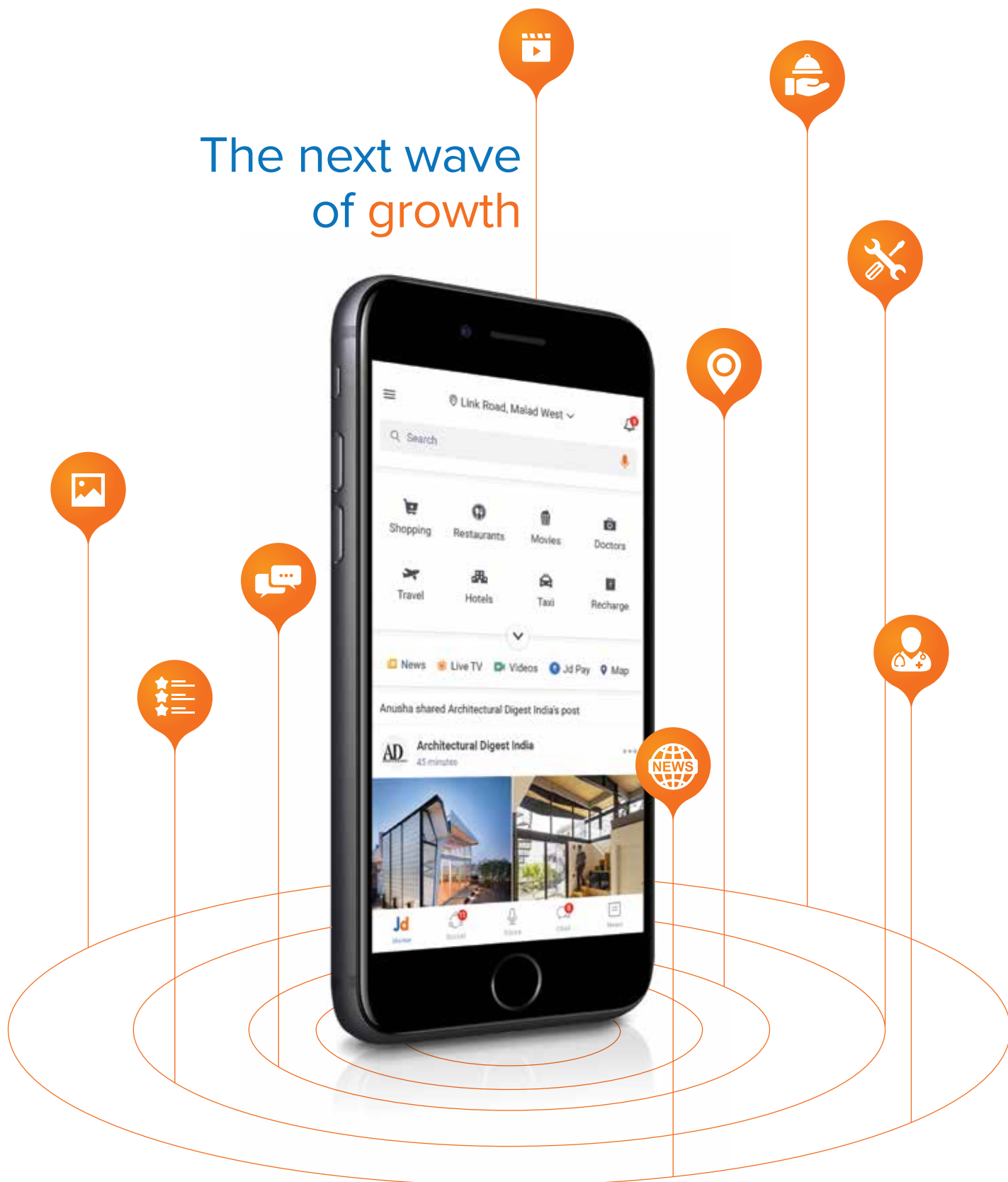


The next wave of growth



The next wave of growth

Online search is becoming omnipresent in India as increasing choices necessitate focussed and real-time lookups. Enabling its rapid expansion are growing smartphone penetration, low data costs, a younger population and pervasive rural development. At Just Dial, the pioneers of local search in the country, we have locked in on this emerging opportunity by evolving our business significantly from a pure voice-based search service two decades ago.

Our unique platform-wide access to comprehensive information has created substantial value for our users and Small and Medium Enterprises (SME) customers. Through our continual evolution, our promise of connecting people with businesses has grown stronger, with bespoke packages, flexible payment schedules and various value-added services adding to the core proposition.

During FY2017-18, we focussed on strengthening our mobile platform to make it faster, more appealing and loaded with new features. We also embraced automation to improve efficiencies and reinforced our brand with strategically crafted communications.

We believe our success in the year is a prelude to the promising future that awaits us. We are making search smarter, delivering efficient and effective solutions to users and customers. We are also connecting the dots in India's growth story by expanding our customer base in Tier II and Tier III geographies. Smart search, anywhere and across varied platforms, is how we will usher in the next wave of growth.

What's inside

CORPORATE OVERVIEW

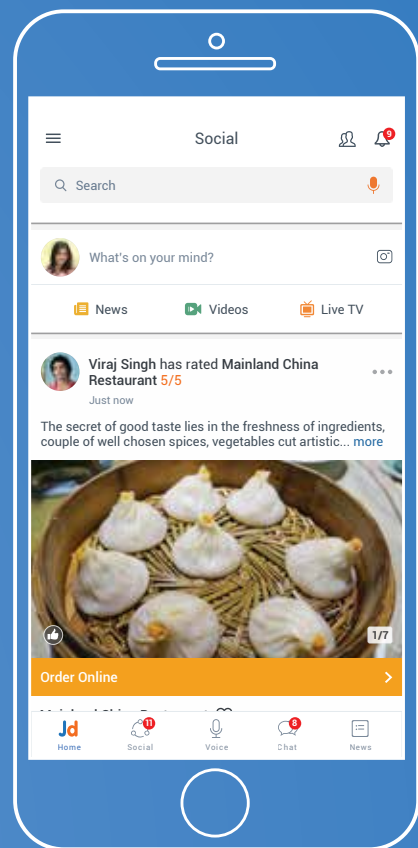
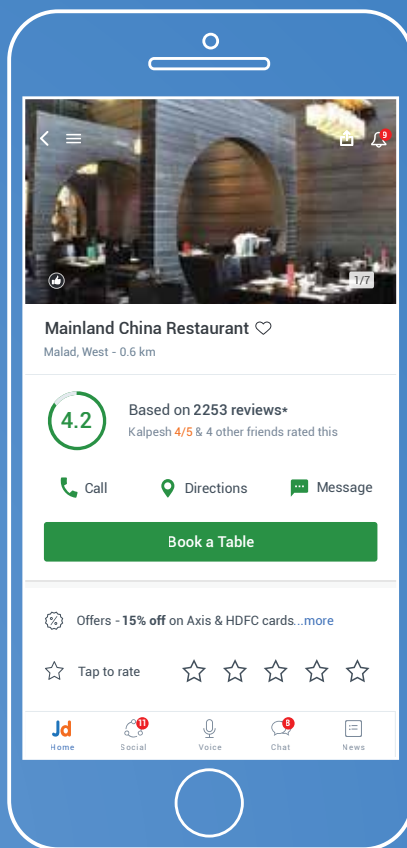
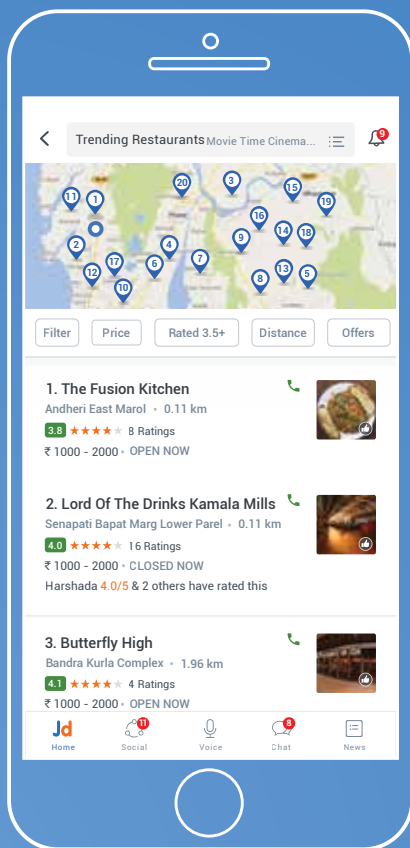
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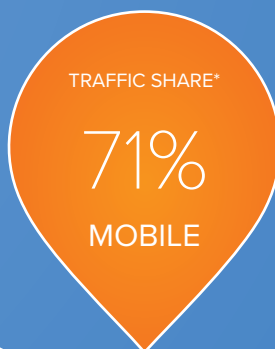
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At an all-time high



*Figures are for Q4'FY18
#As on March 31, 2018

Just Dial at a glance

Just Dial Limited is India's leading local search engine offering a wide array of informational and transactional services through multiple platforms.



t.justdial.com



mobile app



justdial.com



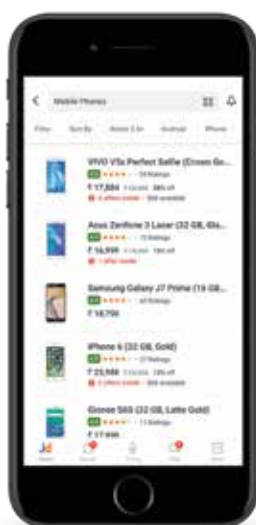
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OUR OFFERINGS



Mobile

- ▶ Android, iOS and Windows apps
- ▶ Predictive auto-suggest
- ▶ Company, category, product search
- ▶ Map view of category search
- ▶ Location detection
- ▶ Voice search
- ▶ App notifications
- ▶ JD Pay
- ▶ JD Social
- ▶ JD Social blog
- ▶ Maps and directions
- ▶ Location-based search service
- ▶ Ratings and reviews
- ▶ Friends' ratings
- ▶ Favourites
- ▶ Search Plus



Established in 1996, the Company through its search services continues to bridge the gap between users and businesses by empowering them with relevant and speedy information. The latest version of the JD (Just Dial) App is an All-in-One App, replete with features such as Map-aided Search, Live TV, Videos, News and Real Time Chat Messenger, to make consumer searches more engaging and swift.

MISSION

To provide fast, free, reliable and comprehensive information to our users, and connect buyers to sellers.

OUR STRENGTHS

1st

First mover advantage in Indian local search market



Services offered across cities and towns in India



Attractive value proposition for Small and Medium Enterprises (SMEs)



Comprehensive database of 21.8 million listings



Large online community giving ratings and reviews



Experience and expertise in local Indian market



Advanced and scalable technology platform



Efficient and profitable business model



Website

- ▶ Predictive auto-suggest
- ▶ Company, category, product search
- ▶ Location detection
- ▶ Maps and directions
- ▶ Operating hours
- ▶ Business logos
- ▶ Pictures and videos
- ▶ Ratings and reviews
- ▶ Friends' ratings
- ▶ Favourites
- ▶ Search Plus
- ▶ Popular category searches
- ▶ JD Social
- ▶ JD Social blog

Voice

- ▶ Operator-assisted hotline number
- ▶ One number across India
- ▶ 24 hours a day, 7 days a week
- ▶ Multi-lingual support
- ▶ Zero-ring pickup
- ▶ Personalised greeting
- ▶ Multiple queries in a call
- ▶ Instant e-mail and SMS

Our national footprint

Just Dial has strong pan-India network, spread across 11 branches and covering 11,000+ pin codes.

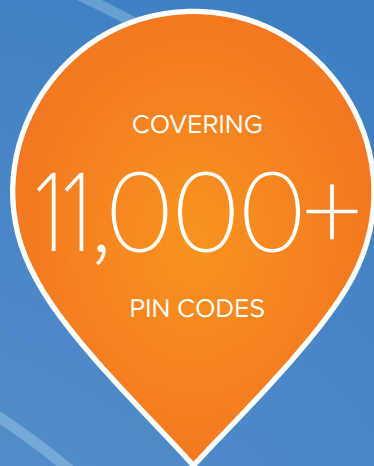
NATIONWIDE
COVERAGE

CORPORATE
HEADQUARTERS
MUMBAI

TECHNOLOGY
AND R&D DIVISION
BENGALURU



Note: Map not to scale



BRANCHES IN 11 CITIES

- | | |
|---------------|--------------|
| 1. Ahmedabad | 2. Bengaluru |
| 3. Chandigarh | 4. Chennai |
| 5. Coimbatore | 6. Delhi |
| 7. Hyderabad | 8. Jaipur |
| 9. Kolkata | 10. Pune |
| 11. Mumbai | |

#As on March 31, 2018

Steadfast growth with search



Dear Shareholders,

It is a pleasure to share with you our annual report for the fiscal year 2017-18. It was a remarkable year for us as we realigned our focus on the core of our business – **Search**. The results are encouraging as is reflected in our sound financial and operational performance for the year.

A BUOYANT MACRO-ENVIRONMENT

On the domestic front, the Indian economy demonstrated healthy resilience to the challenges caused by the implementation of the monumental reform of Goods and Services Tax (GST). This reform will aid the long-term prospects of our country by accelerating the pace of formalisation of the economy and improving the overall business environment. The economy grew 6.7% during the year and this growth is likely to improve to 7.4% (Source: Reserve Bank of India) in 2018-19 on the back of gradual revival in private investments, normal monsoon and an accommodative monetary policy stance.

The Government of India's continued push to digitalisation through reforms such as demonetisation and GST, as well as the Digital India initiative augur well for our Company in the long run. Given our dominant position in the online search market, we are well-poised to benefit from these reforms.

RISING INTERNET PENETRATION IN INDIA

There has been a steady rise in the number of people using internet search engines. The growing mobile and internet penetration in the country has been feeding this large appetite for search. According to a report by Internet and Mobile Association of India (IAMAI) and Kantar IMRB, the number of mobile internet users has increased by 17.22% in December 2017 over the previous year to reach 456 million. SMEs, self-employed professionals and freelancers in the country are together estimated at ~75-80 million. With a database of 21.8 million SME listings, Just Dial has about 70-75% of untapped potential in the market.

A COMEBACK YEAR FOR US

The fiscal year 2017-18 was a turnaround year for Just Dial. Our approach of going back to our basics, i.e. the search business, has started yielding rich dividends. During the year, our revenues stood at ₹781.8 crore, which is a growth of 8.8% over the preceding year. Healthy traction in the number of unique visitors and focus on improving sales productivity were among the key drivers of our top-line during the year. Strong revenues accompanied by elevated focus on achieving higher cost efficiencies fuelled a 50.1% jump in our operating profit to ₹164.4 crore in the year. Our net profit too grew at a healthy pace of 18% to ₹143.2 crore during the year.

There was renewed focus on our core business of search during the year, making it smarter and engaging for users. We are adopting a three-pronged strategy of achieving higher growth in the number of users, stepping up monetisation and improving the overall profitability of the Company.

BACK TO BASICS

Average Quarterly Unique Visitors

106.2 million

32.8% ↑ Y-o-Y

Mobile Average Quarterly Unique Visitors

71.1 million

58.5% ↑ Y-o-Y

Ratings and Reviews

81.9 million

16.2% ↑ Y-o-Y

Total Active Listings

21.8 million

21.7% ↑ Y-o-Y

From a monetisation perspective, business originating from Tier II, Tier III and Tier IV cities grew strongly by 33.1% in FY18. These cities contributed about 19% to our revenues during the year. Rapid adoption of digitalisation in these areas has been the catalyst for this stellar growth.

To enrich the user experience further, we keep strengthening our database by adding more local SMEs and cataloguing them into their business categories. Our total listings grew 21.7% during the year to 21.8 million. Additionally, we have driven 41.3% growth in incorporating high-quality images in our database, and 10.9 million listings are now geocoded at building or landmark level, a year-on-year increase of 60%.

During the year, our unique users grew at a quarterly average rate of 32.8%, year-on-year. While the traditional platforms of search, including desktop and voice, continue to engage users, the mobile platform, is leading the growth. Share of mobile platforms has grown to 71% of our traffic by the last quarter of the year.

We will continue to bring more SMEs online, converting more of them as paid subscribers and enhancing realisations per paid customer by offering packages that deliver great value proposition.

With rapid increase in smartphone penetration and low data tariffs, mobile is expected to be the dominant medium in the foreseeable future.

Through the year, we have put in a lot of effort in our products to make search smarter and faster. We have been able to cut down time taken to search by 40%, a result of page load optimisation. Additionally, we have been able to position Just Dial as a one-stop destination for all search, shop and social needs of users. We have successfully launched JD Social – which has ratings and reviews, and check-ins of the user's friends, latest news and trending stories from acclaimed sources, Live TV and more to keep users engaged.

To summarise, we improved our product offerings, technologically upgraded our platforms and realigned our business strategy to provide users with a cohesive value proposition.

THE ROAD AHEAD

We are confident of sustaining the growth momentum witnessed in addition of users, which in turn would attract new SMEs to our platforms. Simultaneously, we would enhance the user experience by strengthening our capabilities for smarter search.

We are committed to make the requisite investments to expand our reach and strengthen our brand.

Just Dial is focussed on delivering better value for money for SMEs, thereby positioning ourselves as a utility-based investment for an SME, and hence retaining our customers for longer periods. Our focus is to add new SMEs, ramp up the number of paid listings and enhance realisations per paid customer by offering them packages that deliver higher value proposition.

We have formed strategic partnerships with leading e-commerce websites and vertical service providers to create a one-stop search destination for users.

In conclusion, I would like to extend heartfelt gratitude to all our stakeholders – users, customers, employees, business partners and shareholders – for their sustained association with us over the years. While our employees are pivotal to our journey, our shareholders have been the key pillars in our growth.

We solicit your continued support.

Warm regards,

V. S. S. Mani
Founder, MD & CEO

