



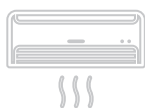
Focus

Justdial[®]

Engagement.

Efficiencies. Execution.

Expansion.



Just Dial Limited

Annual Report **2016-17**



Just Dial Limited Annual Report 2016-17

Having a unique vision and taking the right steps to become the leader is just one part of the story. The other, and the more crucial part, is to sustain this position over the foreseeable future.

Forward-looking statement

We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward-looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual results may deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above-mentioned circumstances, we can provide no warranty regarding the correctness, completeness, and up-to-date nature of information taken, and declared as being taken, from third parties, as well as for forward-looking statements, irrespective of whether these are derived from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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For more information, visit
www.justdial.com



In recent years, at Just Dial, we faced two alternatives - accept the industry reality and let competition overcome us, or strengthen internal competencies and revitalise focus on core strengths to become synonymous with local search in India.



We chose the latter, and focussed on being the go-to-destination for search.

We have worked on being more relevant and meaningful to our users and customers. We evolved by adopting a robust 5-pillar internet strategy to bring back focus on our core offerings, augmenting them with new products necessary in this fast-changing environment. We launched communication campaign repositioning ourselves as the first name and the last word for localised search.



Our focus is what we have always been renowned for and what has been at the core of our business.



Search



Our focus is on Engagement, Efficiencies, Expansion and Execution.



An Insight Into Just Dial



17.9 mn

Total business listings as on March 31, 2017



79.9 mn

Average Quarterly Unique Visitors^ across platforms (Mobile, PC, Voice) in FY 2016-17



70.5 mn

Ratings and Reviews as on March 31, 2017



4,35,360

Active paid campaigns as on March 31, 2017

Just Dial is India's leading local search platform offering a host of services to SMEs enabling them to grow their businesses, while providing consumers reliable and relevant information which aids their decision-making of buying goods and availing services.

Profile

Just Dial commenced operations in 1996 as a local search engine. Offering users a host of services through its search plus platform and providing the advantage of convenience, information accuracy, ratings and reviews and geographical maps across multiple platforms, it is one-of-its-kind service provider in the country. Headquartered in Mumbai, we have branch offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Coimbatore, Noida, Hyderabad, Jaipur, Kolkata and Pune.

Mission

To provide fast, free, reliable and comprehensive information to our users, connecting buyers to sellers anytime, anywhere.

^Unique visitors are aggregated across various mediums – Voice, Desktop/PC, Mobile: these may not necessarily be mutually exclusive

Mobile



JD (Justdial) app, JD Lite app, and mobile site (t.justdial.com)

- Android, iOS & Windows Apps
- Predictive Auto-Suggest
- Company, Category, Product Search
- Map View of Category Search
- Location Detection
- Voice Search
- App Notifications
- JD Pay
- JD Social
- Maps & Directions
- Location-based Search Service
- Ratings & Reviews
- Friends' Ratings
- Favourites
- Search Plus

Desktop / PC



www.justdial.com

- Predictive Auto-Suggest
- Company, Category, Product Search
- Location Detection
- Maps & Directions
- Operating Hours
- Business Logos
- Pictures & Videos
- Ratings & Reviews
- Friends' Ratings
- Favourites
- Search Plus
- Popular Category Searches

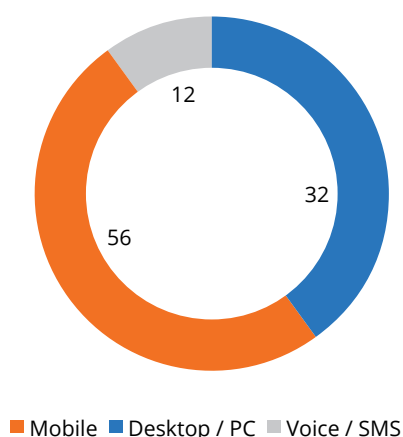
Voice / SMS



8888888888

- Operator-assisted Hotline Number One across India
- 24 Hours a day x 7 Days a week
- Multi-lingual Support
- Zero-ring Pickup
- Personalised Greeting
- Multiple queries in one call
- Instant Email & SMS

FY 2016-17 traffic break-up (%)



Products and services

Search

- Local MSME information through predictive autosuggest
- Location-based search
- Voice-based search
- Maps and directions
- Operating hours
- Pictures
- Videos
- Ratings and reviews
- Friends' Ratings



Search plus

- Book a Cab
- Shop Front / Shop Online
- Order Food, Flowers, Books, Grocery, Medicines / Pharmacy
- Book Train, Bus, Flights, Movie Tickets
- Book Table, Doctors Appointment
- Bill Payments and Recharge
- Hotels
- Lab Tests / Pathology / Diagnostic
- Automobiles
- Forex
- Loans
- International SIM Cards
- Spa & Salon
- Insurance
- Jobs
- Options of Wallets for Payment

Competencies Enabling Business Transformation

Business Model

We follow an asset-light approach, which has enabled us to maintain zero receivables and zero debt. Besides, our prepaid model results in our working capital being negative. In addition to this, the uniqueness of our business enables us to rapidly scale up through direct, mobile and repeat traffic. The model also facilitates us in frequently adding new features targeted towards millennial such that value proposition of both users and MSMEs keeps growing.

We follow a policy of reaching out to more MSMEs and getting them listed on our system for free. Post listing, we assist them in understanding the benefits of paid listing that would enable them grow their business.

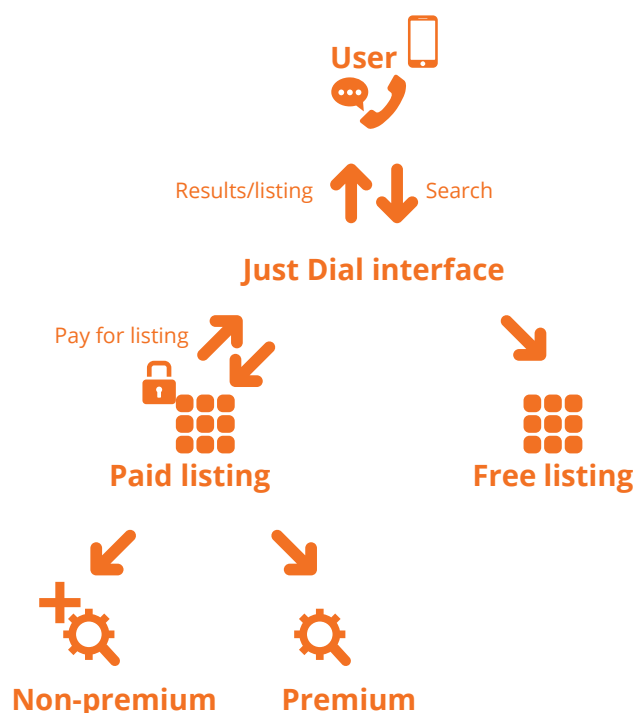
Primary objective of our business model

Continuously enhance platform with new features and make it more engaging

Get more businesses listed on the platform

Get more traffic on the platform

Encourage businesses to opt for paid packages



The 5-pillar internet strategy

At Just Dial, driven by the increasing penetration and importance of internet in the modern day business context, we have developed a 5-pillar internet strategy to facilitate MSMEs in becoming internet ready and have a ready online strategy. This shall be critical for them to stay relevant to changing consumer mindset and cater to their customers as per requirements.



Improve MSME's visibility

Business requirement

Consumer preferences are increasingly shifting towards online channel

Just Dial solution

Just Dial being India's leading local search engine and online market place facilitates MSMEs to get listed on its platform and provide them the necessary online visibility



Assist MSMEs to possess their own website

Business requirement

Online presence is now a must for businesses, consumers trust businesses more which have prominent online presence

Just Dial solution

Just Dial facilitates MSMEs to instantly create comprehensive websites that are responsive, mobile-ready, optimised for search engines, and dynamic with transactional capabilities



Enable MSMEs to offer hassle-free transaction facility

Business requirement

Consumers today prefer going cash-less and want ease of payment

Just Dial solution

Just Dial's easy online payment mechanism, JD Pay, facilitates consumers to instantly pay to MSMEs via debit card, credit card, net-banking, wallets and other online payment options



Facilitate MSMEs to enhance brand goodwill

Business requirement

Consumers today rely more on ratings and reviews to make buying decisions

Just Dial solution

JD Ratings tool (online link) enables MSMEs to garner more ratings and reviews from their customers to attract more prospective buyers



Facilitate MSMEs to promote brand

Business requirement

Consumers are leveraging social media to connect with each other and even businesses

Just Dial solution

JD Social, a social media platform loaded with curated content, facilitates in proliferating information relating to MSMEs across a wide user base thereby providing immense visibility

STRENGTHS

First-mover advantage: Being pioneers of the segment in India, we have created a robust presence with huge business listing base, strong relationships and deep penetration even in remote areas of Tier II & III cities where others don't have a presence.

India's leading local search engine.

Strong brand recognition: Our strong relationships with MSMEs and a successful track record of facilitating them in growing their business makes us one of the most trusted and recognised brands.

Several of our customers have been continuously associated with us over the years.

Attractive value proposition for local MSMEs: Our value-added offerings of detailed information, reviews and ratings, and transactions, all in one place as per user convenience facilitates us in offering MSMEs an attractive value proposition.

Total number of listings and paying customers, both continue to witness healthy growth.

Deep local expertise: With a strong and widespread sales force, years of experience and in-depth local market knowledge, we enjoy significant expertise in the interior regions of the country. Besides, our healthy relation with existing MSMEs enables us to get referrals and repeat business.

21 years of experience, presence in 250+ cities in India.

Scalable: Employing experts in the field, we have developed robust search engine platform, the application of which is not just limited to search. The platform integrates a diverse range of features and options to make it more engaging and attract more users.

23 search plus verticals offered on a single platform.

Sustainable business model: Our business does not require any working capital, besides it generates significant free cash flows owing to high gross margins. These margins are effectively reinvested to enhance product offering and features.

17.5% adjusted operating EBITDA margin in FY 2016-17.

Performance in FY 2016-17

7,186.10

Operating Revenue (₹ Mn)

8,056.73

Total Revenues (including Other Income) (₹ Mn)

1,254.95

Adjusted Operating EBITDA* (₹ Mn)

17.5%

Adjusted Operating EBITDA Margin %

1,213.42

Profit After Taxes (₹ Mn)

1,362.01

Net Cash Flow from Operations (₹ Mn)

Note - Figures of FY 2016-17 and FY 2015-16 are based on Ind AS accounting vis-à-vis IGAAP for earlier years and hence won't be comparable to that extent

* Adjusted Operating EBITDA is arrived at after adjustment of ESOP and one-time expenses to the Operating EBITDA. The Operating EBITDA is arrived at by reducing operating expenses i.e. employee expenses and other expenses from operating revenue. It does not include interest, taxes, depreciation and amortisation expenses or other income

Performance Over the Years

CAGR 2012-13 to 2016-17[#]

18.6%

Operating Revenue

5.6%

Adjusted Operating EBITDA*

15.4%

PAT

20.8%

Net worth**

17.1%

Overall traffic

63.5%

Mobile traffic

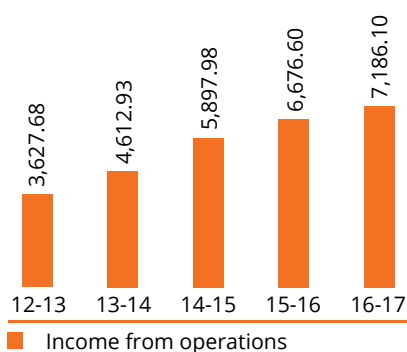
[#] Represents five years compounded growth during FY 2012-13 to FY 2016-17

* Adjusted Operating EBITDA is arrived at after adjustment of ESOP and one-time expenses to the Operating EBITDA. The Operating EBITDA is arrived at by reducing operating expenses i.e. employee expenses and other expenses from operating revenue. It does not include interest, taxes, depreciation and amortisation expenses or other income.

** Based on Closing Net worth

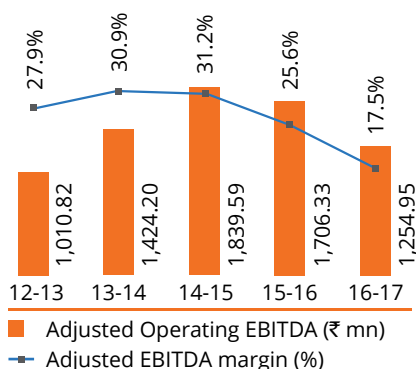
Operating income

(₹ mn)



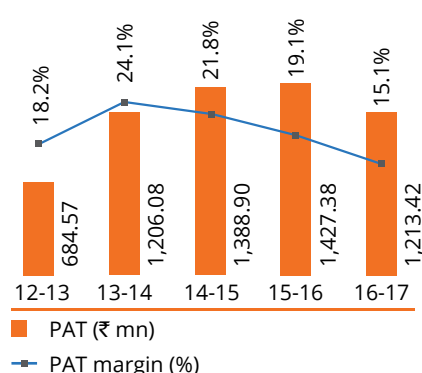
*Adjusted Operating EBITDA and EBITDA margin

(₹ mn)



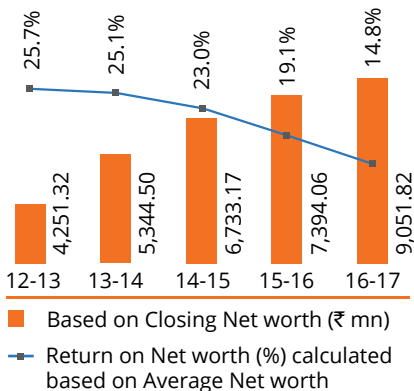
PAT and PAT margin

(₹ mn)



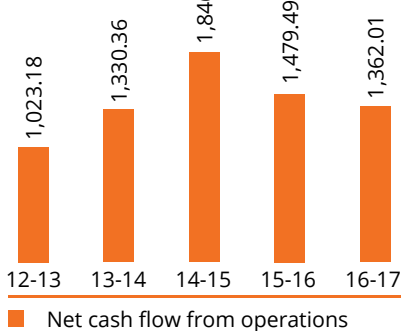
Net worth and return on net worth

(₹ mn)



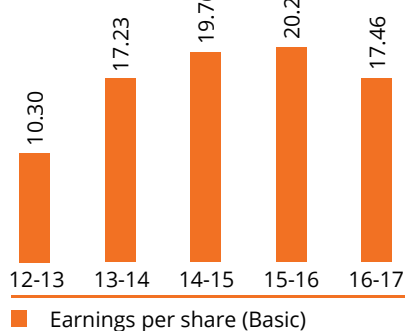
Net cash flow from operations

(₹ mn)



Earnings per share (Basic)

(₹)



Note - Figures of FY 2016-17 and FY 2015-16 are based on IND AS accounting vis-a-vis IGAAP for earlier years and hence won't be comparable to that extent

From the Desk of the Managing Director and Chief Executive Officer



Dear Shareholders,

I am delighted to report another year of healthy performance marked with implementation of several critical initiatives that shall enable us to embark on the next level of growth.



What makes me very optimistic of our business is the fact that internet-driven ecosystem is expected to drive the next phase of evolution in India.

It was two decades ago that we started with an idea that was way ahead of its time – a telephonic-based search platform facilitating small and medium businesses (SMBs) to expand their business, while empowering users to get instant access to local information. Leveraging the prowess of some of the best minds in the industry and putting in innumerable man-hours of dedicated efforts, today, we have taken this idea to an altogether different level. Providing advanced search plus features and a gamut of value-added services, our business, listing customer base and user base have grown multifold.