INFO EDGE

JUNK BONDS

AKSHAY GANGRADE
ANANDSINGH CHOUHAN
IIM BANGALORE

ANNUAL GLOBAL NETWORK INVESTMENT COMPETITION

COMPANY OVERVIEW

INCORPORATED IN 1995 BY MR. SANJEEV BIKHCHANDANI |CMP: 1192.25 | FREE FLOAT:45% | DELIVERABLES: 58.68%

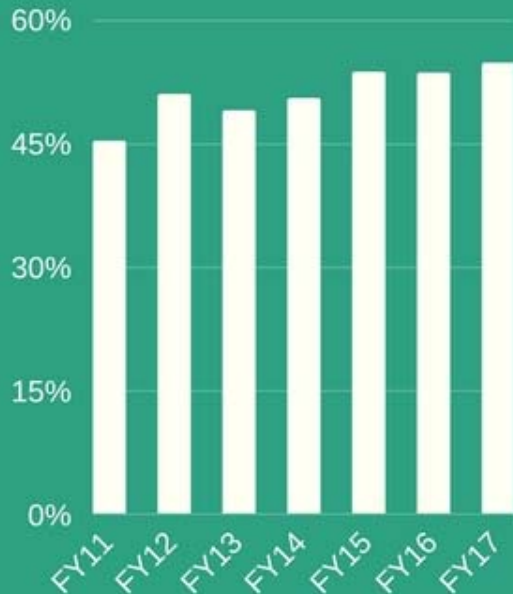| RECRUITMENT	INTERNET PORTFOLIO	VENTURE CAPITAL
Naukri.com	99acres.com Jeevansathi.com Siksha.com	Zomato Meritnation Policybazaar Canvera

NAUKRI: DOES THE JOB

RISING EBITDA MARGINS

(Bar chart: EBITDA margins from FY11 to FY17)

- 60%
- 45%
- 30%
- 15%
- 0%

FY11 · FY12 · FY13 · FY14 · FY15 · FY16 · FY17

Core business

- Flagship product of the company
- Contributes to >100% of the company's EBITDA
- Perceived to be a cash cow & a slow-growing business

DRIVERS OF GROWTH & MARGINS

- Strong network effects
- Pricing power
- Continuous innovation & investment
- Diversified revenue streams

99 ACRES: GROWTH MULTIPLIER

PAID LISTINGS OVER THE YEARS
(in `000s)

Chart showing paid listings growth:
- 3,100
- 2,325
- 1,550
- 775
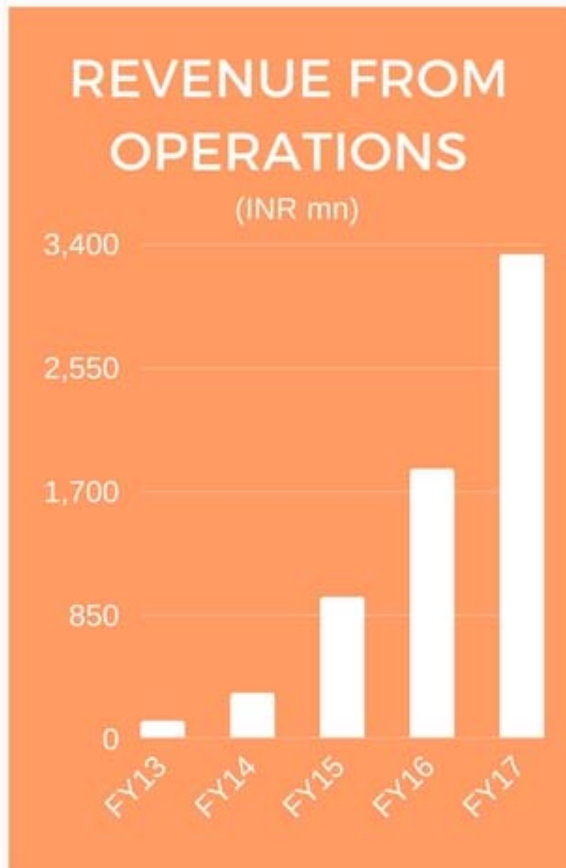- 0

X-axis: FY11, FY12, FY13, FY14, FY15, FY16, FY17

INR 10bn market

- Real estate classified market potential presents significant headroom for growth
- Happens to be the fastest growing classified vertical

DRIVERS OF GROWTH

- Competent war chest
- Not a winner-takes-all market
- Strong parentage

ZOMATO: THE CATALYST

REVENUE FROM OPERATIONS
(INR mn)

3,400	
2,550	
1,700	
850	
0	

FY13 FY14 FY15 FY16 FY17

USD 15bn market

- The GMV of online food ordering in India was only USD 300mn in FY16 and is highly underpenetrated market with <2% penetration
- Huge market potential has attracted best of the players in this space

DRIVERS OF GROWTH

- Early mover advantage
- Strong network effects
- Scalable business model
- Not a winner-takes-all market

VALUATION

THE SOTP BASED VALUATION GIVES AT A TP OF INR 1450, OVER NEXT 1 YEAR, UPSIDE OF 22%

NAUKRI

Valuation Metric	Target Multiple	EV (INR mn)	INR per share
DCF	15.5X	113766	896

99 ACRES

Valuation Metric	Target Multiple	EV (INR mn)	INR per share
EV/EBITDA	16.0X	18319	149

OTHERS (JEEVANSATHI, SIKSHA)

Valuation Metric	Target Multiple	EV (INR mn)	INR per share
EV/SALES	4.0X	16291	133

ZOMATO, MERITNATION

Valuation Metric	Target Multiple	EV (INR mn)	INR per share
Latest round of funding	NA	33367	272

KEY RISKS

COMPETITION

SIGNIFICANT CHURN

INDUSTRY HEADWINDS

THANK YOU

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