15	50.26	125.27	570.01	800.69
March 31, 2019					
Defined benefit obligation (gratuity)	48.96	44.03	108.52	484.45	685.96

31. Regulation 34(3) read with para A of Schedule V to Securities And Exchange Board of India (Listing Obligations And Disclosures Requirements) Regulations, 2015:

Particulars	March 31, 2020 (₹Mn)	March 31, 2019 (₹Mn)
Advance to Subsidiary- Allcheckdeals India Pvt Ltd		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	0.10	0.03
Advance to Subsidiary- Interactive Visual Solutions Pvt. Ltd.		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	0.03	0.03

Notes to the financial statements for the year ended March 31, 2020

Particulars	March 31, 2020 (₹Mn)	March 31, 2019 (₹Mn)
Advance to Subsidiary- Startup Investment (Holding) Ltd.		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	405.94	405.94
Advance to Subsidiary- Startup Internet Services Ltd		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	0.03	0.03
Advance to Subsidiary- Smartweb Internet Services Ltd		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	2.12	0.03
Advance to Subsidiary- Newinc Internet Services Pvt. Ltd.		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	0.03	0.03
Advance to Subsidiary- Naukri Internet Services Ltd.		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	0.03	0.03
Advance to Subsidiary- Diphda Internet Services Pvt Ltd		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	0.02	0.02
Advance to Joint venture- Zomato Media Pvt. Ltd.		
Balance at the year end	0.08	0.08
Maximum amount outstanding at any time during the year	0.08	0.08
Advance to Joint venture- Makesense Technologies Ltd.		
Balance at the year end	-	-
Maximum amount outstanding at any time during the year	0.03	0.03

32. During the year ended March 31, 2020, the Company has issued 400,000 nos. equity shares (March 31, 2019; 350,000 nos. equity shares each fully paid up ₹10/- respectively) each fully paid up at ₹10/- per share respectively to Info Edge Employees Stock Option Plan (ESOP) Trust, which have been duly listed in the respective Stock Exchanges, ranking pari passu with the existing equity shares of the Company. The ESOP trust has in turn issued 258,558 nos. equity shares and 418,845 nos. equity shares fully paid up to the employees during the year ended March 31, 2020 & March 31, 2019 respectively.

33. During the year ended March 31, 2015, the Company had issued 10,135,135 nos. equity shares of ₹10/- each fully paid up at ₹740/- per share (including securities premium of ₹730/- per share) to qualified institutional buyers on September 12, 2014 pursuant to Qualified Institutional Placement (QIP) document, dated September 10th, 2014, as per provisions of section 42 of Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, and Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 which have been listed in the respective Stock Exchanges on September 16, 2014.

Expenses incurred in relation to QIP amounting to ₹155.65 Mn had been adjusted from Securities Premium Account during the year ended March 31, 2015. The utilisation out of such net amount of ₹7,344.35 Mn till March 31, 2020 is given below. The balance amount of QIP proceeds remains invested in Mutual Funds (Debt) & Term Deposits with banks.

Utilisation of funds	March 31, 2020 (₹Mn)	March 31, 2019 (₹Mn)
Balance Unutilised funds as at the beginning of the year	4,568.46	5,457.75
Utilised during the year-working capital and general corporate purposes (99acres)	1,053.96	889.29
Balance Unutilised funds as at the year end	3,514.50	4,568.46

Notes to the financial statements for the year ended March 31, 2020

34. Exceptional items include :

Particulars	March 31, 2020 (₹Mn)	March 31, 2019 (₹Mn)
Provision for diminution in carrying value of investment :		
-Startup Investment (Holding) Limited	1,006.65	391.75
-Applect Learning system Private Limited	92.79	-
-Smartweb Internet Services Limited	36.21	56.12
-Allcheckdeals India Private Limited	144.49	-
-Newinc Internet Services Private Limited	37.38	-
-Interactive Visual Solutions Private Limited	1.21	-
Reversal of diminution in carrying value of investment :		
-Naukri Internet Services Limited	(85.78)	(113.79)
Total	1,232.95	334.08

35. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on subject.
36. During the year ended March 31, 2020; Naukri Internet Services Limited ("NISL"), wholly owned Subsidiary company, pursuant to its application to National Company Law Tribunal (NCLT) under section 66 of Companies Act, 2013 for extinguishing, cancelling and reduction of its 0.0001% compulsory redeemable preference shares ("CRPS") amounting to ₹ 340 crores invested by the company, has obtained the said approval; basis which NISL has reduced its capital and remitted ₹ 340 crore to the Company.
37. During the year ended March 31, 2020 the Company had acquired 100% share capital of Highorbit Careers Pvt. Ltd. for an aggregate consideration of ₹ 808.25 Mn represented by ₹ 656.41 Mn & ₹ 151.84 Mn for Equity shares & compulsory convertible preference shares respectively.
38. During the year ended March 31, 2020 the Company had sold its entire investment in Applect Learning systems private Limited to Aakash Educational Services Limited for an aggregate consideration of ₹ 145.39 Mn represented by ₹ 94.07 Mn & ₹ 51.32 Mn for Equity shares & compulsory convertible debentures respectively.
39. The Company has set up an Alternative Investment Fund ("AIF") named Info Edge Venture Fund ("IEVF"), a trust Registered with Stock Exchange Board Of India ("SEBI") as Category II AIF, under the SEBI Alternative Investment Funds Regulations 2012. Subsequent to quarter ended December 31, 2019, Company has entered into a contribution agreement with Investment Manager namely Smartweb Internet Services Limited, its wholly owned subsidiary company and with IEVF trustees namely M/s Beacon Trusteeship Ltd, a Third Party Independent SEBI registered Debenture Trustee and has invested ₹ 100 crores in IEVF.
40. Based on the information available with the Company, the Company has certain dues to suppliers registered under the "The Micro, Small and Medium Enterprises Development Act, 2006" ("MSMED Act"). The disclosures pursuant to the said MSMED Act are as follows:

Particular	Amount (₹Mn)	
	Year ended March 31, 2020	Year ended March 31, 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	0.01
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the day	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act, beyond the appointed day during the day	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

41. As per Section 135 of the Companies Act, 2013 ('Act'), a Corporate Social Responsibility (CSR) committee had been formed by the Company in previous year. The main areas for CSR activities, as per the CSR policy of the Company are promoting education, training to promote sports and contribution to appropriate funds set up by the Central Government, further the CSR Committee may consider other CSR activities subject to the condition that such activities relate to the subjects enumerated in Schedule VII of the Act.

Notes to the financial statements for the year ended March 31, 2020

Details of corporate social responsibility (CSR) are as below :

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	(₹Mn)	(₹Mn)
Gross amount required to be spent by the Company during the year	71.13	57.16
Amount remained unspent during previous year	37.00	26.73
Total amount required to be spent by the Company	108.13	83.89
Amount spent (paid) by the Company during the year primarily in the field of education (operating expenditure in relations to various associations as detailed below) and on administrative expense.	101.49	46.89

S.No.	Vendor Name	Year ended March 31, 2020	Year ended March 31, 2019
		(₹Mn)	(₹Mn)
1	Amar Jyoti Charitable Trust	-	1.84
2	Behavior Momentum India Foundation	2.30	-
3	Bharatiya Yuva Shakti Trust	4.20	4.00
4	Chintan Environmental Research And Action Group	8.56	2.96
5	Dakshana India Educational Trust Fund	3.30	-
6	E & H Foundation	-	2.00
7	Gandhi Educational Trust	-	1.00
8	Ghanshyamdas Jain Charitable Trust	1.70	1.50
9	International Foundation for Research & Education	10.00	-
10	Indian Institute of Technology, Delhi IRD Unit	5.00	5.00
11	Jaago teens	-	1.20
12	Jagriti Sewa Sansthan	2.00	-
13	Johar Health Maintenance Organization	-	1.54
14	Joint Women's Programme	2.30	2.23
15	Khwaab Welfare Trust	1.50	0.53
16	Language And Learning Foundation	1.80	1.59
17	Literacy india	1.10	-
18	Manav Rachna International University	-	0.60
19	Mitra Technology Foundation	2.00	-
20	Reimagining Higher Education Foundation	20.00	-
21	Saajha	11.05	-
22	Samarpan Foundation	2.80	1.25
23	Sarthak Educational Trust	2.30	2.00
24	Simple Education Foundation	1.00	-
25	Social Outreach Foundation	1.50	1.49
26	Students Educational & Cultural Movement Of Ladakh	-	4.00
27	Swami Sivananda Memorial Institute	5.25	6.53
28	Trust For Retailers & Retails Associates of India	8.26	3.40
	Total (A)	97.92	44.66
29	Amount spent towards administrative overhead (B)	3.57	2.23
	Total (A)+(B)	101.49	46.89

42. Income Tax Expenses

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

a) Income Tax expense

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	(₹Mn)	(₹Mn)
Current Tax		
Current tax on profit for the year	1,052.31	1,226.12
Total current tax expenses	1,052.31	1,226.12
Deferred Tax		
Total	80.91	(56.93)
	1,133.22	1,169.19

Notes to the financial statements for the year ended March 31, 2020

b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	Year ended March 31, 2020 (₹Mn)	Year ended March 31, 2019 (₹Mn)
Profit before exceptional items and tax	4,422.82	4,320.30
Tax at the Indian tax rate of 25.168% (March 31, 2019 : 34.944%)	1,113.14	1,509.69
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Depreciation on Land	0.49	0.68
Corporate social responsibility expenditure	27.24	16.39
Dividend Income on Mutual Funds	(15.80)	(92.96)
Impact of IndAS 116	16.69	-
Fair value of financial instruments	(11.92)	(35.52)
Profit on sale of investment (separately considered in capital gains)	(20.34)	(42.30)
Additional ESOP charges	(140.45)	(225.51)
Profit on sale of Property, Plant & equipment	(0.16)	(0.24)
Deferred tax reversed on short term capital loss	-	29.65
Tax impact of reduction in tax rates	116.25	-
Other items	27.71	(3.55)
A)	(0.28)	(353.36)
Capital Gain on profit on sale of Investment	20.36	12.86
B)	20.36	12.86
	1,133.22	1,169.19

43. Fair value measurements

a) Financial instruments by category

Amount (₹Mn)

	March 31, 2020			March 31, 2019	
	Fair value through profit or loss	Fair value through OCI	Amortised cost	Fair value through profit or loss	Amortised cost
Financial Assets					
Investments*					
- Mutual Funds	2,554.03	-	-	3,399.50	-
- Units	-	1,000.00	-	-	-
Trade and other receivables	-	-	70.05	-	60.11
Cash and cash Equivalents	-	-	4,254.34	-	682.82
Other bank balances	-	-	20.58	-	369.63
Other financial assets	-	-	6,449.80	-	12,178.51
Total Financial Assets	2,554.03	1,000.00	10,794.77	3,399.50	13,291.07
Financial Liabilities					
Borrowings	-	-	6.23	-	8.31
Trade payables	-	-	592.05	-	648.89
Lease Liability	-	-	750.94	-	-
Total Financial Liabilities	-	-	1,349.22	-	657.20

*Excluding investments in subsidiaries, joint ventures and associates measured at cost in accordance with Ind AS-27

Fair value hierarchy

The following section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

b) Fair value hierarchy for assets

Financial assets measured at fair value at March 31, 2020

Amount (₹Mn)

	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				
- Mutual Funds-Daily Dividend & Debt Liquid Fund	2,554.03	-	-	2,554.03

Notes to the financial statements for the year ended March 31, 2020

Financial assets measured at fair value at March 31, 2019				Amount (₹Mn)
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments				-
- Mutual Funds-Daily Dividend & Debt Liquid Fund	3,399.50	-	-	3,399.50

Notes:

Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

Level 2 hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active. Level 3 If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

c) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or mutual fund houses quotes (NAV) for such instruments. This is included in Level 1.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis for which third party valuer is appointed. This is included in Level 3.

d) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables are considered to be the same as their fair values, due to their short-term nature. The fair values for security deposits, Investment in preference shares & investment in debentures and borrowings are calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significant impact on fair values as at the current period end.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(e) Fair value measurements using significant unobservable inputs (level 3)

There is Nil balance in Level 3 items for the year ended March 31, 2020 and previous year ended March 31, 2019

(f) Valuation processes

The Company uses third party valuers to perform the valuations of the unquoted equity shares, preference shares and debentures required for financial reporting purposes for Level 3 purposes other than investment in compulsorily redeemable preference shares and debentures (Debt instruments) which are done by Finance department of the company.

The main Level 3 inputs for these unlisted securities are derived and evaluated as below.

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies to the extent available.

Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (c) and (f) above.

44. Financial risk and Capital management

A) Financial risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the financial statements for the year ended March 31, 2020

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward foreign exchange contracts if deemed necessary.
Price Risk	Investments in mutual funds	Credit ratings	Portfolio diversification and regular monitoring

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate. A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence & goodwill. Outstanding customer receivables are regularly monitored.

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on historical data of actual losses. The Company evaluates the concentration of risk with respect to trade receivables as low.

Reconciliation of loss allowance provision:

	Trade receivables (₹ Mn)
Loss allowance as on March 31, 2019	8.17
changes in loss allowance	45.96
Loss allowance as on March 31, 2020	54.13

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low. Impairment on these items are measured on the 12-month expected credit loss basis.

b). Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting year :

Particulars	Amount (₹ Mn)	
	March 31, 2020	March 31, 2019
Cash credit facilities	100.00	100.00

The bank overdraft facilities may be drawn at any time.

(ii) Maturities of financial liabilities

The amount disclosed in the below table represent the contractual undiscounted cash flows. Balances equal their carrying balances as the impact of discounting is not significant.

Notes to the financial statements for the year ended March 31, 2020

		Amount (₹Mn)				
		Contractual cash flows				
March 31, 2020	Total	6 months or less	6-12 months	1-5 years	> 5 years	
Non-derivative financial liabilities						
Trade payables	592.05	592.05	-	-	-	
Lease liability	750.94	97.49	96.92	493.33	63.20	
Borrowings	6.23	2.14	1.67	2.42	-	

		Amount (₹Mn)				
		Contractual cash flows				
March 31, 2019	Total	6 months or less	6-12 months	1-5 years	> 5 years	
Non-derivative financial liabilities						
Trade payables	648.89	617.43	-	31.46	-	
Borrowings	8.31	2.49	2.08	3.74	-	

(c). Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The Company has determined that an increase/decrease of 0.5% in the mutual fund could have an impact of approximately ₹12.77 mn increase/decrease on the income.

(i). Currency risk

The Company is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Company's functional currency (₹), primarily in respect of US\$, United Arab Emirates Dirham (AED), Saudi Riyal (SAR) and Bahraini Dinar (BHD). The Company ensures that the net exposure is kept to an acceptable level and is remain a net foreign exchange earner.

Exposure to currency risk

The currency profile of financial assets and financial liabilities are given below:

Financial assets	As at March 31, 2020		As at March 31, 2019	
	Amount (₹Mn)	(₹Mn)	Amount (₹Mn)	(₹Mn)
Trade receivables	AED 0.50	10.27	AED 0.31	5.83
	USD 0.05	3.78	USD 0.05	3.14
	-	-	OMR *0.00	0.34
	-	-	QAR 0.02	0.31
	-	-	SAR 0.02	0.38
Cash & bank balances	SAR 2.50	49.48	SAR 2.07	38.27
	USD 0.15	11.42	USD 0.14	9.55
	BHD 0.04	7.92	BHD 0.03	4.60
	AED 2.48	50.36	AED 2.30	43.35
	HKD *0.00	0.01	HKD *0.00	0.01
	AUD *0.00	0.05	-	-
	CAD *0.00	0.01	-	-
	QAR 0.47	9.64	QAR 0.23	4.31
	SGD *0.00	0.14	SGD *0.00	0.12
	EUR *0.00	0.09	EUR *0.00	0.01
GBP *0.00	0.16	GBP *0.00	0.12	
Other receivables	USD 0.05	3.44	USD 0.09	6.39
	SAR *0.00	0.01	SAR 0.01	0.16
	QAR *0.00	0.02	QAR *0.00	0.08
	BHD *0.00	0.01	BHD *0.00	0.02
	AED 0.11	2.18	AED 0.31	4.30
Total-Financial assets		148.99		121.29
Financial liabilities				
Trade payables	AED 0.01	0.19	AED 0.01	0.25
	BHD *0.00	0.08	-	-
	SAR *0.00	0.09	SAR *0.00	0.01
	-	-	USD *0.00	0.01
Total financial liabilities		0.36		0.27

* Amount is below rounding off norm adopted by the Company.

Notes to the financial statements for the year ended March 31, 2020

Sensitivity analysis

Any change with respect to strengthening (weakening) of the Indian Rupee against various currencies as at March 31, 2020 & March 31, 2019 would have affected the measurement of financial instruments denominated in respective currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates.

	Profit or loss		Profit or loss	
	March 31, 2020		March 31, 2019	
Effect in INR	Strengthening	Weakening	Strengthening	Weakening
AED (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	(0.31)	0.31	(0.27)	0.27
BHD (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	(0.04)	0.04	(0.02)	0.02
OMR (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	*(0.00)	*0.00	*(0.00)	*0.00
QAR (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	(0.05)	0.05	(0.02)	0.02
SAR (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	(0.25)	0.25	(0.19)	0.19
EURO (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	*(0.00)	*0.00	*(0.00)	*0.00
USD (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	(0.09)	0.09	(0.10)	0.10
GBP (Increase/decrease by 0.5%, March 31, 2019- 0.5%)	*(0.00)	*0.00	*(0.00)	*0.00
Total	(0.74)	0.74	(0.60)	0.60

* Amount is below rounding off norm adopted by the Company.

(ii). Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's borrowings and deposits/loans are all at fixed rate and are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure of the Company's financials assets/liabilities at the end of the reporting period are as follows:

Particulars	Amount (₹Mn)	
	March 31, 2020	March 31, 2019
Fixed-rate instruments		
Financial assets	10,059.42	12,099.29
Financial liabilities	6.23	8.31
Total	10,065.65	12,107.60

(iii). Price risk

Exposure

The Company's exposure to securities price risk arises from investments held in mutual funds and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from such investments, the Company diversifies its portfolio. Further these are all debt base securities for which the exposure is primarily on account of interest rate risk. Quotes (NAV) of these investments are available from the mutual fund houses.

Profit for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss.

B) Capital management

a) Risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders. The capital of the Company consist of equity capital and accumulated profits. The Company avails borrowings only for buying vehicles.

b) Dividend

Particulars	Amount (₹Mn)	
	March 31, 2020	March 31, 2019
(i) Interim dividends :		
1st interim dividend : ₹ 2.5 per share (March 31, 2019 ₹2.5 per share)	305.79	305.29
2nd interim dividend : ₹ 3.5 per share (March 31, 2019 ₹1.5 per share)	428.81	183.17
(ii) Dividends not recognised at the end of the year		
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ Nil per fully paid equity share (March 31, 2019 - ₹ 2). Dividend proposed during previous year was approved by the shareholders at the Annual General Meeting held on August 13, 2019.	-	244.23

Notes to the financial statements for the year ended March 31, 2020

45. Customer contract balances

During previous year, the Company has adopted Ind AS 115 on Revenue from Contracts with Customers, using the modified retrospective approach. The standard was applied retrospectively only to contracts that were not completed as at the date of initial application and comparative information was not restated in the statement of profit and loss. The adoption of the standard did not have any material impact on the recognition and measurement of revenue and related items in the financial statements/results. Revenue from sale of services is recognised over the period of time.

Particulars	March 31, 2020 [₹Mn]	March 31, 2019 [₹Mn]
Trade Receivable	70.05	60.11
Contract Liabilities	4,677.45	4,759.34

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days and are conditioned to be recovered purely on passage of time. Hence contract assets have been considered to be Nil.

Contract Liabilities includes Deferred Sales revenue and advance received from Customer

Other disclosure as specified under IndAS 115 are not required to be made as a matter of practical expedient, since the performance obligation is part of contract that has an original expected duration of one year or less.

Contract liabilities are primarily the deferred sales revenue against which amount has been received from customer but services are yet to be rendered on the reporting date either in full or in parts. Contract liabilities are recognized evenly over the subscription period, being performance obligation of the Company.

Set out below is the amount of revenue recognised from:

Particulars	For the year ended March 31, 2020 [₹Mn]	For the year ended March 31, 2019 [₹Mn]
Amount included in contract liabilities at the beginning of the year	4,734.96	3,951.66

The company has as a matter of practical expedient recognised the incremental costs of obtaining a contract as an expense when incurred, since the amortisation period of the asset that the entity otherwise would have recognised is generally one year or less.

46. The company has considered the possible effects that may result from COVID 19 on its business and the carrying amount of non-current investments. The outbreak of Coronavirus (COVID-19) pandemic globally is causing a slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. In developing the assumptions relating to the possible future uncertainties in the global conditions because of the pandemic, the Company, as on date of approval of these financial statements has used various information, as available. The Company has performed sensitivity analysis on the assumptions used and based on current estimates, expects the carrying amount of these non-current investments do not require any further diminution from the value at which these are stated. The Company will continue to closely monitor any material change arising of future economic conditions and its impact on its business. The actual impact of COVID 19 on investments may differ from that estimated as at the date of approval of these financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

For and on behalf of the Board of Directors

per Yogesh Midha
Partner
Membership Number 094941

Hitesh Oberoi
Managing Director
Chintan Thakkar
Director & CFO

M.M. Jain
Company Secretary

Place : New Delhi
Date : June 22, 2020

Place : Noida
Date : June 22, 2020