

DALALBYTES RESEARCH

# Info Edge (India)

## The Classifieds Compounder

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Naukri, 99acres, Jeevansathi and Shiksha: India's classifieds cash machine at a 41 percent margin, with a venture book worth more than the core

**NSE: NAUKRI · BSE: 532777**

**October 23, 2026**

Reference: Rs 1,185, NSE close of October 23, 2026.

Founding story, the four classifieds verticals, the Eternal and PB Fintech stakes, financials, competition, management, valuation, FY2029 scenarios.

## ■ VERDICT

### 68 / 100 : Selective Positive

**The blunt version.** Info Edge is two businesses in one share. The first is India's best online classifieds franchise: Naukri in jobs, 99acres in property, Jeevansathi in matchmaking and Shiksha in education, run on a standalone P&L that produced Rs 3,052 crore of revenue in FY26 at a 41 percent operating margin and Rs 1,098 crore of free cash flow. The second is India's most successful venture investor: about Rs 4,000 crore invested across some 111 startups, now carried at a fair value management has put near Rs 37,000 crore, anchored by stakes of about 12 percent each in Eternal (Zomato) and PB Fintech (Policybazaar).

**Why it is not a straight Positive.** The operating engine has slowed to low-teens growth and its largest customer pool, IT hiring, is the one artificial intelligence is squeezing first. Shiksha billings fell 23 to 27 percent in the first half of FY27 as AI search cut referral traffic, a live demonstration of the disruption risk. Reported profits are unusable without adjustment: consolidated PAT of Rs 1,763 crore in FY26 and a standalone PAT of Rs 5,536 crore both carry large fair-value items. And at Rs 1,185 the buyer still pays a full price for the core, roughly Rs 428 a share of the market value sits in the operating business and the unlisted book after marking listed stakes and cash.

**What the buyer gets today.** A debt-light fortress (borrowings of Rs 259 crore against investments of Rs 42,299 crore), listed stakes and cash worth roughly 64 percent of the market capitalisation at October marks, a dividend yield of 0.71 percent, H1 FY27 billings growth of 13.5 percent, and a Q2 FY27 results and interim dividend decision on October 28, 2026. FY2029 targets: bear Rs 780, base Rs 1,450, bull Rs 1,950.

**Reference price.** Rs 1,185, NSE close of Friday, October 23, 2026 (the stock fell 2.54 percent that day; NSE was open). Market data prints cluster at Rs 1,183 to Rs 1,187 for the session close.

## ■ 1. SNAPSHOT

| Item               | Detail                                                                                    |
|--------------------|-------------------------------------------------------------------------------------------|
| Company            | Info Edge (India) Ltd                                                                     |
| Ticker             | NSE: NAUKRI, BSE: 532777                                                                  |
| Sector             | Online classifieds (jobs, property, matrimony, education) plus startup investments, India |
| Reference price    | Rs 1,185 (NSE close, October 23, 2026)                                                    |
| Market cap         | About Rs 76,938 crore                                                                     |
| Shares outstanding | 64.77 crore (face value Rs 2 after the 1:5 split of May 7, 2025)                          |
| 52-week range      | Rs 908 to Rs 1,420                                                                        |

| Item                           | Detail                                                               |
|--------------------------------|----------------------------------------------------------------------|
| FY26 consolidated revenue      | Rs 3,285 crore (up 15.3 percent)                                     |
| FY26 standalone revenue        | Rs 3,052 crore (up 15.0 percent), operating margin 41 percent        |
| FY26 standalone free cash flow | Rs 1,098 crore                                                       |
| Dividend yield                 | About 0.71 percent (FY26 final dividend Rs 3.60 a share, post-split) |
| Promoter holding               | 37.19 percent (September 2026), no pledging reported                 |
| Score                          | 68/100, Selective Positive                                           |

**Position in the market.** Naukri is India's default jobs database: 118 million resumes and about 6.97 lakh live listings in Q1 FY27, about 8.59 lakh profile modifications a day and about 9.97 lakh resume searches a day. 99acres claims traffic leadership in property. No Indian listed peer combines classifieds cash flow with a venture book of this size.

**The one-line business.** Sell subscriptions to recruiters and advertisers who must reach India's largest pools of jobseekers, home seekers and match seekers, bank the cash at a 40 percent plus operating margin, and recycle a slice into early-stage internet startups.

## ■ 2. FOUNDING STORY: A GARAGE OFFICE, A NEWSPAPER HABIT, AND SURVIVAL AS STRATEGY

**Founded 1995, launched 1997.** Sanjeev Bikhchandani founded Info Edge in 1995 after early ventures in salary surveys and trademark searches. The insight was simple: Indian newspapers carried pages of job classifieds that nobody could search. Naukri.com launched in April 1997, initially reproducing newspaper job ads online, run from a small office above his father's garage, when India had very few internet users.

**Frugality as the founding technology.** Info Edge raised about Rs 7 crore from ICICI Venture in 2000 and then did the thing that decided its fate: it did not spend it. When the dotcom crash arrived, the company had cash, a paying B2B sales model (recruiters pay, jobseekers are free), and no burn to defend. Competitors with bigger raises died; Naukri compounded through the bust and reached the 2006 IPO as the category leader. It listed on November 21, 2006, among the first Indian internet IPOs.

**The classifieds were replicated, vertical by vertical.** Jeevansathi was acquired early and relaunched (the brand dates to 1998), 99acres launched in 2005, Shiksha in 2008, NaukriGulf in 2006 and FirstNaukri for campus hiring in 2009. Each new vertical reused the same playbook: free consumer pool, paid business side, feet-on-street sales force, subscription billing collected in advance.

**The second act inside the company.** From 2007 the cash machine started writing cheques. Info Edge invested Rs 483.78 crore in Zomato (first as Foodiebay, between 2010 and 2013 becoming its controlling shareholder for a period) and Rs 591.40 crore in Policybazaar from 2008, before that site had even launched. In 2020 the activity was formalised as Info Edge Ventures, with fund vehicles (Info Edge Venture Fund, Info

Edge Capital, Capital 2B). The FY25 shareholder letter put gross IRR across vintages at about 36 percent. Bikhchandani, now Executive Vice Chairman, is also a co-founder of Ashoka University; Hitesh Oberoi, co-promoter, has run operations as MD and CEO for over two decades.

### ■ 3. THE BUSINESSES: ONE ENGINE, THREE SMALLER VERTICALS, ONE INVESTMENT BOOK

**The model in one paragraph.** Info Edge sells attention and access, not goods. Businesses pay subscriptions and listing fees in advance, revenue is recognised over the contract, and deferred revenue on the balance sheet (standalone Rs 1,385.9 crore at June 30, 2026) is next year's visibility. Employee cost is the main expense; there is almost no cost of goods. That is why standalone operating margin sits at 41 to 44 percent.

| Vertical                                                                           | What it sells                                                                          | Scale signal                                                                                                |
|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| <b>Recruitment (Naukri, NaukriGulf, FirstNaukri, iimjobs, hirist, AmbitionBox)</b> | Resdex resume database access, job listings, branding, hiring tools (Zwayam, DoSelect) | FY26 segment revenue Rs 2,374 crore, segment profit Rs 1,277 crore; about 75 percent of standalone billings |
| <b>99acres</b>                                                                     | Property listings and advertising for brokers, builders and owners                     | FY26 revenue Rs 488 crore, loss Rs 59 crore; Q4 FY26 turned profitable (Rs 3 crore)                         |
| <b>Jeevansathi (plus Aisle)</b>                                                    | Matchmaking subscriptions                                                              | Q4 FY26 revenue Rs 46 crore (up 21 percent), small loss; billings up 14 to 18 percent in H1 FY27            |
| <b>Shiksha</b>                                                                     | Education discovery and lead generation                                                | Q4 FY26 revenue Rs 44 crore, profit Rs 6 crore; H1 FY27 billings down about 25 percent on AI search changes |
| <b>Investments (direct plus AIFs)</b>                                              | Early-stage stakes, two listed anchors                                                 | Book investments Rs 42,299 crore (consolidated, March 2026); about Rs 4,000 crore invested historically     |

**Technical side: what the subscription actually buys.** Resdex is the core asset: a structured, searchable database of 118 million resumes, refreshed by about 8.59 lakh profile edits a day, queried about 9.97 lakh times a day by recruiters. The moat is data freshness at scale, not the website. Around it sit AI products management named in FY26 and Q1 FY27 commentary (AI-Rex and Talent Pulse, AI matching and recommendations across verticals), plus acquired workflow tools: Zwayam (applicant tracking), DoSelect (assessments), AmbitionBox (employer reviews), iimjobs and hirist (premium and tech hiring). The direction of travel is from listings toward workflow, because workflow is harder for LinkedIn or an AI agent to disintermediate.

**Billings lead, revenue follows.** Standalone billings were Rs 3,177 crore in FY26 (up 10.3 percent), Rs 737 crore in Q1 FY27 (up 14.4 percent) and Rs 822.3 crore in Q2 FY27 (up 12.8 percent), for H1 FY27 growth of 13.5 percent. Management cautioned that Q1 and Q2 recruitment billings were distorted by renewal timing

(some clients renewed early, others late) and put underlying recruitment growth at about 15 percent in Q1 and 14 to 15 percent in Q2. The honest read: the engine is growing at low-to-mid teens, not the 30 to 40 percent of the FY22 to FY23 post-Covid hiring boom.

#### ■ 4. THE FLYWHEEL: POOLS, ADVANCE CASH, AND RECYCLED WINNINGS

**Step one: the free pool is the product.** Jobseekers, home seekers and match seekers pay nothing, so the pools stay the largest in India. Businesses pay because the pool is where the candidates and customers are. Every additional resume makes Resdex more worth paying for; the Q1 FY27 census (118 million resumes, 6.97 lakh listings) is the flywheel measured.

**Step two: advance billing funds everything.** Customers prepay annual packages. Standalone operating cash flow was Rs 1,169 crore in FY26 against operating profit of Rs 1,261 crore, and free cash flow has been positive every year in the reviewed series. There is no working capital trap and almost no debt.

**Step three: profits seed adjacent pools.** Naukri's surplus funded 99acres through a decade of losses, Jeevansathi's rebuild, and Shiksha. The non-recruitment portfolio's operating losses are finally narrowing: the FY26 directors' report records non-recruitment billings up 10.94 percent, operating PBT losses down 15.8 percent, and cash profitability for a second straight year.

**Step four: the venture loop.** Operating cash funded startup cheques from 2007; Zomato and Policybazaar winnings validated the loop at a claimed 36 percent gross IRR, and the loop now runs partly through AIF vehicles with outside capital alongside. The flywheel's risk is concentration: two names dominate the book's value, so the loop's reported success is partly two very large outcomes.

#### ■ 5. DEALS AND THE INVESTMENT BOOK: TERMS, STAKES, AND WHAT IS ACTUALLY OWNED

**Eternal (Zomato).** Total invested Rs 483.78 crore. Holding about 12.4 percent (about 119 crore shares, per company-linked reporting). At Eternal's October 23, 2026 market cap of about Rs 3.09 lakh crore, that stake marks at roughly Rs 38,300 crore, about Rs 591 a share of Info Edge value. This is an estimate from public marks, not a company disclosure.

**PB Fintech (Policybazaar).** Total invested Rs 591.40 crore. Holding about 12.4 percent (September 2026 news reporting of the IRDAI selloff used 12.43 percent). PB Fintech's market cap fell about 40 percent in a month to about Rs 47,800 crore after the insurance regulator proposed overhauling distribution economics; the stake now marks at roughly Rs 5,900 crore, about Rs 91 a share, and the September episode was reported to have cut about Rs 4,100 crore from the stake's value in days. The deal aspect for NAUKRI holders: your second-largest asset can lose a tenth of your market cap's worth of value on a regulatory proposal in someone else's industry.

**The rest of the book.** Invested amount in unlisted companies was Rs 780.9 crore at FY26 end (company-linked reporting), with names such as Skylark Drones, Nexstem and SkyServe, plus earlier

positions in ixigo, Adda247, Shopkirana, Ustraa and others, and AIF commitments. Book value of total investments on the consolidated balance sheet was Rs 42,299 crore at March 2026. Management's fair value estimate for the startup platform was near Rs 37,000 crore on about Rs 4,000 crore invested (FY25 to FY26 disclosures, as summarised in public valuation commentary).

**Corporate actions.** A 1:5 stock split (face value Rs 10 to Rs 2) took effect with record date May 7, 2025. Buybacks: none of consequence in the recent record; capital return runs through dividends. Small portfolio moves continue (an October 23, 2026 filing records a Rs 5 crore SIHL investment in Bijnis and a stake reduction to zero in Psila Tech via capital reduction): the venture machine is still writing and pruning small cheques.

## 6. FINANCIALS: CLEAN STANDALONE, NOISY CONSOLIDATED, AND ONE NUMBER TO IGNORE

| Fiscal year | Standalone revenue (Rs cr) | Standalone operating profit (Rs cr) | Operating margin | Standalone FCF (Rs cr) | Consolidated revenue (Rs cr) | Consolidated PAT (Rs cr) |
|-------------|----------------------------|-------------------------------------|------------------|------------------------|------------------------------|--------------------------|
| FY22        | 1,562                      | 470                                 | 30%              | 701                    | 1,589                        | 12,882                   |
| FY23        | 2,159                      | 792                                 | 37%              | 730                    | 2,346                        | (70)                     |
| FY24        | 2,381                      | 968                                 | 41%              | 807                    | 2,536                        | 595                      |
| FY25        | 2,654                      | 1,084                               | 41%              | 904                    | 2,850                        | 1,310                    |
| FY26        | 3,052                      | 1,261                               | 41%              | 1,098                  | 3,285                        | 1,763                    |
| Q1 FY27     | 824                        | 363                                 | 44%              | n.v.                   | 881                          | 490                      |

*Screener.in standalone and consolidated series, accessed October 23, 2026. Consolidated PAT is dominated by investment fair-value and other income in most years (FY22 other income of Rs 13,810 crore on the Zomato revaluation; FY26 other income of Rs 1,099 crore) and is not a measure of operating performance. Standalone reported PAT is equally distorted in FY26 (Rs 5,536 crore, including Rs 5,503 crore of other income, largely a Rs 5,282 crore fair-value item in the September 2025 quarter). Operating PBT on a standalone basis was Rs 1,137.7 crore in FY26, up 16.9 percent (directors' report).*

**Read the operating line, not the PAT line.** Standalone revenue compounded at about 17 percent from FY22 to FY26, with the FY23 step (up 38 percent) reflecting the post-Covid hiring boom and consolidation of recruitment subsidiaries, and FY24 to FY26 settling to 10 to 15 percent. Operating margin climbed from 30 to 41 percent as the boom's hiring costs normalised, and Q1 FY27 printed 44 percent standalone and 39 percent consolidated operating margin, the strongest in the series.

**Growth quality check.** The FY26 standalone revenue growth of 15.0 percent (Rs 3,052 crore, directors' report) outran billings growth of 10.3 percent, because revenue recognises earlier billings. H1 FY27 billings growth of 13.5 percent says the forward run rate is low-to-mid teens. Segment detail for FY26: recruitment revenue Rs 2,374 crore (up 10 percent) with segment profit Rs 1,277 crore (up 14 percent); 99acres revenue Rs 488 crore (up 19 percent) with a loss of Rs 59 crore, worse than FY25's Rs 48 crore loss despite a

profitable Q4. One engine pulls; the rest are close to self-funding but not yet contributors.

## ■ 7. CASH FLOW AND CAPITAL ALLOCATION: THE QUIET COMPOUNDING MACHINE

**Balance sheet.** Consolidated investments were Rs 42,299 crore at March 2026 against borrowings of Rs 259 crore and net worth of about Rs 37,914 crore. Standalone cash balance was Rs 5,034 crore at June 30, 2026. This is a fortress with an unusual composition: the walls are listed equity stakes, not cash, so the fortress value moves with Eternal and PB Fintech prices.

**Cash conversion.** Standalone operating cash flow was Rs 1,169 crore in FY26 and free cash flow Rs 1,098 crore; consolidated free cash flow was Rs 1,003 crore. Capex is trivial for a software business (standalone fixed assets of Rs 341 crore). Free cash flow has been positive in every year of the reviewed series on both bases.

**The dividend.** The FY26 final dividend was Rs 3.60 a share (post-split), a payout of about 38 percent of consolidated PAT and a yield of about 0.71 percent. The board meets on October 28, 2026 to consider an interim dividend for FY27 (record date November 6, 2026). Payout history is steady, not aggressive: the surplus has historically been preferred for startup cheques over buybacks, which is the capital allocation debate in one line. A holder who wants the venture exposure applauds; a holder who wants cash back notes that roughly Rs 44,000 crore of listed stakes and cash sit against a Rs 76,938 crore market cap with no stated monetisation or distribution plan.

## ■ 8. STRENGTHS

### What to watch

Q2 FY27 results and the interim dividend decision land on October 28, 2026. Recruitment billings against the 14 to 15 percent underlying claim, Shiksha stabilisation, and 99acres full-year profitability decide whether the core can outgrow a full multiple.

**The Resdex data asset.** 118 million resumes, refreshed daily at a scale no Indian rival matches, sold through a feet-on-street B2B sales force. Listings can be copied; a live, edited, searched database of this depth cannot be rebuilt quickly.

**Margin and cash structure.** A 41 to 44 percent standalone operating margin, advance billing, negative working capital pressure, and ten straight years of positive free cash flow in the reviewed series. Few Indian internet companies have ever printed this combination.

**Two venture outcomes that fund credibility.** Rs 483.78 crore into Eternal and Rs 591.40 crore into PB Fintech became stakes marking at roughly Rs 44,000 crore combined at October 2026 prices. Whatever the discount debate, the cheque-writing record is real and audited by public markets daily.

**Downside cushion.** Listed stakes plus cash approximate 64 percent of the market capitalisation at October marks. The buyer of the classifieds business pays, on this arithmetic, roughly Rs 428 a share for the operating franchise and the unlisted book.

## ■ 9. WEAKNESSES AND RISKS

**AI is a two-sided threat, and one side is already bleeding.** Shiksha billings fell 22.8 percent in Q1 FY27 and 27.2 percent in Q2 FY27 as AI-driven search cut referral traffic. The same technology threatens Naukri from both ends: AI matching (LinkedIn and Microsoft, AI-native startups) attacks the product, and AI automation of entry-level IT work attacks the customer's hiring volume. Recruitment's customer mix leans on IT services and global capability centres, the epicentre of that change.

**Growth has normalised at low-to-mid teens.** Billings grew 10.3 percent in FY26. Motilal Oswal's August 2026 sum-of-the-parts work assumed about 9 percent revenue CAGR for Naukri over FY27 to FY34. A business priced at about 52 times consolidated reported earnings (Screener) needs more than that, or needs the stakes to do the work.

**Stake concentration and regulatory contagion.** Eternal alone is roughly half the market capitalisation. PB Fintech's September 2026 fall on an IRDAI proposal showed how quickly a holding can gap. A holding-company discount, currently modest on broker SOTP, can widen if either anchor de-rates.

**99acres is not yet a business.** Revenue of Rs 488 crore with a Rs 59 crore loss in FY26, against Magicbricks (Times Group), Housing.com and NoBroker, in a category where the leader has historically struggled to monetise Indian property transactions. Q4 profitability is encouraging; the full-year loss widened.

**Reported numbers mislead screens.** Consolidated P/E prints range from about 41 to 52 times depending on the data vendor and which fair-value items are in the trailing window, and return on equity prints at about 2 percent because the equity base carries the stakes at fair value. Investors screening mechanically will misprice this stock in both directions; that is an opportunity for careful buyers and a trap for careless ones.

## ■ 10. MANAGEMENT AND GOVERNANCE

**Structure.** Kapil Kapoor is non-executive Chairman. Sanjeev Bikhchandani, founder, is Executive Vice Chairman. Hitesh Oberoi, co-promoter, is Managing Director and CEO (IIT Delhi, IIM Bangalore; with the company over 24 years). Chintan Thakkar is Whole-time Director and CFO; Pawan Goyal runs Naukri as Chief Business Officer. This is a founder-led company with professional depth, graded on a 29-year record.

**Delivery record: said versus did.** The FY26 directors' report claims are specific and checkable: recruitment billings up 10.04 percent, non-recruitment billings up 10.94 percent, non-recruitment operating PBT losses down 15.8 percent, cash profitability for two consecutive years in the non-recruitment portfolio. Against the record: Naukri growth did slow as guided by macro conditions rather than company error; 99acres was said to be gaining share and it did grow revenue 19 percent, but its full-year loss widened to Rs 59 crore, so the profitability leg of the story is behind the revenue leg. The AI deployment claims (matching,

recommendations, AI-native products) are plausible and partially visible in products such as AI-Rex, but no AI revenue line is disclosed, so the claim is graded as effort, not yet delivery.

**Ownership.** Promoters held 37.50 percent in March 2026 and 37.19 percent in September 2026, a slow trim, with no pledging reported. Foreign investors held 25.46 percent and domestic institutions 26.81 percent (September 2026, Screener). The register is institutional and the float is deep; governance flags found in this review are limited to the structural ones: a low promoter stake for a founder-led company, related-party complexity inherent in dozens of subsidiaries and AIF vehicles, and remuneration that is modest in absolute terms (MD and founder pay ratios of about 36 to 37 times median employee pay).

## 11. COMPETITION

| Company                               | Position vs Info Edge                                                               | Approx. P/E, Oct 2026    | Read                                                                          |
|---------------------------------------|-------------------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------------|
| <b>LinkedIn (Microsoft)</b>           | Premium professional hiring and networking; stronger with startups and senior roles | n.m. (inside Microsoft)  | The strategic threat: global product, AI matching, employer brand tools       |
| <b>Indeed / FoundIt (Monster)</b>     | Job listings aggregation and mid-market portals                                     | n.m. (unlisted parents)  | Volume challengers without Resdex depth in India                              |
| <b>Affle 3i</b>                       | Adtech platform, profitable growth                                                  | About 41x                | The market pays similar multiples for Indian platform cash flow               |
| <b>Matrimony.com</b>                  | BharatMatrimony vs Jeevansathi                                                      | About 24x                | Pure-play matrimony at half the multiple; Jeevansathi is the challenger brand |
| <b>Just Dial</b>                      | Local search classifieds, treasury-heavy                                            | About 12x forward        | Shows what the market pays when classifieds growth stalls                     |
| <b>Magicbricks, Housing, NoBroker</b> | Property portals vs 99acres                                                         | Unlisted                 | Distribution-rich rivals (Times Group, REA) keep 99acres loss-making          |
| <b>Info Edge (NAUKRI)</b>             | Dominant jobs database, property number one or two, venture book                    | About 41 to 52x reported | Premium is for Resdex, margins and the stakes, all real, all priced           |

*Peer multiples are approximate October 2026 market prints from public market data pages, directionally checked, not audited. n.m. means not meaningful.*

**The honest comparison.** In each vertical Info Edge faces a rival with a richer parent or a sharper niche: LinkedIn in jobs, the Times Group in property, Matrimony.com and Shaadi.com in matchmaking, and Google itself in education discovery. What none of them has is the combination: the largest live resume database, a 40 percent plus margin, and a self-funding war chest. The competitive question is not whether rivals exist; it is whether AI resets the database advantage before workflow products (Zwayam, DoSelect) lock recruiters in.

## 12. VALUATION VS PEERS

**At the reference price.** Rs 1,185 is about 52 times consolidated reported FY26 earnings on Screener's print (other vendors print 41 to 50 times on different trailing windows), about 23 times standalone operating profit per share equivalent, and about 2.0 times book value of Rs 585 (consolidated). Market cap is about Rs 76,938 crore. The price sits 16.5 percent below its 52-week high of Rs 1,420, 30 percent above the low of Rs 908, and down about 14 percent over one year.

**Sum of the parts, October marks (DalalBytes estimates).** Eternal stake about Rs 591 a share, PB Fintech stake about Rs 91 a share (post-crash mark), cash about Rs 78 a share: roughly Rs 760 a share, or 64 percent of the price, is listed stakes and cash. The residual roughly Rs 425 a share, about Rs 27,500 crore, prices the operating classifieds (standalone operating profit Rs 1,261 crore, growing low-to-mid teens) plus the unlisted portfolio. That is about 22 times FY26 standalone operating profit for the operations alone: full, but not the fantasy multiple the headline P/E suggests.

**Broker frame.** Motilal Oswal's sum-of-the-parts target was Rs 1,250 in August 2026 (Neutral), built when PB Fintech marked higher; Nomura and HSBC were reported with Buy ratings and targets around Rs 1,500 to Rs 1,525 around the Q4 FY26 update, and Citi held a Sell in the same period. The street is split precisely where the analysis is hard: the core is easy to value and fully valued; the stakes are easy to mark and hard to discount.

## 13. WHY THE SCORE IS 68, NOT HIGHER OR LOWER

**Additions.** Business quality in the high 70s: a dominant data asset, a 41 percent operating margin, a decade of free cash flow, a fortress balance sheet, and the best venture record in Indian listed markets. The 14 percent one-year price fall and the PB Fintech crash have already taken some optimism out of the price.

**Deductions.** Low-to-mid teens operating growth against a full core multiple. AI disruption that is theoretical in jobs but already measured in Shiksha (billings down about 25 percent in H1 FY27). Two listed stakes at roughly 58 percent of market cap whose values the company does not control. A second vertical, 99acres, still loss-making after two decades. That arithmetic lands at 68: Selective Positive.

## 14. FY2029 SCENARIOS (INR)

| Scenario | Core revenue CAGR<br>FY26 to FY29 | Operating margin<br>path                         | Stakes and discount<br>path                                     | FY2029 target (Rs) |
|----------|-----------------------------------|--------------------------------------------------|-----------------------------------------------------------------|--------------------|
| Bear     | 8 percent                         | Slips to about 36 percent on AI defence spending | Listed stakes de-rate about 25 percent, holding discount widens | 780                |

| Scenario | Core revenue CAGR<br>FY26 to FY29 | Operating margin<br>path                              | Stakes and discount<br>path                                  | FY2029 target (Rs) |
|----------|-----------------------------------|-------------------------------------------------------|--------------------------------------------------------------|--------------------|
| Base     | 13 percent                        | Holds about 41 to 43 percent                          | Stakes compound about 10 percent a year, discount steady     | 1,450              |
| Bull     | 18 percent                        | Expands toward 45 percent as 99acres turns profitable | Stakes re-rate, AI workflow products open a new revenue line | 1,950              |

*DalalBytes modelling on standalone FY26 revenue of Rs 3,052 crore, operating profit of Rs 1,261 crore, and October 2026 marks for the Eternal and PB Fintech stakes (about Rs 682 a share combined) plus cash of about Rs 78 a share. Bear assumes IT and GCC hiring stalls and AI compresses both traffic and pricing. Base assumes billings growth holds at low-to-mid teens, as in H1 FY27. Bull assumes recruitment re-accelerates, 99acres reaches sustained profit, and the venture book produces a third listed winner. These are estimates, not verified facts.*

**Reading the scenarios.** The bear case sits about 34 percent below the reference price: the cushion from stakes is real but the stakes themselves are equities, and they fall in the same market that de-rates the core. The base case is about 22 percent above, before dividends of about 0.7 percent a year. The distribution says quality compounder at a full price: returns will be made by duration, not by a re-rating gift.

## 15. WHY IT MATTERS

**Info Edge is the cleanest listed instrument on India's formalisation of hiring and on its internet venture cycle at the same time.** Naukri monetises every white-collar hiring upcycle; the venture book owns pieces of the companies that defined Indian consumer internet. The next two years test whether that combination survives the AI transition: whether Resdex plus workflow tools stay the recruiter's default when AI agents can source candidates, and whether the education vertical's traffic loss is a contained wound or the first sign of classifieds disintermediation.

**The checkpoints are dated and knowable.** Q2 FY27 results and the interim dividend decision land on October 28, 2026. After that: recruitment billings growth versus the 14 to 15 percent underlying claim, Shiksha billings stabilisation, 99acres full-year profitability, and any stated plan for the listed stakes.

## SOURCES

- Screener.in company pages for NAUKRI (standalone and consolidated), accessed October 23, 2026: profit and loss (standalone revenue Rs 1,562 crore in FY22 to Rs 3,052 crore in FY26, operating profit Rs 470 crore to Rs 1,261 crore; consolidated revenue Rs 1,589 crore to Rs 3,285 crore, PAT Rs 12,882 crore to Rs 1,763 crore), balance sheet (consolidated investments Rs 42,299 crore, borrowings Rs 259 crore), cash flow (standalone FCF Rs 701 crore to Rs 1,098 crore; consolidated FCF Rs 1,003 crore in FY26), shareholding (promoters 37.19 percent, FII 25.46 percent, DII 26.81 percent, September 2026), market data (price Rs 1,185 on October 23, 2026, market cap Rs 76,938 crore, 52-week range Rs 908 to Rs 1,420, book value Rs

585)

- Company results and directors' report for FY26 (via India Infoline reproduction): standalone revenue from operations up 15.01 percent to Rs 3,052.03 crore, total income Rs 3,387.42 crore, operating PBT Rs 1,137.72 crore (up 16.89 percent), recruitment billings up 10.04 percent, non-recruitment billings up 10.94 percent, non-recruitment operating PBT losses down 15.80 percent

- Inc42, May 22, 2026 (Q4 and FY26 results): consolidated Q4 revenue Rs 869 crore, Q4 PAT Rs 755.7 crore including an exceptional gain of Rs 70.2 crore, FY26 PAT Rs 1,762.8 crore, final dividend Rs 3.60 a share; recruitment FY26 revenue Rs 2,374 crore and segment profit Rs 1,277 crore; 99acres FY26 revenue Rs 488 crore and loss Rs 59 crore, Q4 revenue Rs 144 crore and profit Rs 3 crore; invested amounts at FY26 end: listed Eternal and PB Fintech Rs 722.3 crore, unlisted Rs 780.9 crore

- Q1 FY27 results coverage (Eduinvesting summary of company filings; Quartr earnings summary; company business update): consolidated revenue Rs 881 crore (up 11.4 percent), operating profit Rs 341 crore at 39 percent, standalone revenue Rs 824 crore (up 12 percent), standalone billings Rs 737 crore (up 14.4 percent) with recruitment Rs 552.7 crore, 99acres Rs 110.1 crore, Jeevansathi Rs 39.6 crore, Shiksha Rs 34.6 crore (down 22.8 percent); Naukri census: 118 million resumes, 6.97 lakh listings, 8.59 lakh daily profile modifications, 9.97 lakh daily resume searches; cash balance Rs 5,034 crore; deferred sales revenue Rs 1,385.9 crore

- Q2 FY27 business update, exchange filing of October 8, 2026 (via The Financial Economy): standalone billings Rs 822.3 crore (up 12.8 percent); recruitment Rs 613.8 crore (up 12.6 percent, underlying 14 to 15 percent adjusted for renewal timing), 99acres Rs 148.3 crore (up 21.2 percent), Jeevansathi Rs 39.7 crore (up 18.4 percent), Shiksha Rs 20.5 crore (down 27.2 percent); H1 FY27 billings Rs 1,559.3 crore (up 13.5 percent)

- Finnhub market data, October 23, 2026: NAUKRI previous close Rs 1,217.50 (October 22), session last traded Rs 1,186.50, EPS (TTM) Rs 22.36, P/E about 49.8; Eternal market cap about Rs 3.09 lakh crore; PB Fintech price Rs 1,011, market cap about Rs 47,805 crore after a one-month fall of about 46 percent

- Motilal Oswal results update, August 10, 2026: sum-of-the-parts target Rs 1,250 (Neutral), with Naukri DCF at Rs 343 a share (9 percent revenue CAGR FY27 to FY34), 99acres Rs 39, Eternal at market Rs 573, Policybazaar at market Rs 141, Jeevansathi and others Rs 53, other investees Rs 16, cash Rs 56

- The Hindu BusinessLine (FY25 shareholder letter coverage): investing began 2007, gross IRR about 36 percent across vintages, 111 companies backed, invested Rs 483.78 crore in Zomato (Eternal) and Rs 591.40 crore in Policybazaar, stake values cited at about Rs 38,350 crore and Rs 15,133 crore at that time

- Inshorts and ET Now, September 26, 2026: PB Fintech fell 7.4 percent on the IRDAI distribution proposal; Info Edge's 12.43 percent stake lost over Rs 4,100 crore of value

- Company and reference history: founded 1995 by Sanjeev Bikhchandani, Naukri.com launched April 1997, Jeevansathi 1998, 99acres 2005, Shiksha 2008, IPO and listing in November 2006, ICICI Venture funding of about Rs 7 crore in 2000, Info Edge Ventures formed 2020, 1:5 stock split record date May 7, 2025 (Wikipedia, company site, split filings via Angel One and IPO Central)

- Board meeting notices, October 22, 2026 (BSE): board meets October 28, 2026 to consider Q2 FY27 results and an interim dividend, record date November 6, 2026; Screener lists October 28, 2026 as the upcoming result date

*DalalBytes Research. Estimates labelled as such are DalalBytes modelling. Verified facts are drawn from the sources above as at October 23, 2026.*