



brightcom  
group

# **ANNUAL REPORT**

## **FY 2023-24**

**ADTECH & DIGITAL MEDIA**



# DISCLAIMER

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. 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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# CORPORATE INFORMATION

## REGISTERED OFFICE

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CIN: L64203TG1999PLC030996  
Email: [ir@brightcomgroup.com](mailto:ir@brightcomgroup.com)  
[www.brightcomgroup.com](http://www.brightcomgroup.com)

## BOARD OF DIRECTORS

Mr. Raghunath Allamsetty  
Mr. Paladugu Venkata Subba Rao  
Ms. Deepika Daliya  
Mr. PLEO Ganesan  
Mr. Ali Akber Bakir Bhoy Mamuwala

## COMPANY SECRETARY

Ms. Shweta Singh

## STATUTORY AUDITORS

M/s P R Chandra & Co.,  
Chartered Accountants  
Hyderabad, Telangana

## REGISTRAR AND SHARE TRANSFER AGENT

Aarathi Consultants Private Limited,  
1-2-285, Domalguda, Hyderabad-500 029, Telangana, India  
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# MESSAGE FROM THE BOARD

The financial year 2023-24 was a year marked by challenges, perseverance, and resilience for Brightcom Group. Amid significant global and internal hurdles, the company remained focused on navigating the landscape while strengthening its foundation for the future. Despite these challenges, Brightcom achieved consolidated revenue of ₹4,662.24 crores, reflecting a 37% year-over-year decline, and Profit After Tax of ₹687.52 crores.

The US market continued to lead as our primary growth engine, contributing 53% of total revenue. South America accounted for 14%, demonstrating the diversity of our global footprint. Across our operations, teams worldwide worked tirelessly to address the challenges at hand. However, external disruptions, including the conflict in Israel, and internal shifts at the leadership level added complexity to an already demanding year.

## **Formulating Strategies for Growth and Expansion**

As we look ahead, Brightcom is focused on expanding its presence in high-potential markets beyond North America. We are in the process of formulating Trenova, an initiative aimed at strengthening our reach and capturing opportunities in regions such as EMEA and Europe. This strategic move underscores our commitment to becoming a stronger, more balanced global player while diversifying our revenue streams and reducing dependence on any single market.

Brightcom is also investing in enhancing its technological capabilities and operational efficiencies to address the evolving needs of its clients. By leveraging innovation, we aim to build solutions that not only meet market demands but also create lasting value for businesses and communities.

## **Resilience as the Cornerstone of Progress**

This year has underscored that challenges are not just obstacles—they are catalysts for growth. By navigating a tough landscape, Brightcom has emerged more agile, focused, and prepared for the future. Adversity has a way of sharpening an organization's resolve, and ours has fueled a renewed drive for innovation and excellence. Our global network, collaborative culture, and proactive risk management have transformed difficulties into stepping stones for progress, positioning us not just to endure change but to thrive in it.

# MESSAGE FROM THE BOARD

## Key strategic priorities for the future include:

- Expanding into high-growth markets and diversifying revenue streams for better stability and global competitiveness.
- Leveraging advanced technologies and operational efficiencies to deliver innovative, client-focused solutions.
- Building a resilient, dependable and adaptable organization ready to thrive in a dynamic global environment.

## A Brighter Tomorrow Awaits

Every challenge we have faced has taught us to grow stronger, more adaptable, and more focused on what lies ahead. Brightcom Group is more than just prepared for the future—it is eager to shape it. With the unwavering support of our stakeholders, the dedication of our teams, and the clarity of our vision, we are confident that the coming years will be marked by growth, innovation, and success.

The road ahead is filled with opportunities, and Brightcom is ready to seize them. Together, we will build a future of possibilities, transforming challenges into milestones and aspirations into achievements.

Thank you for your continued trust and belief in Brightcom Group. Together, we are building a legacy of resilience, innovation, and enduring success.

**The best is yet to come!**

# FINANCIAL HIGHLIGHTS

REVENUE 2023-24 IN RS. CRORES		EBITDA IN RS. CRORES		PAT IN RS. CRORES	
2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
<b>4,662.24</b>	<b>7396.77</b>	<b>1,239.30</b>	<b>2,166.08</b>	<b>687.52</b>	<b>1,370.99</b>
Y-O-Y GROWTH <b>-37%</b>		Y-O-Y GROWTH <b>-43%</b>		Y-O-Y GROWTH <b>-50%</b>	

## FINANCIAL METRICS

2023-24

2022-23



Return on Equity (RoE) - 8.83%  
 Consolidated Tax Rate - 28.73%  
 Operating Cash Flow - 133.68 crores

Return on Equity (RoE) - 19.58%  
 Consolidated Tax Rate - 27.92%  
 Operating Cash Flow - 702.55 crores



**Highest Revenue - The US Market - 53%**



**North America - 39%**



**South America - 14%**

# BUSINESS OUTLOOK

## CORE PRODUCT OFFERINGS

Expanding the suite of our digital advertising solutions:

<b>Video</b>	<b>Audio</b>	<b>Mobile</b>	<b>CTV</b>
<b>Banner</b>	<b>Email</b>	<b>Search</b>	<b>Social</b>

Enhancing the monetization of Ad traffic by targeting specific demographics with high buying power.

## EMERGING OPPORTUNITIES

Exploring opportunities in:

**DOOH, Audio, OTT, Podcast, Data Monetisation, and Physical Web Monetisation**

Leveraging AI, ML, and Quantum Computing to build advanced analytical and predictive models.

## GLOBAL EXPANSION

- Consolidating and strengthening the market position in EMEA and APAC through TRENNOVA initiative.
- Targeting the expanding digital advertising market, projected to reach approximately \$1.088 trillion in 2024.

## STRATEGIC PARTNERSHIPS & COLLABORATIONS

- Fostering strategic partnerships to enhance capabilities and expand market reach.
- Exploring potential acquisitions & mergers to accelerate growth.

## OPERATIONAL EXCELLENCE & INNOVATION

- Improving operational efficiency and cost optimisation.
- Investing in R&D to foster innovation.
- Upholding rigorous compliance standards to maintain strong reputation.

# THE COMPANY

Brightcom Group is a global technology company that specializes in digital advertising, media, and innovative technology solutions. Headquartered in India, the company has a strong presence in the United States, Europe, the United Kingdom, Israel, and Australia. Brightcom bridges the gap between agencies, publishers, and brands by offering advanced tools and platforms tailored to the evolving needs of clients. Our goal is to empower businesses to thrive in today's fast-changing digital landscape.

## **Our Journey and Evolution**

Founded in 1998 during the dot-com boom as a greeting card company, Brightcom quickly transformed into a global leader in digital media and advertising. Recognizing the potential of emerging technologies, we shifted our focus to developing innovative platforms that promote smarter advertising strategies, enhance audience engagement, and enable scalable growth. Our journey reflects our commitment to remaining at the forefront of the digital revolution and providing solutions that address the challenges of a dynamic industry.

## **Our Expertise and Innovation**

At Brightcom, innovation is central to our operations. Our platforms leverage artificial intelligence, machine learning, and data-driven insights to optimize advertising performance, enable precise audience targeting, and enhance consumer engagement. By addressing the evolving needs of our clients, we help them remain competitive in an increasingly complex market. As we expand our technological capabilities, we are also exploring next-generation technologies like quantum computing, positioning Brightcom as a leader in future-ready solutions.

## **Strategic Partnerships and Global Impact**

Our growth has primarily been driven by strategic collaborations alongside consistent organic growth. For example, Brightcom experienced rapid expansion between 2007 and 2011, growing from a \$10 million company to a \$100 million enterprise in just four years. This success was fueled by our acquisition of 10 firms, which helped establish our global presence and comprehensive capabilities, supported by \$100 million raised through private equity.





# THE COMPANY

We have a proven track record of establishing innovative partnerships and solutions in the digital media landscape. As one of Facebook's earliest marketing partners and the exclusive representative for Microsoft's online properties in the South Cone region of South America through our "Dream Ad" brand, we have consistently shown our ability to seize emerging opportunities and lead.

At Brightcom, we believe that true success comes from collaborating with the right partners to address challenges. This collaboration may involve mergers and acquisitions, forming strategic partnerships, hiring exceptional talent, or working with trusted advisors. By partnering with individuals who possess proven expertise and valuable insights, we enhance our chances of success in our endeavors.

## Recognitions and Achievements

Our consistent success has earned us numerous accolades over the years, underscoring our leadership in the industry:

- The Brightcom Programmatic Platform was launched and recognized as the #1 platform globally by Pixelate's Video Trust Index (International) category in 2017.
- We were chosen as the Top Alternative Ad Network in MonetizeMore's 2016 roundup.
- Featured in the Fortune India 500 for the year 2019.
- Recognized as the "Biggest Value Gainer" across India by the Burgundy Private Hurun India 500 List in 2021.
- Included in the prestigious MSCI (Morgan Stanley Capital International) index.

These recognitions reflect our intense competitiveness and the ability to deliver value in the digital media space.

## Commitment to Sustainability and ESG

In alignment with global trends, Brightcom integrates Environmental, Social, and Governance (ESG) practices into its operations. Our focus on ethical advertising and reducing our carbon footprint underscores our commitment to sustainable growth.

## Operational Optimization and Strategic Growth

Brightcom is actively refining its operational framework to create a solid foundation for accelerated growth. By streamlining processes and enhancing efficiency, we aim to support business development efforts and drive value creation across the board.

A key focus of our growth strategy is to expand our presence in critical global markets, particularly the EMEA and EU regions. These regions represent significant opportunities for Brightcom, and we are making targeted investments to strengthen our footprint. Our approach includes building stronger relationships with local partners, enhancing our offerings to meet market-specific needs, and leveraging the right technology and the right people to deliver superior solutions.

By aligning operational efficiency with regional growth initiatives, Brightcom is well-positioned to seize emerging opportunities and drive meaningful progress in the marketplace. These efforts reflect our unwavering commitment to expanding our global reach while maintaining a strong focus on innovation and sustainability.

# TIMELINE

1998

Started as USA Greetings in the US and renamed it to Ybrant Technologies in 2000.

2004

Changed name to Ybrant Digital and started offering tools and services to digital ad networks.

2007

Acquired email marketing platform, VoloMP.

2007

Acquired MediosOne in the US, thereby, entering into the front-end digital marketing space.

2007

Raised US\$ 30 million from a few PE firms. Acquired AdDynamix in the US.

2008

Acquired Online Media Solutions in Israel with presence in 13 countries in Europe and South America.

2008

Raised US\$ 20 mn from Everest Capital. Acquired Dream Ad, Argentina. Acquired Max Interactive based in Australia.

2010

Raised US\$ 18 mn from Oak India and Batterymarch. Acquired LYCOS from Daum Communications.

2011

Merger of Ybrant Digital and LGS Global. Facebook chooses Ybrant Digital as an official marketing API partner.

2014

Changed name to Lycos Internet Limited. Lycos TV adds cool new content.

2015

LYCOS Gets Listed on the National Stock Exchange of India. Announces Lycos LIFE Division.

2016

Brightcom Programmatic Platform launched and Ranked #4 in Video Seller Trust Index. Chosen as Top Alternative Ad Network in MonetizeMore's 2016 roundup.

2016

COMPASS nominated as finalist for Best Ad Tech Tool at Cynopsis Model D Awards 2016. Lycos LIFE band features in '10 best fitness bands in India.

2017

Was listed as #1 in the world by Pixelate's Video Trust Index (International). Launched Israeli Ad-Tech Map. Ranked #345 in Business World Real 500 List.

2018

Changed name to Brightcom Group Limited.

2019

Featured among Fortune India 500 for the year 2019. Expanded offerings in Artificial Intelligence and Machine Learning.

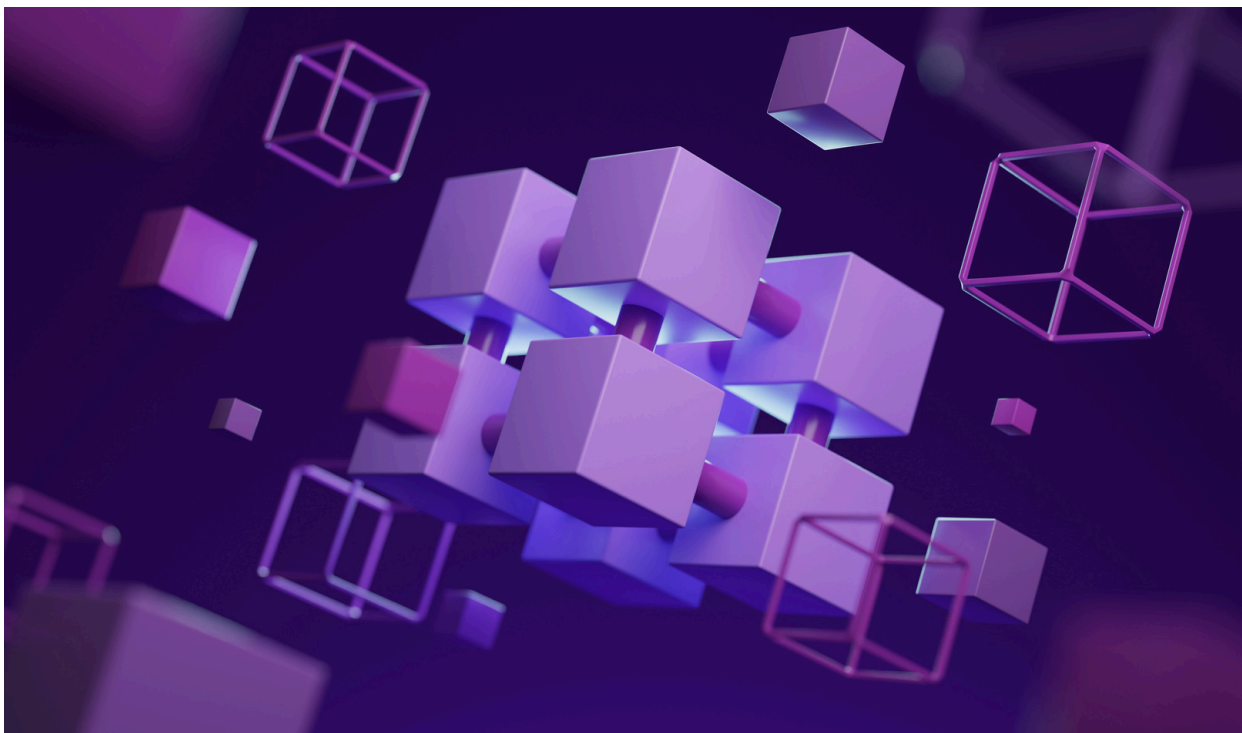
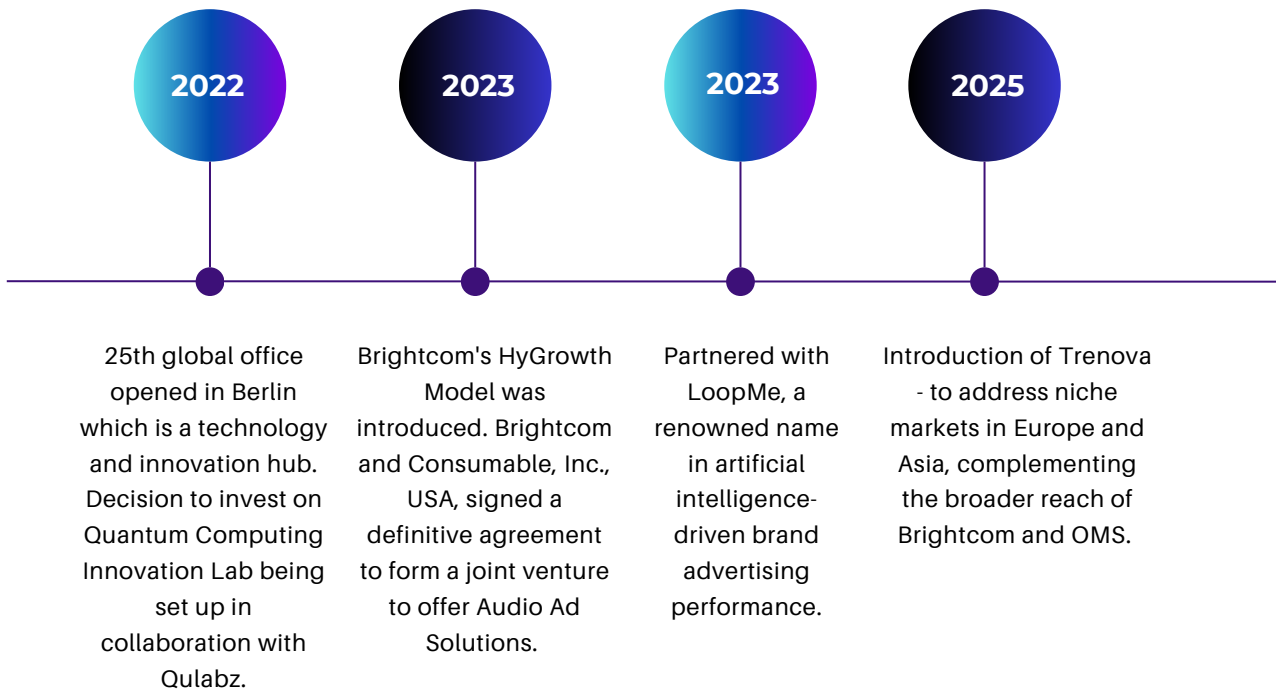
2021

Recognized as the "Biggest Value Gainer" across India by Burgundy Private Hurun India 500 List, 2021. Included in MSCI (Morgan Stanley Capital International).

2021

Included in S&P BSE 500. Ranked # 235 in NSE 500. Company became debt-free.

# TIMELINE



# THE TEAM

FOUNDER	THE BOARD	MANAGEMENT TEAM
Mr. Suresh Reddy	Mr. Raghunath Allamsetty	Mr. Raghunath Allamsetty
	Mr. Paladugu Venkata Subba Rao	Mr. Kallol sen
	Ms. Deepika Daliya	Mr. Shreedhar Reddy
	Mr. PLEO Ganesan	
	Mr. Ali Akber Bakir Bhoy Mamuwala	

Brightcom Group's leadership team embodies a unique blend of vision, expertise, and tactical acumen that has been instrumental in shaping the company's growth and global impact. With diverse backgrounds spanning technology, operations, administration, governance, and innovation, the team combines decades of experience across industries to drive Brightcom's mission forward.

The team's deep understanding of emerging technologies and their applications enables Brightcom to stay ahead in the ever-evolving digital landscape. Operational excellence is a hallmark of the team, with proven capabilities in scaling businesses, optimizing processes, and fostering seamless execution across global markets.

Beyond technology and operations, the team excels in governance and compliance, ensuring transparency and accountability in every aspect of the organization. Their strong focus on strategic problem-solving and adaptability has empowered Brightcom to navigate complex challenges and seize growth opportunities with confidence.

Together, this leadership team has a track record of building meaningful partnerships, fostering innovation, and delivering value to clients, stakeholders, and the broader ecosystem.

# THE TEAM

## THE FOUNDER

### MR. SURESH REDDY

FOUNDER

M. Suresh Reddy is the founder of Brightcom Group, a global leader in digital advertising, AdTech, AI, and IoT-based businesses. With nearly three decades of experience in online marketing, advertising, and technology, Suresh played a pivotal role in establishing Brightcom's stronghold across 24 countries. Under his leadership, Brightcom grew into a trusted partner for blue-chip clients like Coca-Cola, Samsung, and Unilever, as well as leading publishers such as Facebook, LinkedIn, and Yahoo. His leadership enabled the company to raise over \$100 million in equity and debt while successfully completing ten strategic acquisitions to fuel its growth.

Through his focused vision and innovative strategies, Suresh transformed Brightcom from a modest operation into a global force in the AdTech space.

The company achieved significant milestones under his guidance, including the acquisition of Lycos Inc., which brought global recognition, and expanding its operations in key markets such as Israel, Europe, and South America.

Beyond his entrepreneurial achievements, Suresh has actively contributed to the community. He served as the President of TiE Hyderabad, fostering entrepreneurship, and as a trustee for the 'Heal a Child' foundation, demonstrating his commitment to social impact. Suresh is also authored over 30 articles in local newspapers. His writings simplify emerging technologies for a broader audience, breaking down complex concepts into accessible and engaging content, further establishing him as a thought leader in the industry.

## THE BOARD

### MR. RAGHUNATH ALLAMSETTY

EXECUTIVE DIRECTOR

Mr. Raghunath Allamsetty, a respected veteran in India's IT landscape and the Executive Director at Brightcom Group, has a rich background in both technology and leadership. Known for his expertise in founding and scaling US-based tech start-ups in India, he co-founded Platys Communications, one of Hyderabad's pioneering fabless digital high-speed ASIC (chip) design firms, later acquired by Adaptec Inc., California. In his career, he has held impactful roles, including Managing Director of Adaptec India Pvt Ltd and Apere India Pvt Ltd, Vice President at Intrepid Global Security Solutions Inc., and Director on the board of Lycos Internet Ltd. His leadership has consistently propelled growth, innovation, and strategic partnerships in the tech industry.

In addition to his professional roles, Mr. Allamsetty has been an influential figure in multiple prestigious organizations.

He served as Chairman of the Hyderabad Chapter of the American Chamber of Commerce (AMCHAM) in 2004 and 2005, supporting trade relations between India and the U.S. His community involvement includes serving on the organizing committee of IEEE Hyderabad Section, Secretary of the Japanese Business Council under the Indo-Japanese Chamber of Commerce, and Charter Member of TiE (The Indus Entrepreneurs), where he has actively supported new tech entrepreneurs.

Mr. Allamsetty also founded Ivana Foods Pvt. Ltd., a forward-looking food processing company committed to delivering 100% natural, ready-to-consume beverages and foods, aiming to set a new industry standard in health-conscious products. His commitment to innovation, strategic growth, and community engagement continues to drive impactful change across the technology and food processing sectors.

# THE TEAM

## THE BOARD

### MR. PALADUGU VENKATA SUBBA RAO

INDEPENDENT DIRECTOR

Mr. Paladugu Venkata Subba Rao is an accomplished Company Secretary with over 30 years of experience in corporate governance and compliance. He has provided strategic support to various companies, ensuring adherence to regulatory frameworks and fostering organizational growth. Most recently, he served as the Company Secretary for Aditya Spinners Ltd., where he played a pivotal role in streamlining corporate processes and reporting. His expertise spans corporate law, regulatory liaison, and board advisory functions.

Known for his meticulous attention to detail, he has consistently upheld the highest standards of corporate governance. Subba Rao has a proven track record of navigating complex regulatory landscapes with precision and integrity.

He is adept at fostering effective communication between management and stakeholders. His long-standing career reflects a commitment to excellence in company secretarial practices. Subba Rao is a trusted advisor, well-regarded for his professionalism and strategic insights.

### MS. DEEPIKA DALIYA

INDEPENDENT DIRECTOR

Ms. Deepika Daliya is a dynamic and accomplished finance professional with a robust academic foundation, having earned her MBA in Finance from Nishitha PG College, Nizamabad. She brings a wealth of expertise in strategic financial management, compliance oversight, and organizational leadership. Her professional journey includes serving as the CEO of Gridhari & Company, where she successfully spearheaded initiatives to streamline operations, optimize financial performance, and enhance organizational efficiency. She also held the role of Executive Director at Ra Craft Paper Pvt Ltd, where she played a pivotal role in driving growth and ensuring operational excellence.

Deepika is a results-driven leader adept at aligning financial strategies with business objectives, fostering innovation, and maintaining positive cash flow. Her extensive experience includes leading cross-functional teams, implementing strategic budget

frameworks, and navigating complex financial landscapes with agility and precision. Known for her ability to improve revenue through forward-thinking strategies, she has a proven track record of delivering measurable outcomes in competitive markets. Deepika is also a strong advocate of ethical financial practices, ensuring compliance with regulatory standards and enhancing stakeholder confidence.

Her exceptional communication skills and analytical acumen enable her to build collaborative relationships across departments, making her an invaluable asset to any organization. With a focus on driving sustainable growth, she remains committed to fostering financial stability and unlocking new opportunities for success.



# THE TEAM

## THE BOARD

### Mr. PLEO GANESAN

INDEPENDENT DIRECTOR

Mr. Pleo Ganeshan is a distinguished civil engineer with a strong academic foundation, holding a B.E. in Civil Engineering and an M.Tech. in Structural Engineering. Over his extensive career, Mr. Ganeshan has led significant projects across the infrastructure and construction sectors, with a particular focus on executing complex undertakings for major clients such as the Railways and MES. As the leader of ENSYS Technologies in Telangana and Andhra Pradesh, he has developed a reputation for rigorous project management,

ensuring timely completion and exceptional quality in each endeavor. His teams are known for their outstanding results, driven by his motivational leadership style and commitment to fostering a collaborative work environment. Mr. Ganeshan's deep technical expertise, coupled with his hands-on leadership, makes him an invaluable asset to the board, where he continually supports strategic growth and operational efficiency.

### MR. ALI AKBER BAKIR BHOY MAMUWALA

INDEPENDENT DIRECTOR

Mr. Ali Akber Bakir Bhoy Mamuwala has been the Managing Partner of Summit Engineering Corporation since July 1983. With a career spanning over four decades, he has demonstrated exceptional leadership and expertise in the field of engineering, marketing and business management. Mr. Mamuwala is a graduate of Osmania University. Under his stewardship, Summit Engineering Corporation has achieved significant milestones and established a reputation for excellence in its industry.

# MANAGEMENT TEAM

## MR. RAGHUNATH ALLAMSETTY

EXECUTIVE DIRECTOR

Mr. Raghunath Allamsetty, a respected veteran in India's IT landscape and the current Executive Director at Brightcom Group, has a rich background in both technology and leadership. Known for his expertise in founding and scaling US-based tech start-ups in India, he co-founded Platys Communications, one of Hyderabad's pioneering fabless digital high-speed ASIC (chip) design firms, later acquired by Adaptec Inc., California. In his career, he has held impactful roles, including Managing Director of Adaptec India Pvt Ltd and Apere India Pvt Ltd, Vice President at Intrepid Global Security Solutions Inc., and Director on the board of Lycos Internet Ltd. His leadership has consistently propelled growth, innovation, and strategic partnerships in the tech industry.

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Chapter of the American Chamber of Commerce (AMCHAM) in 2004 and 2005, supporting trade relations between India and the U.S. His community involvement includes serving on the organizing committee of IEEE Hyderabad Section, Secretary of the Japanese Business Council under the Indo-Japanese Chamber of Commerce, and Charter Member of TiE (The Indus Entrepreneurs), where he has actively supported new tech entrepreneurs.

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## MR. KALLOL SEN

HEAD - OVERSEAS SUBSIDIARIES

Mr. Kallol Sen is a visionary leader in AI and emerging technologies, with over 25 years of experience that spans diverse sectors, including Internet technology, Gaming, Education, and Media & Entertainment. Known for his innovative thinking, Mr. Sen is the founder of CantorSpace, a digital platform focused on democratizing access and empowering users. Additionally, he serves as the CEO of Motes & Bots Technologies, where he leads efforts to provide clients with advanced AI, blockchain, and cloud-based solutions.

His work has been instrumental in helping clients navigate complex technical

landscapes, offering transformative strategies to solve intricate challenges. Mr. Sen's expertise in AI is complemented by his problem-solving acumen and ability to translate cutting-edge research into practical applications, making him a thought leader in the field.

He holds an MBA from the Indian Institute of Management, Calcutta, and a Bachelor of Technology in Computer Science & Engineering from the Indian Institute of Technology, Kharagpur. His strategic insights and dedication to advancing technology have a profound impact on the board and the industry.

# MANAGEMENT TEAM

## MR. SHREEDHAR REDDY

GENERAL MANAGER, INDIA OPERATIONS

A foundational member of Brightcom Group, Mr. Shreedhar Reddy has been instrumental in the company's growth from its earliest stages, contributing significantly to its technological foundation and evolution. His work includes pioneering projects such as Pangea, Compass (formerly One-Tag), ZentyL, and Flatmonk, each of which reflects his commitment to innovation and excellence.

Mr. Reddy's experience spans a broad spectrum of technology and operational roles, allowing him to integrate new developments with operational needs effectively.

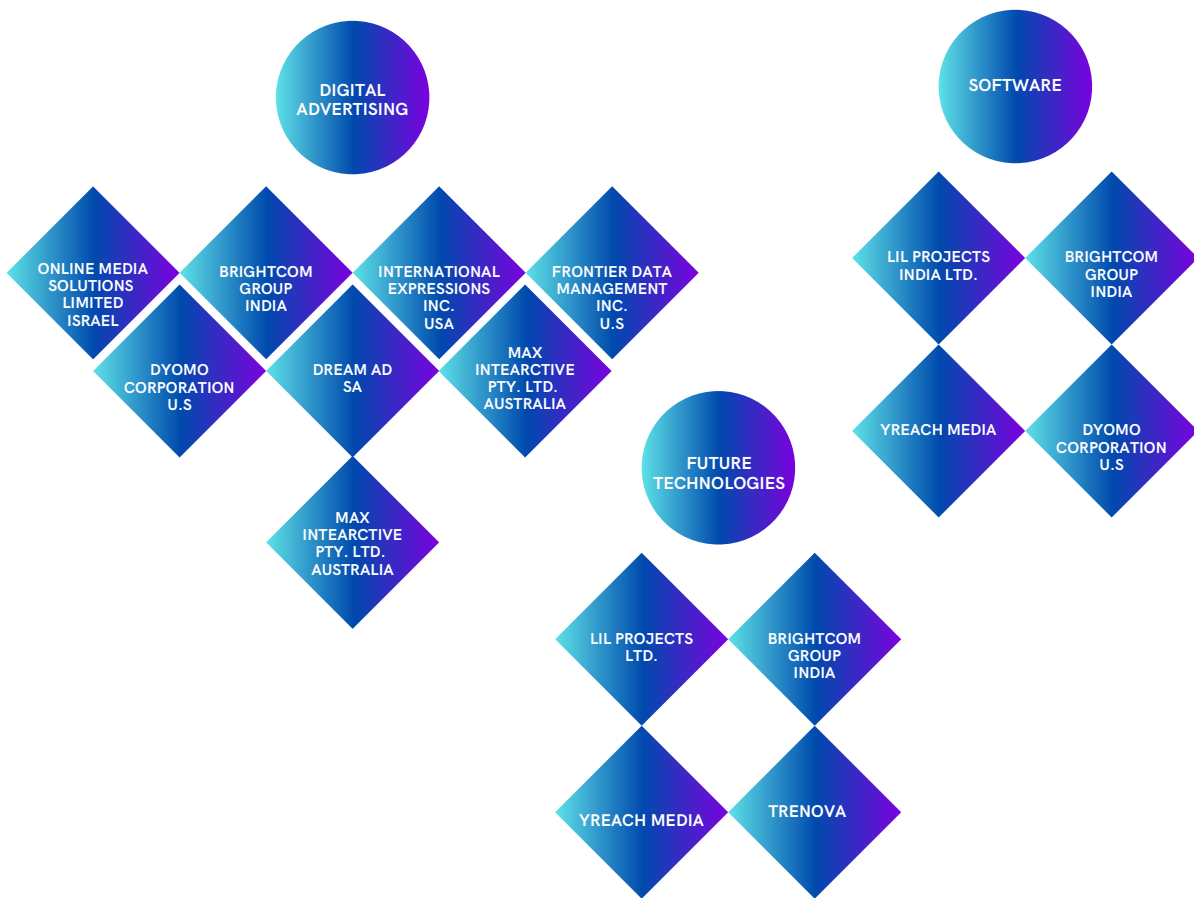
He holds an MSc in Computer Science from Manipal University, where he honed his skills in areas critical to Brightcom's core business. In his current role as General Manager, Mr. Reddy oversees India operations, focusing on enhancing efficiency and driving continued innovation across the organization.

His deep technical knowledge, coupled with his dedication to operational excellence, makes him a valued contributor to the board, where he leverages his insights to support the company's strategic vision and long-term goals.



- Brightcom Group's management team possesses the expertise, vision, and a profound understanding of digital marketing, AdTech, and monetization strategies tailored to meet the demands of today's market place.
- Their strengths lie in driving innovation, fostering strategic partnerships, and delivering consistent growth by aligning global operations with the best technologies and market needs.
- The team's commitment to openness and flexibility creates long-term value for everyone they work with. Their path to success is by fostering clear and honest communication.

# SERVICES BY DIVISION



## Our Solutions

*Display*  
Monetisation

*Mobile APP*  
Monetisation

Full Monetisation Solutions

Premium Brands

*CTV*  
Monetisation

*Video*  
Monetisation

Dedicated Budgets

Attractive Payments

# PARTNER SOLUTIONS

Our Platform is integrated with industry known traffic and ad-quality providers.

## FOR ADVERTISERS



## FOR PUBLISHERS

### CUTTING-EDGE PROPRIETARY TECHNOLOGY

Our platform Ensures monetization uplift, increased brand safety, and robust reporting. Our user-friendly and customizable platform makes it easy to generate more revenue from your traffic.

### 24/7 DEDICATED PERFORMANCE SPECIALISTS

Our team of specialists is available around the clock to help you reach your KPIs. By providing personalized support and guidance, our team will help identify new revenue opportunities, and optimize ad strategies.

### PREMIUM BRAND BUDGETS

Ensure brand safety and high-quality ads. Access higher CPMs and fill rates, and generate more revenue from your inventory featuring well-known and reputable brands.

### SIMPLE AND FAST INTEGRATION

Start monetizing your inventory quickly and easily, without requiring technical knowledge or resources. Benefit from the latest advancements in programmatic advertising with a streamlined integration process.

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## EXCLUSIVE INVENTORY PACKAGES



### -LOCAL

B-local is a local news audience exchange providing buyers with direct access to people's everyday lives.



### -FINANCE

B-Finance audience package is financial news portfolio that provides brands with direct access to high-income attentive audiences.

# CLIENTS AND PARTNERS

SERVING SOME OF THE BIGGEST BRANDS WORLDWIDE



Science

WebMD

nature



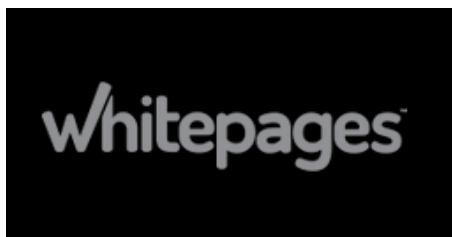
Yellow Pages

boredpanda

TED



cheapOair



TimeOut

Fandom

Reverso

PLAYBILL



# CLIENTS AND PARTNERS

## BRANDS AND SSPS



OUR PLATFORM IS INTEGRATED WITH INDUSTRY KNOWN  
TRAFFIC AND AD-QUALITY PROVIDERS



# SOFTWARE PLATFORMS

Our software services include developing customised technology platforms for our clients to solve their needs, pertaining to the digital media and other related offerings. We integrate open source and commercially available software to ensure optimum cost-effectiveness.



Helps in Media and Ad Optimization. Our technology ensures a 100% fill rate. Advertisers can seamlessly integrate / switch the Tag with any DSP. The Ad performance is constantly monitored and helps in optimizing the programmatic campaign. The tag's efficient fraud detection system helps publishers by preventing counterfeiting and ensures a clean, transparent programmatic ecosystem. It also provides multiple reports to help Publishers / Advertisers in monitoring the Ad performance.



A mass mailing tool for affiliate marketers which can be seamlessly integrated to any CRM platform. It helps the customers to schedule campaigns, send millions of mails with minimal effort and monitor campaign performance.



Brightcom's proprietary technology platform, Compass enables publishers to maximize yield by monetizing their media across all their devices.



It is a proprietary optimization approach which enables quality conversions with a full user funnel tracking system to achieve optimum results.



It is a Firefox installable tool bar with user authentication and admin functions.



It is a platform that allows the programmatic trading of ads, primarily video based. It allows for seamless integration and maximum yield over video and display, both mobile and desktop with a visual analytics interface.



A local news audience exchange providing demand partners with direct access to people's everyday lives.

# THE BRIGHTCOM CULTURE

At Brightcom, we are built to endure and thrive, no matter what hurdles come our way. Tough spots in the journey may test us, but they cannot deter us. Our unwavering spirit and resilience drive us forward, ensuring that in the face of any setbacks, we adapt, rebuild, and emerge stronger. Like a force of nature, we remain relentless in our pursuit of progress, regaining momentum and forging ahead with renewed purpose. This enduring strength is what sets us apart and powers our journey into the future.

## **Passion and Resilience**

Our people are our greatest strength. Their unwavering passion and resilience not only endure but grow, driving us forward and enabling us to overcome any challenge.

## **Global Perspective**

With a robust global presence, we mitigate risks and ensure continuity. By leveraging operations across diverse markets, we stay agile and consistently deliver for our customers, even amidst disruptions.

## **Adaptive Leadership**

Our leadership excels in making swift, informed decisions in volatile environments. This agility, combined with a focus on innovative solutions, allows us to navigate challenges while staying committed to stakeholder value.

## **Empowered Workforce**

The diversity and dedication of our employees fuel our success. We invest in their well-being and resilience, empowering them to thrive both personally and professionally.

## **Sustainability and Long-Term Focus**

We are deeply committed to best practices, social responsibility, and innovation. By prioritizing sustainability, we ensure growth that aligns with our core values and builds trust with all stakeholders.

## **Inclusive Collaboration**

Our inclusive culture fosters open dialogue and values diverse perspectives. This sense of ownership and connection strengthens our teams, enabling us to rise to every challenge.

## **Strategic Partnerships**

Strong alliances and local partnerships enhance our adaptability and competitiveness. This network ensures we remain ahead in an ever-changing global landscape.

We foster a culture, where everyone is empowered to reach their full potential, contributing meaningfully while experiencing a strong sense of accomplishment. Our culture balances a friendly, collaborative environment with a focus on efficiency and excellence. By valuing each individual's contributions and creating a supportive atmosphere, we ensure that our teams thrive, delivering their best while enjoying the journey together.

# BRAND TRENOVA

The core objective is to consolidate and embolden our market position in EMEA and APAC.



**'T'** Symbolizing power and importance. **TRENOVA** meaning the blend of the 'relevant' + 'new'.

The sturdy vertical stem and the upward tilt like a **flame** denote a strong force of expression towards growth.

**ORANGE:** The color of optimism, happiness, enthusiasm and youthful connections. It is also considered a spiritual color.

**WHITE:** The perfection, the good, honesty, cleanliness, the beginning, the new, neutrality, and exactitude.

**FONT:** Newsgoth BT - Bold and contemporary with a modern, humanist and neutral feel.

## THE TRENOVA VISION

To be the preferred global leader in Technology Innovation and Brand Acceleration.

## MISSION

To expand our global presence in the digital marketing and media industry, leveraging our technological expertise to become a prominent leader on the world stage.

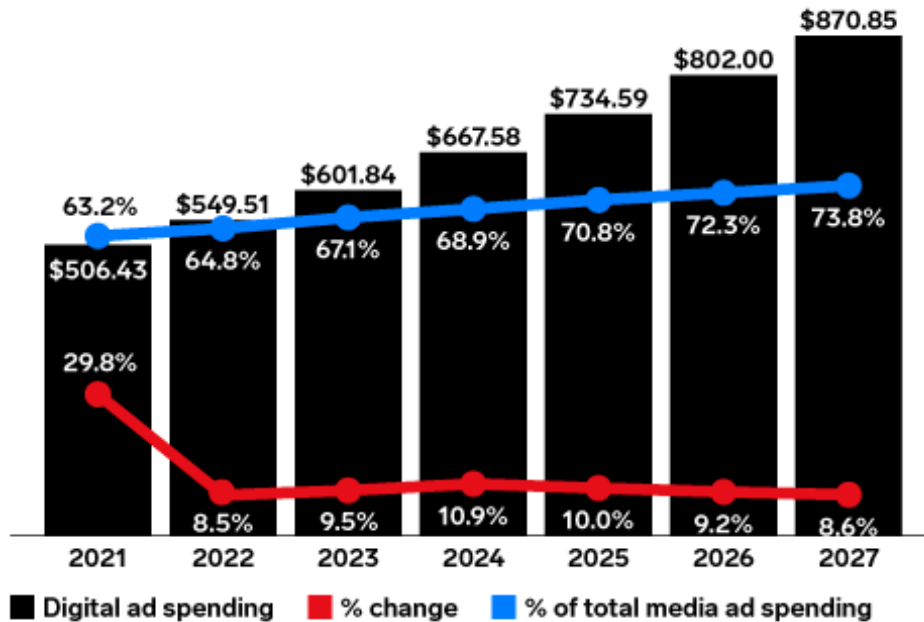


# EVENTS ATTENDED



# ADTECH MARKET SIZE

**Digital Ad Spending Worldwide, 2021-2027**  
billions, % change, and % of total ad spending



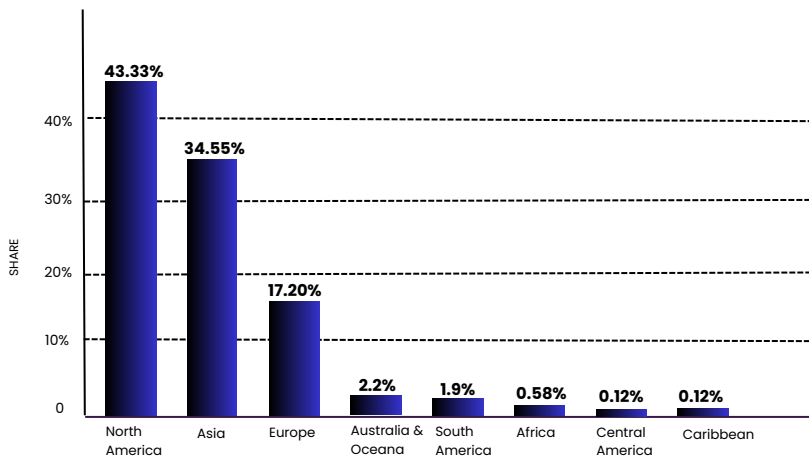
Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms  
 Source: eMarketer, March 2023

281286

eMarketer | InsiderIntelligence.com

## PROGRAMMATIC

DISTRIBUTION OF PROGRAMMATIC ADVERTISING SPENDING WORLDWIDE 2024  
BY REGION



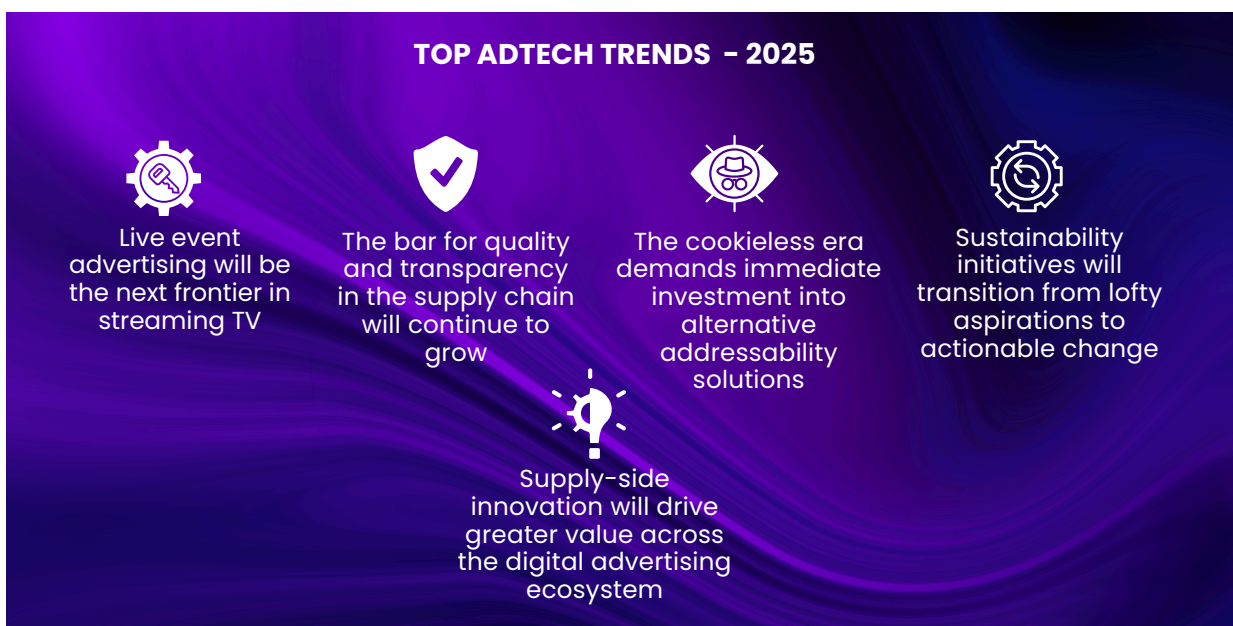


# ADTECH MARKET SIZE

## DIGITAL ADVERTISING WORLDWIDE

ACCORDING TO A STATISTA 2024 REPORT:

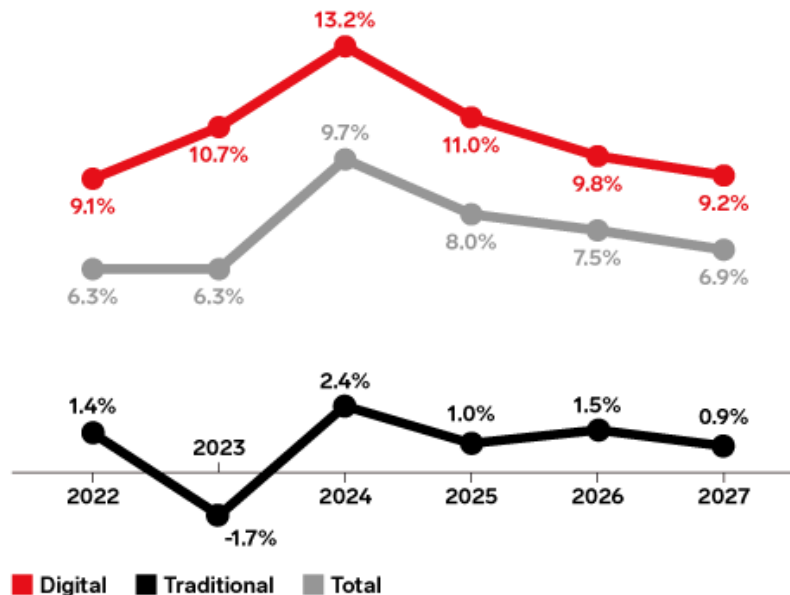
- ◆ Ad spending in the Advertising market worldwide is forecasted to reach US\$1,088.00bn in 2024.
- ◆ The largest market is TV & Video Advertising with a market volume of US\$339.30bn in 2024.
- ◆ When considering global figures, the United States leads with ad spending projected at US\$425.90bn in 2024.
- ◆ In the Advertising market, 80% of total ad spending will come from digital sources in 2029.
- ◆ The average ad spending per capita in the In-App Advertising market is expected to be US\$45.45 in 2024.
- ◆ By 2029, Advertising market of 85% revenue will be generated through programmatic advertising.
- ◆ In the worldwide Advertising market, digital platforms like Facebook and Google dominate ad spending, reshaping traditional media landscapes globally.



# GLOBAL DIGITAL AD SPEND

## Ad Spending Growth for Digital, Traditional, and Total Worldwide, 2022-2027

% change



Note: digital ad spending includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; traditional ad spending includes magazines, newspapers, out-of-home, radio, and TV  
Source: Insider Intelligence | eMarketer Forecast, Oct 2023

284095

Insider Intelligence | eMarketer

## WHICH REGION DOMINATES THE DIGITAL AD SPENDING MARKET IN 2024?

According to Cognitive Market Research, North America currently dominates the Digital Ad Spending market, and the region is expected to have significant growth. North America ranks among the highest in the world for internet penetration, with nearly 90% of its population having internet access. According to ITU estimates, around 5.4 billion people, or 67% of the global population, were using the internet in 2023, reflecting a 45% increase since 2018. In Canada, internet usage among individuals aged 15 and older has reached 95%, up from 92% in 2020. The most significant growth occurred among Canadians aged 75 and older, with internet usage rising from 62% in 2020 to 72% in 2022. The expansion of high-speed broadband and 5G networks has significantly improved connectivity, leading to increased online activity and providing advertisers with greater opportunities to engage their audiences through digital channels, including connected TV.

# THE ADTECH ECOSYSTEM

- Demand Side Platforms
- Supply Side Platforms
- Ad Networks
- App Mediation Partners
- Data Management Platforms (DMPs)
- Consent Management Platforms (CMPs)
- Malvertising Solutions
- Viewability Measurement Providers
- Brand Safety Providers
- Native Ad Solutions
- Revenue Amplification Platforms

## Players in the AdTech Ecosystem



# THE ADTECH ECOSYSTEM

## Players in the AdTech Ecosystem

### AD NETWORKS



### SUPPLY SIDE PLATFORMS



### AD QUALITY SOLUTIONS



### DATA MANAGEMENT PLATFORMS



### VIEWABILITY MANAGEMENT PROVIDERS



### MALVERTISING SOLUTIONS

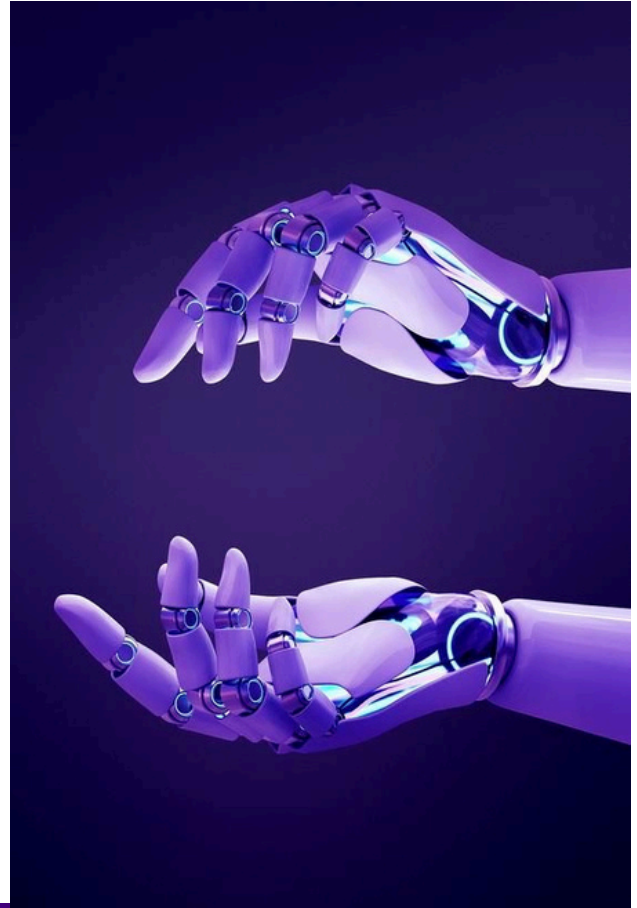


### IDENTITY MANAGEMENT SOLUTIONS



# ADTECH TRENDS

1. Growth of First-Party Data
2. Leverage in Video Advertising Campaigns
3. Transparency in Brands
4. Influence of Digital Natives
5. Effectiveness of CTV
6. AI and Digital Marketing Merge
7. First-Party Data Strategies
8. Creative Approach to Digital Channels
9. Traditional Panel-Based Attribution.



**2024**

**DIGITAL AD SPEND WORLDWIDE**

**1088 BN USD**

**SHARE OF DIGITAL IN GLOBAL AD SPEND**

**70%**

**LARGEST DIGITAL ADVERTISING MARKET WORLDWIDE**

**THE US**

**AD SPEND CHANGE 2024**

**7.3%**





# The Digital Advertising Ecosystem

The digital advertising ecosystem comprises of three core entities: buyers, sellers, and marketplaces. Each can be further categorized based on whether they deliver services or technology solutions. We believe that players on the buy or sell side should serve as dedicated advocates for their respective clients, fostering trust and alignment with their interests. Meanwhile, marketplace participants must function as impartial stewards, guided by market-driven incentives to uphold and enhance the integrity of the marketplace itself. Brightcom enables a balanced approach that's transparent, fair, and effective for all participants in the ecosystem.

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**AS AN OMNICHANNEL PLATFORM, WE BUY ADVERTISING & DATA.**

**WE PROVIDE THE AD-SERVING PLATFORM.**

**WE ENSURE CAMPAIGN OPTIMIZATION & BEST ROI FOR OUR BRANDS.**

Our platforms & services enable users to seamlessly plan, manage, optimize, and measure data-driven campaigns across multiple channels and formats across - video (with CTV), display, audio, digital-out-of-home, native, and social media. Brands can execute integrated campaigns on multi-devices and streaming devices, ensuring targeted reach and engagement across diverse audience touchpoints.

# AI in AdTech & Brightcom

## **Predictive Analytics and Revenue Forecasting with Brightcom**

Brightcom leverages advanced predictive analytics to empower publishers and advertisers with accurate revenue forecasting. By integrating machine learning algorithms into our adtech solutions, we analyze data from diverse sources, including user engagement metrics, economic trends, and seasonal patterns.

Our AI-driven systems provide real-time adjustments and precise forecasts, enabling partners to:

- Optimize campaign performance dynamically.
- Anticipate revenue fluctuations with greater accuracy.
- Make faster, data-backed decisions for growth.

At Brightcom, we're transforming adtech with innovative solutions that help businesses stay ahead in a rapidly evolving digital ecosystem.

## **Revolutionizing Adtech with Brightcom's AI-Driven Solutions**

Brightcom harnesses cutting-edge AI technologies to transform every facet of digital advertising, delivering innovative solutions that empower publishers and advertisers to achieve measurable success.

### **Audience Targeting and Personalization:**

Brightcom enables hyper-personalized audience segmentation and targeting

by leveraging AI to analyze user behavior, preferences, and demographics. With advanced clustering algorithms, we create tailored ad experiences that drive engagement and revenue growth.

By analyzing first-party data, Brightcom's solutions deliver personalized marketing content without relying on tracking cookies. Our AI-driven NLP capabilities also extract insights from unstructured data like customer feedback to refine targeting strategies further.

### **Dynamic Ad Pricing:**

Our dynamic pricing algorithms maximize revenue for publishers and optimize ad spend for advertisers. With Brightcom's expertise, tools like bid-shading ensure advertisers secure inventory at the best possible price, while publishers achieve optimal returns through enhanced RTB technologies.

### **Creative Optimization:**

Brightcom integrates AI-powered tools like GPT and DCO (Dynamic Creative Optimization) to streamline content creation and optimize ad performance. We automate ad generation across formats, leveraging GANs and other AI techniques to craft compelling visuals and copy tailored to diverse audiences.

### **Scalability and Real-Time Adaptation:**

Our platform supports scalability with features like incrementality testing and real-time campaign modifications. By isolating the impact of specific campaigns, Brightcom empowers advertisers to optimize media spend and refine their strategies with precision.

# AI in AdTech & Brightcom

## Behavioral Analysis and Fraud Prevention:

Brightcom's AI models distinguish genuine user interactions from fraudulent activities, employing advanced anomaly detection and clustering techniques. With robust fraud prevention mechanisms, advertisers enjoy accurate campaign metrics and reduced financial risks.

## Measurement and Attribution:

Through AI-enhanced measurement and multi-touch attribution models, Brightcom delivers deep insights into customer journeys. Our solutions dissect each touchpoint's impact on conversions, enabling advertisers to optimize campaigns effectively.

## Yield Optimization:

With predictive analytics, Brightcom drives yield optimization for publishers and advertisers, ensuring better returns on ad spend (ROAS).

Our solutions offer actionable insights on when to adapt seasonal themes, retire underperforming campaigns, or capitalize on emerging trends.

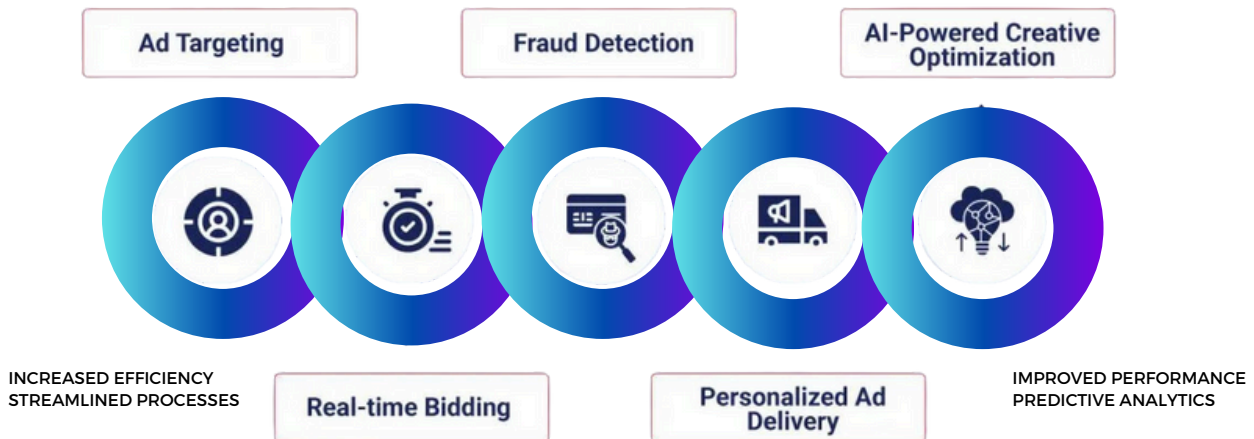
## Ad Fraud Detection and Prevention:

Brightcom's AI-driven fraud detection systems analyze vast data sets to uncover fraudulent activities. Machine learning continuously evolves to mitigate new fraud types, safeguarding campaign integrity.

## Empowering Innovation in Adtech:

At Brightcom, we are redefining digital advertising with AI-powered tools and insights that enable our partners to stay ahead in the dynamic adtech landscape. From real-time adjustments to fraud prevention, our solutions are built to optimize performance and deliver exceptional results.

## AI IN PROGRAMMATIC ADVERTISING: KEY BENEFITS







# **NOTICE OF THE AGM**

**January 10, 2025**

**Dear Shareholder(s),**

You are cordially invited to attend the 25th Annual General Meeting of the Shareholders of Brightcom Group Limited (“the Company”) to be held on Friday, February 7, 2025 at 11.30 A.M.(IST) through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”).

The Notice of the meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013 read with the related Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide its Shareholders the facility to cast their vote by electronic means on all resolutions set forth in the Notice.

The instructions for e-voting are enclosed herewith.

Yours sincerely

Sd/-

**Raghunath Allamsetty**

Executive Director

DIN # 00060018

**Enclosures:**

1. Notice of the 25th Annual General Meeting
2. Instructions for participation through VC
3. Instructions for e-voting.

**Note:** Attendees who require technical assistance to access and participate in the meeting through VC are requested to contact the helpline number: 022-23058738 and 022-23058542-43

## NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Shareholders of Brightcom Group Limited ("the Company") to be held on Friday, February 7, 2025 at 11.30 A.M.(IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

### **ORDINARY BUSINESS:**

#### **1. Adoption of Audited (Standalone & Consolidated) Financial Statements.**

a. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon; and

b. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the report of the Auditors thereon.

#### **2. Appointment of M/s P R Chandra & Co., Chartered Accountants (Firm Registration #018985S) as Statutory Auditors of the Company for the Financial year 2023-24.**

*To consider and if thought fit, to pass the following resolution, without modification(s), as an Ordinary Resolution:*

**"RESOLVED THAT**, pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s P R Chandra & Co, Chartered Accountants (Firm Registration[018985S]) be and are hereby appointed as the Statutory Auditors of the Company for the financial year 2023-24, who shall hold office till the conclusion of this 25th AGM to be held on February 7, 2025, at such remuneration as may be determined by the Board of Directors of the Company (including its committees thereof)."

**"RESOLVED FURTHER**, that the consent of the Members of the Company is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors / Executives of the Company to give effect to the aforesaid resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

#### **3. To re-appoint Mr. Raghunath Allamsetty (DIN # 00060018), who retires by rotation, and being eligible offers himself for the re-appointment.**

*To consider and if thought fit to pass without modification(s) the following resolution as an Ordinary Resolution:*

**"RESOLVED THAT**, pursuant to provisions of Section 152 and other applicable provisions, if any, of The Companies Act, 2013 and rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Raghunath Allamsetty (DIN # 00060018), as Executive Director, to the extent that he is required to retire by rotation and continue as Executive Director of the Company as per the approval accorded by the Members at this 25th Annual General Meeting of the Company held on February 7, 2025 and as revised/ amended from time to time."

## **SPECIAL BUSINESS:**

### **4. To appoint M/s Saurabh Poddar & Associates, (Firm Registration No. S2012AP177700) as Secretarial Auditor of the Company for a period of 5 years ie. FY 2025-26 to FY 2030-31.**

*To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:*

**"RESOLVED THAT** pursuant provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), as amended from time to time, the appointment of Mr. Saurabh Poddar, Company Secretary in Practice as made by the Board of Directors be and is hereby confirmed, to Mr. Saurabh Poddar, Practicing Company Secretary, as the Secretarial Auditor as fixed by the Board of Directors of the Company for the Financial Years 2025- 26 and 2030-31, be and is hereby also approved."

### **5. To appoint Mr. Paladugu Venkata Subba Rao (DIN # 10844145) as an Independent Director of the Company.**

*To consider and if thought fit, to pass the following resolution without modification(s) as a Special Resolution:*

**"RESOLVED,** that Mr. Paladugu Venkata Subba Rao (DIN # 10844145), who was appointed as an Additional Director (Independent ) of the Company with effect from November 30, 2024 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and who is eligible for appointment be and is hereby appointed as a Director of the Company.

**"RESOLVED FURTHER,** that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Mr. Paladugu Venkata Subba Rao (DIN # 10844145), that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Additional Director (Independent) of the Company, for a term of five years, i.e., from November 30, 2024 to November 29, 2029 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved."

**"RESOLVED FURTHER,** that pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Paladugu Venkata Subba Rao (DIN # 10844145), shall be entitled to receive the sitting fees/commission and out of pocket expenses as permitted to be received in the capacity of Non-Executive, Independent Director of the Company under the Act and SEBI Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time."

**"RESOLVED FURTHER,** that the consent of the Shareholders of the Company be and is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution."

**6. To appoint Ms. Deepika Daliya (DIN # 10844736) as an Independent Director of the Company.**

*To consider and if thought fit, to pass the following resolution without modification(s) as a Special Resolution:*

**"RESOLVED,** that Ms. Deepika Daliya (DIN # 10844736), who was appointed as an Additional Director (Independent) of the Company with effect from November 30, 2024 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and who is eligible for appointment be and is hereby appointed as a Director of the Company."

**"RESOLVED FURTHER,** that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Ms. Deepika Daliya (DIN # 10844736), that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Additional Director (Independent) of the Company, for a term of five years, i.e., from November 30, 2024 to November 29, 2029 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved."

**"RESOLVED FURTHER,** that pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Ms. Deepika Daliya (DIN # 10844736), shall be entitled to

receive the sitting fees/commission and out of pocket expenses as permitted to be received in the capacity of Non-Executive, Independent Director of the Company under the Act and SEBI Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time."

**"RESOLVED FURTHER,** that the consent of the Shareholders of the Company be and is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution."

**7. To appoint Mr. Ali Akber Bakir Bhoy Mamuwala (DIN # 07428015) as an Independent Director of the Company.**

*To consider and if thought fit, to pass the following resolution without modification(s) as a Special Resolution:*

**"RESOLVED,** that Mr. Ali Akber Bakir Bhoy Mamuwala (DIN # 07428015), who was appointed as an Additional Director (Independent) of the Company with effect from January 10, 2025 by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and who is eligible for appointment be and is hereby appointed as a Director of the Company."

**NOTICE OF THE 25TH ANNUAL GENERAL MEETING  
OF BRIGHTCOM GROUP LIMITED**

**“RESOLVED FURTHER**, that pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, the appointment of Mr. Ali Akber Bakir Bhoy Mamuwala (DIN # 07428015), that meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Additional Director (Independent) of the Company, for a term of five years, i.e., from January 10, 2025 to January 9, 2030 (both days inclusive) and who would not be liable to retire by rotation, be and is hereby approved.”

**‘RESOLVED FURTHER**, that pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ali Akber Bakir Bhoy Mamuwala (DIN # 07428015), shall be entitled to receive the sitting fees/commission

and out of pocket expenses as permitted to be received in the capacity of Non-Executive, Independent Director of the Company under the Act and SEBI Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.”

**“RESOLVED FURTHER**, that the consent of the Shareholders of the Company be and is accorded to the Board of Directors of the Company to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors/ Executives of the Company to give effect to the aforesaid resolution.”

**By order of the Board  
For Brightcom Group Limited**

**Sd/**

**Raghunath Allamsetty**

Executive Director  
DIN # 00060018

**Date: 10-01-2025  
Place: Hyderabad**

## **NOTES TO AGM NOTICE**

- Pursuant to the General Circulars 2/2022 dated May 05, 2022 and 19/2021 dated January 13, 2022 and other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/ HO/ CFD/ CMD2 /CIR /P / 2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC. The deemed venue for the AGM shall be the Registered Office of the Company.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) read with Circular dated May 13, 2022 and MCA Circulars dated January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. Thereby facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration
- Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to MCA Circular No. 14/2020 dated April 8, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 02/2022 dated May 5, 2022 reading with Circular No. 20/2020 dated May 5, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.brightcomgroup.com](http://www.brightcomgroup.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and evoting system during the AGM) i.e., [www.evotingindia.com](http://www.evotingindia.com)
- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member. In terms of MCA Circulars, since physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.



8. The Register of members and transfer books of the company will remain closed from Friday January 31, 2025 to Friday February 7, 2025 (both days inclusive).

9. Members, who hold shares in electronic / Demat form are requested to furnish the change of address, details of their bank accounts, viz, name of the bank, full address of the branch, account no. etc., to their respective Depository Participants and who hold shares in physical form to the Company's Registrars and Transfer Agents Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad - 500029 (Phone: 040-27638111/27642217/27634445 Email: info@ aarthiconsultants.com) so as to enable the Company to incorporate the bank details on the dividend warrants.

10. Pursuant to Section 72 of the Companies Act, 2013 and the Rules made there under the Members holding shares in single name may, at any time, nominate in form SH-13, any person as his/her nominee to whom the securities shall vest in the event of his/ her death. Nomination would help the nominees to get the shares transmitted in their favor without hassles. Members desirous of making any cancellation/variation in the said nomination can do so in SH-14.

11. Members holding shares in identical order of names in more than one folio are requested to write to the company's Registrars & Transfer Agents enclosing their share certificates to enable consolidation of their shareholdings in one folio. As per the amended Provisions based on the PAN, all different folios of the same PAN will be treated as one folio.

12. Members are requested to refer to the Corporate Governance Report for information in connection with the unpaid / unclaimed dividend along with underlying shares thereto liable to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government. Members are requested to refer the web site of the Company [www.brightcomgroup.com](http://www.brightcomgroup.com) for the details made available by the Company pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017.

As per Section 124(6) of the Act read with the IEPF Rules as amended from time to time, all the shares

in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. In case the dividends are not claimed by the respective shareholders. Company had transferred unpaid/ unclaimed dividend till the financial year 2012-13 along with underlying shares to IEPF authorities. Company will initiate the necessary steps on due dates to transfer shares held by the members to IEPF along with dividend remaining unpaid/unclaimed thereon.

Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting an online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Transfer Agents of Company.

14. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public noninstitutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.



In order to increase the efficiency of the voting process pursuant to a public consultation, it has been decided to enable e-voting to all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

15. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the members with facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting Services provided by Central Depository Services (India) Limited (CDSL).

The e-voting period commences on Tuesday, February 4 2025 at 9.00 a.m. and ends on Thursday, February 6, 2025 at 5.00 p.m. During this period shareholders of the Company, holding shares as on cut-off date Thursday, January 30, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company. A member who has cast his/ her vote by electronic means are entitled to attend the AGM but not entitled to vote again at the AGM.

CS Saurabh Poddar, Company Secretary in Practice (C.P. No. 10787), has been appointed as the scrutinizer to scrutinize the remote e-voting process. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and he will submit his report within the period not exceeding three working days from the conclusion of e-voting. The Chairman will declare the results on or after the AGM of the Company accordingly and will also be placed at the company website and also forward the same to the stock exchanges where the shares has been listed.

16. The Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts for the proposed resolutions and disclosures as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") forms part of this Notice.

17. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI etc.) are required to send a certified true copy (PDF Format) of the Board resolution/authority letter, authorizing their representative to attend and vote. The said resolution/authorisation shall be sent by an e-mail to Scrutinizer at [saurabhpoddar1977@gmail.com](mailto:saurabhpoddar1977@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and the Company at [ir@brightcomgroup.com](mailto:ir@brightcomgroup.com)

**18. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

- a) The voting period begins on Tuesday, February 4 2025 at 9.00 a.m. and ends on Thursday, February 6, 2025 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday January 30, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). · Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. · If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant Brightcom Group Limited on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [ir@brightcomgroup.com](mailto:ir@brightcomgroup.com), if they have voted from individual tab & not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

**19. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- a) The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
- b) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- c) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- d) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- e) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- f) Please note that the Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- g) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- h) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
- i) Only those shareholders, who are present in the AGM/ EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
- j) If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

20. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.brightcomgroup.com](http://www.brightcomgroup.com) and on the website of CDSL i.e., [www.cdslindia.com](http://www.cdslindia.com) within two days of the passing of the Notice Resolutions at the 25thAGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 02223058542/43. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Members who could not vote thru Remote e-voting may avail the e-voting system on the date of AGM i.e., Friday, February 7, 2025 which will commence from 11:30 A.M. and will end after the conclusion of the AGM. The e-voting module shall be disabled by CDSL for voting thereafter. The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on Thursday, January 30, 2025 i.e., cut-off date.

**CONTACT DETAILS:**

<b>Company</b>	Brightcom Group Limited Phone: +91 (40) 67449910, E-mail: <a href="mailto:ir@brightcomgroup.com">ir@brightcomgroup.com</a> , Floor-5, Fairfield by Marriott, Road No.2, Nanakramguda, Gachibowli, Hyderabad, Telangana, India - 500032
<b>Registrar and Transfer Agent:</b>	Aarhi Consultants Private Limited Phone: 040-27638111/ 27642217 / 27634445   Email: <a href="mailto:info@arthiconsultants.co">info@arthiconsultants.co</a>
<b>e-Voting Agency</b>	Central Depository Services (India) Limited E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>   Phone: +91-22-22723333/8588
<b>Scrutinizer</b>	<b>Saurabh Poddar , Practicing Company Secretary</b> , E-mail: <a href="mailto:saurabhpoddar1977@gmail.com">saurabhpoddar1977@gmail.com</a>   Phone: +91-9581186260

**GENERAL INFORMATION:**

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evotingindia.com](http://www.evotingindia.com) to reset the password.

The Company has appointed Mr.Saurabh Poddar Practicing Company Secretary (Membership No. FCS 9190), to act as the Scrutinizer for conducting the remote e-Voting and e-Voting during the AGM in a fair and transparent manner.

The Scrutinizer shall, immediately upon conclusion of the voting at the AGM, unblock the votes cast through e-Voting (votes cast during the AGM and votes cast through remote e-Voting) and will submit a consolidated Scrutinizer's Report to the Chairman or any other person authorized by him in writing, who shall countersign the same and declare the results thereof.

The results declared along with the Scrutinizer's report, will be posted on the website of the Company at [www.brightcomgroup.com](http://www.brightcomgroup.com) and will be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office immediately after the declaration of the result by the Chairman or any person authorized by him in writing. The Company shall simultaneously communicate the results to the Stock Exchanges not later than two working days as required under Regulation 44(3) of the SEBI Listing Regulations.

Members are requested to address all correspondence, to the RTA, Aarhi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad - 500029 (Phone: 040-27638111/27642217/27634445 Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)).

SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022, has mandated companies to issue securities in dematerialized form only, while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement, sub-division/splitting, consolidation of securities certificate, transmission, and transposition. Members are accordingly advised to get their shares held in physical form dematerialized through their Depository Participant.



EBI vide Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated January 25, 2022, has mandated companies to issue securities in dematerialized form only, while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement, sub-division/splitting, consolidation of securities certificate, transmission, and transposition. Members are accordingly advised to get their shares held in physical form dematerialized through their Depository Participant.

**PROCEDURE FOR INSPECTION OF DOCUMENTS:**

Relevant documents referred to in the accompanying Notice calling the AGM will be made available for electronic inspection by the Members upon sending the email to the Company at [ir@brightcomgroup.com](mailto:ir@brightcomgroup.com) upto the date of the AGM. The said documents will be available for electronic inspection for the Members without payment of any fee.

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act will be available for inspection in electronic mode, based on the request being sent on [ir@brightcomgroup.com](mailto:ir@brightcomgroup.com)

**OTHERS**

The Company has designated an exclusive e-mail id viz. [ir@brightcomgroup.com](mailto:ir@brightcomgroup.com) to enable Investors to register their complaints, if any.

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the RTA at [info@arthiconsultants.com](mailto:info@arthiconsultants.com)
2. In case shares are held in demat mode, please provide DP ID-Client ID (16-digit DP ID + Client ID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the RTA at [info@arthiconsultants.com](mailto:info@arthiconsultants.com) with a copy marked to the Company at [ir@brightcpmgroup.com](mailto:ir@brightcpmgroup.com). If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) above i.e., Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing above mentioned documents.

**NOTICE OF THE 25TH ANNUAL GENERAL MEETING  
OF BRIGHTCOM GROUP LIMITED**

<b>#</b>	<b>Particulars</b>	<b>Details</b>
1.	Cut-off Date for e-voting	January 30, 2025
2.	Remote e-Voting starts on	February 4, 2025
3.	Remote e-Voting ends on	February 6, 2025
4.	Last date for speaker registration	February 6, 2025

**By order of the Board  
For Brightcom Group Limited**

**Date: 10-01-2025  
Place: Hyderabad**

**Sd/-  
Raghunath Allamsetty**  
Executive Director  
DIN # 00060018

**ANNEXURE TO NOTICE:**

Information provided pursuant to requirements given under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard in respect of individuals proposed to be appointed/ re-appointed as Director(s):

Name of Director	<b>Mr. Raghunath Allamsetty</b>
Director Identification Number	<b>00060018</b>
Date of Birth	21-02-1967
Date of first Appointment	28-06-2024
Qualification	
Terms & Conditions of Appointment along with Remuneration sought to be paid	Appointed for a period of 5 years with effect from June 28, 2024 and liable to retire by rotation. Remuneration to be paid at Rs.5,00,000/- per month plus benefits as per company policy.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	There is no inter-se relationship between Mr. Raghunath Allamsetty and other Directors & KMPs.
*Directorships held in other Companies and Bodies Corporate as on March 31, 2024.	LIL Projects Private LimitedYReach Media Private Limited
Chairman / Member of the Committee of the Board of Directors of the Company	None
No. of Board Meetings attended during the year	NIL
Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2024	None
No. of Equity Shares of Rs.2/- held in the Company as on 31.03.2024	NIL

## **EXPLANATORY STATEMENT**

**As required by Section 102(1) of the Act, the following Explanatory Statement sets out material facts relating to the business under Item Nos. 2 to 7 of the accompanying Notice dated January 10, 2024.**

### **Item #2: Appointment of M/s P R Chandra & Co., Chartered Accountants (Firm Registration #018985S) as Statutory Auditors of the Company for the Financial year 2023-24.**

On the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. P R Chandra & Co., Chartered Accountants (Firm Registration #018985S) are appointed as Statutory Auditors of the Company for the Financial year 2023-24.

#### **Brief profile of M/s P R Chandra & Co., Chartered Accountants**

M/s. P R Chandra & Co., Chartered Accountants firm was established in the year 2018. Since its inception, the firm is rendering comprehensive professional services which include Audit, Management Consultancy Services, Taxation Services, Accounting Services, Payroll, Secretarial Services, vCFO Services etc.

Over the years it has built a strong reputation for providing personalized and reliable solutions to meet the diverse needs of its clients.

With a client-centric approach, the firm continues to be a trusted partner in driving sustainable growth and ensuring compliance in an ever-evolving financial and regulatory landscape.

### **Item #3: To re-appoint Mr. Raghunath Allamsetty (DIN # 00060018), who retires by rotation, and being eligible offers himself for the re-appointment.**

On the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors at their meeting held on June 28, 2024, appointed Mr. Raghunath Allamsetty (DIN # 00060018) as an Additional Director in the capacity of an Executive Director of the Company with effect from June 28, 2024 for a term of 5 consecutive years upto June 27, 2029 subject to approval of the Members of the Company. In terms of Section 160 of the Act, the Company has received a notice in writing from a member signifying the intention to propose the candidature of Mr. Raghunath Allamsetty for the office of Director of the Company. The Company has received the requisite consents, declarations, etc. from Mr. Raghunath Allamsetty in relation to his appointment as an Executive Director.

Mr. Raghunath Allamsetty has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. He also holds valid registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

#### **Brief Profile of Mr. Raghunath Allamsetty**

Mr. Allam Raghunath is a seasoned IT professional with over 25 years of experience, distinguished by his entrepreneurial ventures and significant contributions to technology startups in both Indian and US markets. He began his career by cofounding several technology startups in India, including PlatysCommunications, a pioneering fabless digital high-speed ASIC design house in Hyderabad. His technical expertise and strategic vision were crucial in the company's acquisition by Adaptec Inc., where he later expanded their operations and established a robust workforce in India, growing from a small team to over 450 engineers. His leadership extended beyond the corporate realm, earning him recognition in the technology and business communities, including serving as Chairman of the AMCHAM Hyderabad Chapter.

In addition to his IT ventures, Raghu is the Founder and Managing Director of Beontea Brew PVT LTD, focusing on 100% natural ready-to-consume beverages, and YREACH MEDIA PRIVATE LIMITED, a digitalmedia company. He holds significant leadership roles in various organizations, including BRIGHTCOM GROUP Limited and INTREPID GLOBAL SECURITY SOLUTIONS Inc. Raghu's commitment to social responsibility is reflected in his active engagement with NGOs and leadership roles in Rotary initiatives.

His extensive experience and dedication to fostering entrepreneurship and innovation continue to make him a prominent figure in the IT industry and a role model for aspiring entrepreneurs worldwide. Details of Mr. Raghunath Allamsetty as required under the SEBI Listing Regulations and SS-2 are provided as annexure of this Notice.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee considers the appointment of Mr. Raghunath Allamsetty as an Additional Director (Executive) in the interest of the Company and recommends the Special Resolution for approval of Members.

Except Mr. Raghunath Allamsetty, being the appointee, none of the Directors and Key Managerial Personnel of the Company, including their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item #3.

**Item #4: Appointment of M/s Saurabh Poddar & Associates, (Firm Registration No. S2012AP177700) as Secretarial Auditor of the Company for a period of 5 years ie. FY 2025-26 to FY 2030-31.**

In terms of the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, and in compliance with the applicable provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), as amended from time to time, the Board in its meeting held on 24.10.2024, has approved the Appointment of Mr. Saurabh Poddar, Company Secretary in Practice to conduct the Secretarial Audit of the Company for the Financial Years 2023-24 and 2024-25. Accordingly, members are requested to confirm the appointment of Mr. Saurabh Poddar, Company Secretary in Practice as Secretarial Auditor for the Financial Years 2023-24 and 2024-25. None of the Directors or Key Managerial Personnel of the

**Item #5 Appointment of Mr. Paladudgu Venkata Subba Rao (DIN # 10844145) as an Independent Director of the Company**

On the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors at their meeting held on November 30, 2024, appointed Mr. Paladudgu Venkata Subba Rao (DIN # 10844145)) as an Additional Director in the capacity of an Independent Director of the Company with effect from November 30, 2024 for a term of 5 consecutive years upto November 29, 2029 subject to approval of the Members of the Company. In terms of Section 160 of the Act, the Company has received a notice in writing from a member signifying the intention to propose the candidature of Mr. Paladudgu Venkata Subba Rao for the office of Director of the Company.

The Company has received the requisite consents, declarations, etc. from Mr. Paladudgu Venkata Subba Rao in relation to his appointment as an Independent Director.

Mr. Paladudgu Venkata Subba Rao has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

**Brief Profile of Mr. Paladudgu Venkata Subba Rao**

Mr. Paladugu Venkata Subba Rao is an accomplished Company Secretary with over 30 years of experience in corporate governance and compliance. He has provided strategic support to various companies, ensuring adherence to regulatory frameworks and fostering organizational growth. Most recently, he served as the Company Secretary for Aditya Spinners Ltd., where he played a pivotal role in streamlining corporate processes and reporting. His expertise spans corporate law, regulatory liaison, and board advisory functions. Known for his meticulous attention to detail, he has consistently upheld the highest standards of corporate governance. Subba Rao has a proven track record of navigating complex regulatory landscapes with precision and integrity. He is adept at fostering effective communication between management and stakeholders.

His longstanding career reflects a commitment to excellence in company secretarial practices. Subba Rao is a trusted advisor, well-regarded for his professionalism and strategic insights. Details of Mr. Paladugu Venkata Subba Rao as required under the SEBI Listing Regulations and SS-2 are provided as annexure of this Notice.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee considers the appointment of Mr. Paladugu Venkata Subba Rao as an Independent Director in the interest of the Company and recommends the Special Resolution for approval of the Members.

Except Mr. Paladugu Venkata Subba Rao, being the appointee, none of the Directors and Key Managerial Person Mr. Paladugu Venkata Subba Rao of the Company, including their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item #5.

**Item #6: Appointment of Ms. Deepika Daliya (DIN # 10844736) as an Independent Director of the Company.**

On the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors at their meeting held on November 30, 2024, appointed Ms. Deepika Daliya (DIN # 10844736) as an Additional Director in the capacity of an Independent Director of the Company with effect from November 30, 2024 for a term of 5 consecutive years upto November 29, 2029 subject to approval of the Members of the Company. In terms of Section 160 of the Act, the Company has received a notice in writing from a member signifying the intention to propose the candidature of Ms. Deepika Daliya for the office of Director of the Company.

The Company has received the requisite consents, declarations, etc. from Ms. Deepika Daliya in relation to his appointment as an Independent Director.

Ms. Deepika Daliya has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge her duties as an Independent Director of the Company.

**Brief Profile of Ms. Deepika Daliya**

Ms. Deepika Daliya is a dynamic and accomplished finance professional with a robust academic foundation, having earned her MBA in Finance from Nishitha PG College, Nizamabad. She brings a wealth of expertise in strategic financial management, compliance oversight, and organizational leadership. Her professional journey includes serving as the CEO of Gridhari & Company, where she successfully spearheaded initiatives to streamline operations, optimize financial performance, and enhance organizational efficiency. She also held the role of Executive Director at Ra Craft Paper Pvt Ltd, where she played a pivotal role in driving growth and ensuring operational excellence.

Ms. Deepika Daliya is a results-driven leader adept at aligning financial strategies with business objectives, fostering innovation, and maintaining positive cash flow. Her extensive experience includes leading cross-functional teams, implementing strategic budget frameworks, and navigating complex financial landscapes with agility and precision. Known for her ability to improve revenue through forward-thinking strategies, she has a proven track record of delivering measurable outcomes in competitive markets. Ms. Deepika Daliya is also a strong advocate of ethical financial practices, ensuring compliance with regulatory standards and enhancing stakeholder confidence. Her exceptional communication skills and analytical acumen enable her to build collaborative relationships across departments, making her an invaluable asset to any organization with a focus on driving sustainable growth, she remains committed to fostering financial stability and unlocking new opportunities for success.

Details of Ms. Deepika Daliya as required under the SEBI Listing Regulations and SS-2 are provided as annexure of this Notice.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee considers the appointment of Ms. Deepika Daliya as an Independent Director in the interest of the Company and recommends the Special Resolution for approval of Members.

Except Ms. Deepika Daliya, being the appointee, none of the Directors and Key Managerial Personnel of the Company, including their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item #6

**Item #7 Appointment of Mr. Ali Akber Bakir Bhoy Mamuwala (DIN # 07428015) as an Independent Director of the Company.**

On the recommendation of the Nomination & Remuneration Committee (NRC), the Board of Directors at their meeting held on January 10, 2025, appointed Mr. Ali Akber Bakir Bhoy Mamuwala (DIN # 07428015) as an Additional Director in the capacity of an Independent Director of the Company with effect from January 10, 2025 for a term of 5 consecutive years upto January 9, 2030 subject to approval of the Members of the Company. In terms of Section 160 of the Act, the Company has received a notice in writing from a member signifying the intention to propose the candidature of Mr. Ali Akber Bakir Bhoy Mamuwala for the office of Director of the Company.

The Company has received the requisite consents, declarations, etc. from Mr. Ali Akber Bakir Bhoy Mamuwala in relation to his appointment as an Independent Director.

Mr. Ali Akber Bakir Bhoy Mamuwala has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

**Brief Profile of Mr. Ali Akber Bakir Bhoy Mamuwala**

Mr. Ali Akber Bakir Bhoy Mamuwala has been the Managing Partner of Summit Engineering Corporation since July 1983. With a career spanning over four decades, he has demonstrated exceptional leadership and expertise in the field of engineering, marketing and business management. Mr. Mamuwala is a graduate of Osmania University. Under his stewardship, Summit Engineering Corporation has achieved significant milestones and established a reputation for excellence in its industry. Details of Mr. Ali Akber Bakir Bhoy Mamuwala as required under the SEBI Listing Regulations and SS-2 are provided as annexure of this Notice. The Board of Directors based on the recommendation of the Nomination and Remuneration Committee considers the appointment of Mr. Ali Akber Bakir Bhoy Mamuwala as an Independent Director in the interest of the Company and recommends the Special Resolution for approval of Members.

Except Mr. Ali Akber Bakir Bhoy Mamuwala, being the appointee, none of the Directors and Key Managerial Person Mr. Ali Akber Bakir Bhoy Mamuwala of the Company, including their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item #7.



**(ANNEXURE TO THE NOTICE DATED JANUARY 10, 2025)**

Details of Directors seeking appointment/modification of remuneration pursuant to Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2)

<b>Name of the Director</b>	<b>Mr. Allam Raghunath</b>	<b>Mr. Paladugu Venkata Subba Rao</b>	<b>Ms. Deepika Daliya</b>	<b>Mr. Ali Akber Bakir Bhoy Mamuwala</b>
Age	58 years	58 years	29 years	58 years
Qualification	B.Tech	Company Secretary	M.B.A (Finance)	Engineer
Expertise	Information Technology	Corporate law, regulatory liaison, and board advisory functions	Strategic financial management	Marketing and Business Management
Terms & Conditions of Appointment	Appointed as a director liable to retire by rotation for a period of 5 years	Appointed for a period of 5 years	Appointed for a period of 5 years	Appointed for a period of 5 years
Details of remuneration last drawn and proposed to be paid	Rs.5,00,000/- per month plus applicable benefits as per Company policy	Sitting Fees as prescribed by Companies Act, 2013	Sitting Fees as prescribed by Companies Act, 2013	Sitting Fees as prescribed by Companies Act, 2013
Date of First Appointment	June 28, 2024	November 30, 2024	November 30, 2024	January 10, 2025
Shareholding in the Company as on March 31, 2024	NIL	NIL	666	NIL
Relationships between directors inter-se	None	None	None	None
Number of Meetings attended during the year	-	-	-	-
Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign companies)	LIL Projects Private Limited Reach Media Private Limited	None	None	None
Memberships/ Chairmanships of committees held in all companies*	None	None	None	None
Listed companies from which the Director has resigned in past three years	None	None	None	None
Skills and Capabilities in case of Appointment of Independent Director	IT Professional	Corporate law, regulatory liaison, and board advisory functions	Strategic financial management	Marketing and Business Management

**NOTICE OF THE 25TH ANNUAL GENERAL MEETING  
OF BRIGHTCOM GROUP LIMITED**

\*Chairmanship and membership of Audit Committee and Stakeholders' Relationship/Share Allotment Committee have been considered.

**By order of the Board  
For Brightcom Group Limited**

**Date: 10-01-2025  
Place: Hyderabad**

**Sd/-  
Raghunath Allamsetty**  
Executive Director  
DIN # 00060018



# **THE BOARD'S REPORT**

# THE BOARD'S REPORT

## Dear Members,

Your directors have pleasure in presenting the Twenty Fourth Annual Report of the Company along with Company's Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended on March 31, 2024.

## Financial Highlights

(Amount in INR Lakhs)

Particulars	Consolidated FY 2023-24	Consolidated FY 2022-23	Standalone FY 2023-24	Standalone FY 2022-23
Total Revenue (including other Income)	466,225.28	739,030.54	47,015.46	43,744.29
Gross Profit before Interest, Depreciation & Tax	123,930.42	216,607.82	141.01	609.27
Less: Interest	29.91	40.98	29.60	40.47
Depreciation	28,467.99	26,554.87	11.23	6.78
Profit before Tax	95,432.52	190,011.97	100.18	1,420.00
Less: Provision for Tax	27,414.70	53,055.25	35.01	496.20
Less: Deferred Tax	(734.66)	(142.64)	(49.54)	(10.10)
Profit after Tax	68,752.48	137,099.35	114.71	933.90
Add: Other comprehensive income	9,613.84	39,550.58	38.85	537.07
Total comprehensive income for the period	78,366.32	176,649.95	153.56	1,470.97
Balance Brought forward from the previous year	488,804.47	358,130.82	1,586.60	6,699.33
Profit available for appropriations	557,888.05	494,858.24	1,713.35	7,640.36
Less: Dividend	0	6,053.77	0	6,053.77
Profit Carried to Balance Sheet	557,888.05	488,804.47	1,713.35	1,586.60

## State of Affairs / Company's performance

During the year under review, your Company achieved a consolidated turnover of Rs.466,225.28 lakhs as against Rs.739,030.54 lakhs in the previous year. Your Company has earned a consolidated gross profit of Rs.123,930.42 lakhs before interest, depreciation and tax as against Rs.216,607.82 lakhs in the previous year. After deducting financial charges of Rs.29.91 lakhs, depreciation of Rs.28,467.99 lakhs and provision for tax of Rs.26,680.04 lakhs, the operations resulted in a net profit of Rs.68,752.48 lakhs as against Rs.137,099.35 lakhs in the previous year.

### **Change In Nature of Business**

As per the requirements of Rule 8 (5) (ii) of Companies (Accounts) Rules, 2014, your Board of Directors specify that, there is no significant change in the nature of business of the Company during the last financial year.

There are no Material Changes and Commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.

### **Share Capital**

As on the date of this report, the Company has a paid-up share capital of Rs. 403,70,43,746 divided into 201,85,21,873 Equity Shares of Rs. 2/- each.

Listing fees has been paid for the year 2023-24 to both the Exchanges.

## Transfer to Reserves

Your Company has not proposed to transfer any amount to the general reserve.

## Public Deposits

Your Company has not accepted any deposits falling within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year.

## Dividend

During the year under review, the Board has decided not to declare any dividend.

## Particulars of Loans, Guarantees & Investments

The company makes investments or extends loans/guarantees to its wholly-owned subsidiaries for their business purposes. Details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013, along with the purpose for which such loan or guarantee was proposed to be utilized by the recipient, form part of the notes to the financial statements provided in this annual report.

## Material changes and commitments affecting the financial position of the Company:

During the year under review, there have been no such material changes and commitments that have affected the financial position of the Company.

## Subsidiary Companies

The Company has 16 subsidiaries as of March 31, 2024. There was no material change in the nature of the business carried on by the subsidiaries.

Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies/ Associate Companies/Joint in "Part-A: Subsidiaries" is attached to Financial Statements of the Company which forms a part of this Annual Report, other information under form AOC-1 is mentioned as below:

1. Names of subsidiaries which are yet to commence operations: **NIL**

2. Names of subsidiaries which have been liquidated or sold during the year: **NIL**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures "Part-B: Associates and Joint Ventures" is attached to Financial Statements of the Company which forms a part of this Annual Report.

## Consolidated Financial Statements

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 and the Indian Accounting Standards Ind AS-110 and other applicable Accounting Standards, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2024, which forms part of the Annual Report.

## Nomination and Remuneration Policy

The Company's remuneration Policy is market-driven and aims at attracting and retaining high performance talent. Brightcom follows a compensation mix of fixed pay, benefits and performance-based variable pay, which is paid based on the business performance and goals of the different business units/ overall company. The remunerations to the Directors & Key Managerial Personnel are determined by the Nomination and Remuneration Committee and recommended to the Board for its approval. The above remunerations shall be subject to the approval of the shareholders of the Company, wherever required by the statute.

The Nomination and Remuneration Policy has been updated on the website of the Company at <https://www.brightcomgroup.com/investors/policies/>

## Declaration of Independence by Independent Directors

The Company has received necessary declaration from the Independent Directors as required under Section 149(7) of the Act and LODR Regulations confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and that of LODR Regulations.

## Management's Discussion and Analysis

Pursuant to the provisions of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report. As required under the provisions of the Listing Regulations, the Audit Committee of the Company has reviewed the Management Discussion and Analysis report of the Company for the year ended March 31, 2024. A detailed report on Management Discussion & Analysis is provided as a separate disclosure in the annual report.

## Related Party Transactions

All related party transactions that were entered into during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. There were no materially significant related party transactions entered by the Company during the year with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

The policy on related party transactions as approved by the Audit Committee and the Board of Directors is hosted on the website of the Company [www.brightcomgroup.com](http://www.brightcomgroup.com). Prior omnibus approvals from the Audit Committee are obtained for transactions which are repetitive and also normal in nature. Further, disclosures are made to the Committee and the Board on a quarterly basis.

None of the Directors had any pecuniary relationship or transactions with the Company, other than to the extent of their shareholding and except the payments made to them in the form of remuneration/sitting fee.

Since all related party transactions entered into by the Company were in the ordinary course of business and were on an arm's length basis, the requirement of furnishing the requisite details in Form AOC-2 is not applicable to the Company.

The details of related party disclosures form part of the notes to the financial statements provided in this annual report.

## Vigil Mechanism/ Whistleblower / Ombudsperson Policy

The Company has put in place a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), 2015 for employees and others to report concerns about unethical behaviour.

The Company has a vigil mechanism policy to deal with instances of fraud and mismanagement, if any. The vigil mechanism policy is uploaded on the website of the Company <https://www.brightcomgroup.com/investors/policies/>.

The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

## Disclosure as required under Section 22 of Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to comply with the provisions of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the work place. All women employees permanent, temporary or contractual are covered under the above policy. Your Company has zero tolerance towards sexual harassment at the workplace and the details of sexual harassment complaints as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder are as follows:

- No. of Complaints received: Nil
- No. of Complaints disposed-off: Not Applicable

The Company has constituted an Internal Complaints Committee for redressal of complaints and is committed to provide equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc. All women associate (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office/ premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

## Other Policies

The Company has also adopted the following policies, as required by Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the same are available on the website of the Company at [www.brightcomgroup.com](http://www.brightcomgroup.com)



1. Code of Conduct & Ethics for Board of Directors & Senior Management;
2. Terms & Conditions of Appointment of Independent Directors
3. Corporate Social Responsibility Policy
4. Policy for related party transaction
5. Vigil Mechanism (Whistle blower policy)
6. Policy for Determining Material Subsidiaries
7. Policy for Determining of Materiality of an Event
8. Criteria for making payment for non-executive Directors
9. Nomination & Remuneration Policy
10. Familiarization program of Independent Director
11. Code of Regulation & Prohibition of Insider Trading
12. Code of practices and procedures for fair disclosure of UPSI
13. Document preservation policy
14. Policy for evaluation performance of the Board
15. Policy for disclosure of material information
16. Policy for sexual harassment
17. Staff advances policy
18. Policy for determination of legitimate purpose

### **Corporate Governance**

Pursuant to the provisions of Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the shareholders. A certificate from the Practicing Company Secretary regarding compliance with the conditions of Corporate Governance as stipulated under the said Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also forms part of this Annual Report.

### **Code of conduct for prevention of Insider Trading in Brightcom Group Limited**

Code of Conduct for Prevention of Insider Trading in Brightcom Securities ("BCG Code") in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 is uploaded on the website of the Company. The objective of the PIT Code is to protect the interest of shareholders at large, to prevent misuse of any unpublished price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Designated Persons and their immediate relatives. Mr. Raghunath Allamsetty is the Compliance Officer under the PIT Code as on the date of this report.

### **Committees**

The following are the details of the Committees during the Financial Year 2023-24:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Warrants & Share Allotment Committee;
6. Risk Management Committee\*

The composition of each of the above Committees, their respective roles and responsibilities are provided in detail in the Corporate Governance Report. Apart from the abovementioned Committees, the Company also has an Internal Complaints Committee for redressal of complaints and is committed to provide equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc.

\* Risk Management Committee formed with effect from September 16, 2021.

### **Directors and Key Managerial Personnel**

In pursuance of Section 152 of the Companies Act, 2013 and the Rules framed there under Mr. Raghunath Allamsetty, Executive Director is liable to retire by rotation.

Pursuant to the provisions of regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by ICSI, brief resume and other disclosures relating to the Directors who are proposed to be appointed/ re-appointed are given in the Annexure to the Notice of the 25th AGM.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of independence as prescribed under Section 149(6) of the Act and under Regulation 16(1)(b) of SEBI Listing Regulations. None of the directors of the company is disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Independent Directors have provided confirmations as contemplated under section 149(7) of the Act.

Mr. Kallol Sen (DIN #00671018) was appointed as an Additional (Executive) Director under the category of Whole-time (Executive) Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from February 2, 2024 for a period of five years subject to approval of the shareholders in 24th Annual General Meeting of the Company held on November 21, 2024. He resigned as director of the company on August 11, 2024.

Dr. Shambhavi Vedantam Murthy (DIN # 10614482) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from May 4, 2024 for a period of five years subject to approval of the shareholders in 24th Annual General Meeting of the Company held on November 21, 2024 She resigned as director of the company on August 11, 2024.

Mr. Ravi Chandran (DIN # 07027731) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from May 4, 2024 for a period of five years subject to approval of the shareholders in 24th Annual General Meeting of the Company held on November 21, 2024 He resigned as director of the company on August 11, 2024.

Mr. Ram Sharma (DIN # 06747944) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from June 28, 2024 for a period of five years and approved by the shareholders in 24th Annual General Meeting of the Company held on November 21, 2024. He resigned as director of the company on November 23, 2024.

Dr. Chandrika Setu Sharma (DIN # 10753180) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from August 1, 2024 for a period of five years and approved by the shareholders in 24th Annual General Meeting of the Company held on November 21, 2024 She resigned as director of the company on November 23, 2024.

Mr. Satyanarayana Yadavally (DIN # 07583181) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from August 1, 2024 for a period of five years and approved by the shareholders in 24th Annual General Meeting of the Company held on November 21, 2024. He resigned as director of the company on December 23, 2024.

Mr. Paladugu Venkata Subbarao (DIN # 10844145) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from November 30, 2024 for a period of five years subject to approval by the shareholders in 25th Annual General Meeting of the Company held on February 7, 2025.

Ms. Deepika Daliya (DIN # 10844736) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from November 30, 2024 for a period of five years subject to approval by the shareholders in 25th Annual General Meeting of the Company held on February 7, 2025.

Mr. Ali Akber Bakir Bhoj Mamuwala (DIN # 07428015) was appointed as an Additional Director under the category of Non-Executive & Independent Director as per the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, on the Board of the Company with effect from January 10, 2025 for a period of five years subject to approval by the shareholders in 25th Annual General Meeting of the Company held on February 7, 2025.

## Board Meetings

The Company has a professional Board with an optimum combination of executive, non-executive and independent directors (including one independent woman director) who bring to the table the right mix of knowledge, skill and expertise. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders.

During the year, Fourteen (14) meetings of Board of Directors of the Company were convened and held in accordance with the provisions of the Companies Act, 2013. The date(s) of the Board Meeting, attendance by the directors is given in the Corporate Governance Report forming part of this Annual Report. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are disqualified under Section 164(2) of the Act. Certificate on non-disqualification, as required under Regulation 34 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is forming part of the Corporate Governance Report forming part of this Annual Report.

## Audit Committee

Audit Committee of the Company meets the requirements of section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The details of the composition of the Audit Committee as required under the provisions of Section 177(8) of the Companies Act, 2013 is given in the Corporate Governance Report furnished as part of the Annual Report. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

## Independence of the Board

The Board of Directors of the Company comprises of optimum number of Independent Directors. Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Act:

All the Independent Directors have registered themselves with the Independent Director's Data Bank. The Company has received necessary declarations from each Independent Director under Section 149 of the Act and Regulation 25 of the Listing Regulations, confirming that he / she meets the criteria of independence laid down in Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations.

## Evaluation of performance of the Board, Members of the Board and the Committees of the Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, a formal evaluation of the performance of the Board, its Committees, the Chairman and the individual directors was carried out for the financial year 2023-24.

Structured forms covering evaluation of Board, Committees of the Board, Chairperson, Independent Directors and Non-Independent Directors were circulated to all the Directors and Directors were requested to rate against various criteria such as composition of Board, receipt of regular inputs and information, functioning, performance and structure of Board Committees, skill set, knowledge and expertise of directors, preparation and contribution at Board meetings, leadership etc. The performance evaluation of the respective Committees and that of independent and non-independent directors was done by the Board excluding the director being evaluated.

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board with specific focus on the performance and effective functioning of the Board and Individual Directors and the same is taken note by the Nomination and Remuneration Cum Compensation Committee.

The Nomination and Remuneration Committee has laid down criteria for performance evaluation of Directors, Chairperson, Board Level Committees and the Board as a whole and also the evaluation process for the same. The Nomination and Remuneration Committee has reviewed the performance evaluation of the Directors, Chairperson, Audit Committee and Stakeholders Relationship Committee and the Board as a whole.

Further, as per the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the following is the matrix of skills and competencies on which all Directors are evaluated:

- Governance and Board service
- Business Understanding
- Risk/Legal/Regulatory Compliance
- Information Technology/ Accounting/Financial Experience
- Industry/Sector Knowledge
- Strategy development and implementation

The statement indicating the manner in which formal annual evaluation of the Directors, the Board and the Board level Committees are given in the report on Corporate Governance, which forms part of this Annual Report.

## **Familiarisation Programme for Directors**

In addition to giving a formal appointment letter to the newly appointed Director on the Board, a detailed induction plan covering the role, function, duties, responsibilities and the details of compliance requirements expected from the director under the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given and explained to a new Director.

Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), conducting familiarization programmes for the Directors in the Company is a continuous process, whereby Directors are informed, either through presentations at the Board or committee meetings, board notes, interactions or otherwise about industry outlook, business operations, business model, future strategies, business plans, competitors, market positions, products & new launches, internal and operational controls over financial reporting, budgets, analysis on the operations of the Company, role, rights, responsibilities of independent directors and any other relevant information. Pursuant to Regulation 46 of Listing Regulations, the details required are available on the Company's website at [www.brightcomgroup.com](http://www.brightcomgroup.com)

## **Policy on Directors' Appointment, Remuneration and other details**

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the corporate governance report, which forms part of this annual report and is also hosted on the Company's website [www.brightcomgroup.com](http://www.brightcomgroup.com)

## **Statutory Auditors**

M/s. P. Murali & Co., Chartered Accountants, Hyderabad (Firm Registration No. 007257S) was appointed as Statutory Auditors of the Company for a period of 5 consecutive years, consent of the Members accorded in the held 23rd Annual General Meeting of the Company.

Independent Auditors' Report(s) to the Members of the Company in respect of the Standalone Financial Statements and the Consolidated Financial Statements for the Financial Year ended March 31, 2024, form part of this Annual Report and contain some qualification(s) or adverse observations. The Board has duly examined the Statutory Auditors'

Report to the consolidated and standalone financial statements, the clarifications are provided in the later part of this document.

There have been no instances of fraud reported by the Auditors including the Statutory of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

M/s. P. Murali & Co., Chartered Accountants, Hyderabad (Firm Registration No. 007257S), Hyderabad resigned from the position of Statutory Auditors of the Company and the same informed to the members on August 12, 2023 and therefore, the Board of Directors of your Company, on the recommendation of the Audit Committee, have recommended to the members for appointment of M/s. PR Chandra & Co., Chartered Accountants, Hyderabad (Firm Registration No. 018985S) as Statutory Auditors of the Company for the financial year 2023-24, subject to the approval of shareholders in the ensuing 25th Annual General Meeting of the Company to be held on February 7, 2025.

## **Adequacy of Internal Financial Control Systems & Risk Management**

The company does not have in place adequate internal financial controls with reference to its financial statements. The details relating to internal financial controls and their adequacy and Risk Management are included in the Management Discussion and Analysis Report.

## **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors, on recommendation of the Audit Committee, appointed Saurabh Poddar & Associates, Practising Company Secretary, Hyderabad to undertake the Secretarial Audit of the Company. The Company has received a certificate from the Secretarial Auditor, inter-alia, confirming that their appointment is within the limits laid down by the Act and rules made thereunder, is as per the term provided under the Act, she is not disqualified for being appointed as Secretarial Auditor under the provisions of applicable laws and also that there are no pending proceedings against her involving matters of professional misconduct.



The Secretarial Audit Report for the Financial Year ended March 31, 2024, in Form MR-3 is annexed to the Board's Report - Annexure-I and forms part of this Report. The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2024, contains qualification(s) or adverse observations.

### **Compliance with Secretarial Standards on Board and Annual General Meetings**

The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.

### **Extract of Annual Return**

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company for the Financial Year 2023-24 can be accessed through the web link on the Company's website <https://www.brightcomgroup.com/investors/>

### **Code for prevention of Insider Trading**

As per the SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct of Insider Trading. The Company has appointed Mr. Raghunath Allamsetty, Executive Director of the Company, as Compliance Officer for setting forth the procedures and implementation of the Code for trading in Company's Equity Shares. During the year under review, there has been a due compliance of the said Code.

### **Particulars of employees and related disclosures**

No Salary is being paid to Directors of the Company including whole-time Director other than sitting fee to Independent Directors and hence the details as required to be disclosed under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration to Key Managerial Personnel) Rules, 2014 is not applicable. None of the employees of the Company is receiving a salary of more than Rs. 8.50 lakhs per month.

The information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request by any Member of the Company. In terms of Section 136 of the Companies Act, 2013, the Annual Report including the Board's Report and the Audited

Accounts are being sent to the Members excluding the same. Any Member interested in obtaining a copy of the same may write to the Executive Director at the Registered Office of the Company.

### **Share Transfer System**

Pursuant to Regulation 40 of SEBI (LODR) Regulations, 2015, as amended vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and Press Release No: 49/2018 dated 3rd December, 2018, shareholders may please note that, with effect from 1st April, 2019, transfer of shares (except transmission and transposition of shares) will be in dematerialized form only. Therefore, the shareholders are requested to dematerialize their shares in order to have a hassle-free transfer. Members can contact the Company or Company's Registrars and Transfer Agents, Aarthi Consultants Private Limited for assistance in this regard.

## Board's Response on Auditor's Qualification, Reservation or Adverse Remark or Disclaimer Made

In response to the qualifications by the Statutory Auditors in Audit report, the Company's responses are given below:

Sl. No	Auditors Qualification	Directors Reply.
1.a.	As referred in Point No. 72, the company's investment in Ybrant Media Acquisition Inc, one of the subsidiaries of the company has negative equity/net worth indicating the existence of an indicator of impairment. But the company has neither impaired nor created any provision against the value of Investments in Ybrant Media Acquisition Inc.	YMA used to own the asset, LYCOS Inc. That is currently under the receivership of the seller (Daum Corporation). The Holding Company is working with Daum Corporation to complete the acquisition and hence investment is not yet impaired.
1.b.	As referred in Point No. 177[d], "the company" has to appoint at least one independent director on its board of directors as a director on the board of directors of each of its material subsidiaries within fifteen days of the date of its order. Refer note no 59 of Consolidated financial statements.	The Company appointed independent Directors on the Board of Subsidiaries of the Company and the same was intimated to the Exchanges as on April 28, 2023. Subsequent to their resignation from the Brightcom board, the Company has appointed newly appointed Independent Directors on the Board of Subsidiaries of the Company on October 24, 2024.
1.c.	As referred in Point No. 177[e] "the company" has to disseminate the standalone financial statements of each of its subsidiaries on its website, for the period between FY 2014-15 and FY 2021-22. Refer note no 60 of consolidated financial statements "Consequent to the order the company has uploaded the financial statements/ Financial information of its subsidiaries in its website".	The Company presented the Financial statements of its subsidiaries on its website and the same intimated to the Exchange as on April 28, 2023.
1.d.	The opening balances of Investments, receivables and payables with related to subsidiaries in standalone financial statements are subject to the confirmation of peer review auditor and due to its consequent effect, the closing balances thereof are also subject to variation.	The closing balances of Investments, receivables and payables with related to subsidiaries for the previous year will be reviewed by the Audit Committee as directed by SEBI and will get the Peer review done.
1.e.	SEBI vide its letter dated 13th April 2023, has issued interim order cum show cause notice to the company seeking clarifications with respect to certain issues. The final outcome of the investigation is yet to come by the time of our Report. Refer note no 58 of Consolidated financial statements.	The Company filed its clarification and reply to the Show Cause Notice.
1.f.	The Standalone Financial Statements of the company for the previous financial year i.e., for the year ended 31.03.2022 have been audited by predecessor auditor. The figures as at 31.03.2022 are subject to variation in view of the SEBI's observations/directions and consequent effect on the closing balances thereof as at 31.03.2023.	The Company filed its clarification and reply to the Show Cause Notice.
2	"The company" has not made any provision for impairment of investments of Rs.16,886.81 lakhs made in M/s Vuchi Media Private Limited despite the fact that the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into.	1,40,00,000 Equity shares allotted to Vuchi Media are being annulled, the legal process is in underway.

## Listing Fees

The Company affirms that the annual listing fees for the year 2023-24 has been paid to both National Stock Exchange of India Limited (NSE) and BSE Limited.

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as prescribed under sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are as follows:

### A. Details of Conservation of Energy

The operations of your company do not consume high levels of energy. The Company uses electric energy for its equipment such as computer terminals, air conditioners, lighting and utilities in the work premises. Adequate measures have been taken to conserve energy by using energy-efficient computers and equipment with the latest technologies.

However, the requirement of disclosure of particulars with respect to conservation of energy as prescribed in the Section 134(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 are not applicable to the Company and hence not provided.

### B. Technology Absorption

The Information Technology (IT) and Information Technology Enabled Services (ITES) Industry are subject to high rate of technological obsolescence. The Company's business is Digital Marketing and Software Development. The change in the industry paradigm is dynamic. The Company is continuously updating these changes and constantly evaluating these developments to improve its capabilities towards the industry. Accordingly, research and development of new services, display advertising, platforms and methodologies, continue to be of importance to us. This allows us to enhance quality, productivity and customer satisfaction through continuous improvements and innovations. As part of the continuous thrust on R&D, the company is also focused on Solutions Research and Vertical Focus Research. These would identify new ideas which would enable business process improvement for customers and would be aligned with the business strategy and growth opportunities of the organization. Our R & D activities are not capital intensive and we do not specifically provide for the same in our books.

### C. Foreign Exchange Earnings and outgo

The particulars of earnings and expenditure in foreign exchange during the year are given in notes to Standalone financial statements.

## Business Responsibility Report

Regulation 34(2)(f) of the Listing Regulations mandates the inclusion of Business Responsibility Report ("BRR") as part of the Annual Report for top 500 listed companies which was thereafter amended to top 1000 listed companies with effect from December 26, 2019, based on market capitalization as on March 31 every year. In compliance with the Listing Regulations, BRR of your Company for the Financial Year 2023-24 is appended as Annexure – II to this Report.

Your Company strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting aspirational targets and improving economic performance to ensure business continuity and rapid growth.

## Investor Education and Protection Fund (IEPF)

In terms of Section 123, 124 and 125 of the Companies Act, 2013, the unclaimed dividends and shares wherein the dividends that are unclaimed for a period of seven consecutive years relating to the Final Dividend will be transferred to the IEPF Fund/Suspense account respectively. Further, as per the provisions of Section 125, the share(s) wherein the dividend is unclaimed for a period of consecutive seven (07) years will be transferred to the suspense account as prescribed by the IEPF Rules, therefore the shareholders whose dividends are unclaimed for consecutive seven years from 2015-16 (list of the shareholders along with the unclaimed dividend details are available on the website of the Company [www.brightcomgroup.com](http://www.brightcomgroup.com) are requested to claim their unclaimed dividend at the earliest.



Shareholders are requested to ensure their dividends are encashed on time. In case of non-encashment of dividends, shareholders are advised to approach the Company or RTA to claim their unclaimed dividends.

### **Corporate Social Responsibility**

The provisions of Section 135 of the Companies Act, 2013 are applicable to the Company. The Corporate Social Responsibility Committee of the Company meets the requirements of Section 135 of the Companies Act, 2013. The details of the composition of the Corporate Social Responsibility Committee as required under the provisions of Section 135 of the Companies Act, 2013 is given in the Corporate Governance Report which forms part of this Annual Report.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, the brief outline of the Corporate Social Responsibility ('CSR') policy of the Company and the initiatives undertaken by the Company on the CSR activities during the year are given in Annexure-III to this report in the format prescribed in the Companies (Corporate Social Responsibility) Rules, 2014. The said policy is available on the Company's website at [www.brightcomgroup.com](http://www.brightcomgroup.com)

As per the provisions of Section 135 of the Companies Act, 2013, 2% of average Net Profits of the Company for the immediately preceding three financial years calculated as per Section 198 of the Companies Act, 2013 works out to Rs. 6.56 Lakhs and the Company has spent Rs. 13.12 Lakhs on CSR activities in the areas of Education and Environmental Protection.

### **Significant and Material Orders**

The Company has received an intimation from SEBI through its letter dated September 16, 2021, initiating a Forensic Audit on the Company, and the same is in progress as on the date of this report. SEBI Issued 2 Interim orders dated April 13, 2023 & August 22, 2023 in connection with the ongoing investigations and a Confirmatory Order was issued on February 28, 2024 in relation to the Interim Order dated August 22, 2023. The Company has submitted appeals with SEBI Appellate Tribunal (SAT) and the proceedings are ongoing. However, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in the future

### **Directors' Responsibility Statement**

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013 and on the basis of compliance certificate received from the executives of the Company and subject to disclosures in the Annual Accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, and to the best of their knowledge and information furnished, the Board of Directors state that:

i. In preparation of the Annual Accounts for the year ended March 31, 2024, all the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India and Companies Act, 2013 have been followed and there were no material departures.

ii. We have adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year ended March 31, 2024.

iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. The Annual Accounts for the year ended March 31, 2024, has been prepared on a going concern basis.

v. The company does not have in place adequate internal financial controls with reference to its financial statements.

vi. The systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **Acknowledgment**

Your directors place on records their sincere appreciation and thanks for the valuable cooperation and support received from the employees of the Company at all levels, Company's Bankers, Associates, partners, clients, vendors, and Members of the Company and look forward for the same in equal measure in the coming years.

**By order of the Board  
For Brightcom Group Limited**

Date: 10-01-2025  
Place: Hyderabad

**Sd/-  
Raghunath Allamsetty  
Executive Director  
DIN # 00060018**

## ANNEXURE(S) TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT  
FOR THE YEAR ENDED 31-03-2024

## To

The Members,  
**BRIGHTCOM GROUP LIMITED,**  
 CIN: L64203TG1999PLC030996  
 Floor: 5, Fairfield by Marriott Road No. 2,  
 Nanakramguda, Gachibowli,  
 Hyderabad TG 500032 IN

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Brightcom Group Limited (hereinafter called the company) a company registered under CIN: L64203TG1999PLC030996 and having its registered office at Floor : 5, Fairfield By Marriott Road No. 2, Nanakramguda, Gachibowli, , Hyderabad-500032, Telangana. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Brightcom Group Limited ,books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2024, the company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I, have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Brightcom Group Limited ("the Company") for the financial year ended on 31st March 2024 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under and did not comply with the provisions as follows:-

a. The company has not filed returns and Forms with the ROC, under different provisions of the Act like annual returns, appointment and cessation of directors, returns of deposit etc.

b. The company did not conduct the AGM of the company for the FY 2022-23 which was due on 30th September 2023 on time and violated the provisions of section 96 of the Act. The company conducted the AGM for FY 2022-23 on 21st November 2022-23 for which the company needs to compound the offence.

c. The Company has two Indian subsidiaries, which are private companies and as per the provision of section 2(71) of the Act, are deemed public companies. The companies have not complied with the provisions of public companies and violated the act.

d. Pursuant to the provisions of section 138 of the companies the company is required to appoint an Internal Auditor, which the company has not appointed.

e. Total dividend of Rs. 3,402.28 lakhs is pending for payment which pertains to various financial years.

f. There are no records of Investor Education Protect Funds (IEPF) maintained by the company.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. The company has not filed Returns of Foreign Asset and Liabilities and Returns of Overseas Direct Investment with the Reserve Bank of India.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

The Warrants & Share Allotment Committee has on 2nd October 2022 allotted 6,00,000 Equity Shares by converting warrants into equity for which listing approval is pending on both the Exchanges.

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. During the review period, the Company has through postal ballot taken the shareholders' approval to float Employee Stock Option Scheme 2021 to grant Employee Stock Options to the employees of the Company & its Subsidiaries. And have created Brightcom Group Employee Welfare and ESOP Benefit Trust for Secondary acquisition as per the provisions of SEBI (SBEB) Regulations, 2014.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **The company was not required to comply with any provision of this guidelines as there were no listing of debt security by the company.**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **The company was not required to comply with any provision of this guidelines. and**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **The company was not required to comply with any provision of this guidelines, as there were no buy-backs.**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The list of non compliance is stated below :-

(vi) The other allied acts as stated below:-

a) Information Technology Act, 2000 and the rules made thereunder.

I, have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company. The following are the list of non-compliances:-

Sl. No	Compliance Requirement	Regulation / Circular #	Deviations	Action Taken by Company	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the PCS	Management Response	Remarks
1.	A listed entity shall appoint a qualified company secretary as the compliance officer.	6(1) of SEBI (LODR) 2015	Company Secretary was not a compliance officer	--	Fine	Non-appointment of Compliance Officer	-	Violation of regulation 6(1) of SEBI (LODR) 2015	---	NONE
2.	The listed entity shall submit a compliance certificate to the exchange, duly signed by both the compliance officer of the listed entity and the authorised representative of the share transfer agent, wherever applicable, within [thirty days]	Regulation 7 (3) – of SEBI (LODR) 2015	Not filed that all activities in relation to share transfer facility are maintained either in house or by Registrar to an issue and share transfer agent registered with the Board.	--	Fine	Non-filing during stipulated period	-	Violation of regulation 7(3) of SEBI (LODR) 2015	---	NONE
3.	The listed entity shall ensure that adequate steps are taken for expeditious redressal of investor complaints.	Regulation 13 (1) – of SEBI (LODR) 2015	The are investor complaints pending against the company	The company is in the process of resolving the issues.	Fine	Redressal of investor complaints pending.	-	Regulation 13 (1) – of SEBI (LODR) 2015	---	NONE
4.	Statement of investor complaints.	Regulation 13 (3) – of SEBI (LODR) 2015	The listed entity shall file with the recognized stock exchange(s) on a quarterly basis, within twenty one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter.	--	Fine	Non-filing during stipulated period	-	Regulation 13 (3) – of SEBI (LODR) 2015	---	NONE
5.	The listed entity shall pay all such fees or charges, as applicable, to the recognised stock exchange(s), in the manner specified by the Board or the recognised stock exchange(s).	Regulation 14 of SEBI (LODR) 2015	The listing fee for 2023-24 was not paid on time.	--	-	Non-payment of listing fee to the NSE and BSe.	-	Regulation 14 – of SEBI (LODR) 2015	---	NONE
6.	The listed entity shall conduct the meetings of the audit committee in the following manner: (a) The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings.	Regulation 18(2) of SEBI (LODR) 2015	The audit committee did not meet four times in a year and not more than one hundred and twenty days shall elapse between two meetings.	-	-	Non-conducting of meetings as per the regulations.	-	Regulation 18(2) – of SEBI (LODR) 2015	---	NONE

Sl. No	Compliance Requirement	Regulation / Circular #	Deviations	Action Taken by Company	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the PCS	Management Response	Remarks
7.	The nomination and remuneration committee shall meet at least once in a year.	Regulation 19(3A) of SEBI (LODR) 2015	The nomination and remuneration committee shall meet at least once in a year.	-	-	Non-conducting of meetings as per the regulations.	-	Regulation 19(3A) – of SEBI (LODR) 2015	---	NONE
8.	The stakeholders relationship committee shall meet at least once in a year	Regulation 20(3A) of SEBI (LODR) 2015	The stakeholders relationship committee shall meet at least once in a year	-	-	Non-conducting of meetings as per the regulations.	-	Regulation 20(3A) – of SEBI (LODR) 2015	---	NONE
9.	At least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not.	Regulation 24(1) of SEBI (LODR) 2015	No independent director after the resignation of Dr. Surabhi Sinha was appointed as Director on the Boards of the material subsidiaries of the company.	-	-	No independent director was appointed as Director on the Boards of the material subsidiaries of the company.	-	Regulation 24(1) of SEBI (LODR) 2015	---	NONE
10.	The minutes of the meetings of the board of directors of the unlisted subsidiary shall be placed at the meeting of the board of directors of the listed entity.	Regulation 24(3) of SEBI (LODR) 2015	Minutes of the meetings of the board of directors of the unlisted subsidiary were not placed at the meeting of the board of directors of the listed entity.	-	-	Minutes of the meetings of the board of directors of the unlisted subsidiary were not placed	-	Regulation 24(3) of SEBI (LODR) 2015	---	NONE
11.	The listed entity shall submit a quarterly compliance report on corporate governance in the format as specified by the Board from time to time to the recognised stock exchange(s) within 165[twenty one] days from 166[the end of each] quarter.	Regulation 27(2)– of SEBI (LODR) 2015	The quarterly returns for the financial year were not filed in stipulated time.	-	-	The quarterly returns for the financial year were not filed in stipulated time.	-	Regulation 27(2) of SEBI (LODR) 2015	---	NONE
12.	Financial Results.	Regulation 33 – of SEBI (LODR) 2015	The company has not disclosed the quarterly results for Q2,Q3 and Q4 during the stipulated period for FY 2023-24.	-	-	The results are declared in FY 2024-25	-	Regulation 33 of SEBI (LODR) 2015	---	NONE

Sl. No	Compliance Requirement	Regulation / Circular #	Deviations	Action Taken by Company	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the PCS	Management Response	Remarks
13.	The listed entity shall ensure that the share transfer agent and/or the in-house share transfer facility, as the case may be, produces a certificate from a practicing company secretary within thirty days from the end of the financial year, certifying that all certificates have been issued within thirty days of the date of lodgment for transfer, sub division, consolidation, renewal, exchange or endorsement of calls/allotment monies.	Regulation 40 (9) – of SEBI (LODR) 2015	The company did not obtain the certificate from PCS and did not file the same in the stipulated period.	-	-	The company did not obtain the certificate from PCS and did not file the same in the stipulated period.	-	Regulation 40(9) of SEBI (LODR) 2015	---	NONE
14.	The listed entity shall ensure that certificate mentioned at sub-regulation (9), shall be filed with the stock exchange(s) simultaneously.	Regulation 40 (10) – of SEBI (LODR) 2015	The company did not file the certificates from PCS on the Exchanges	-	-	Non-filing of the Stock Exchanges	-	Regulation 40(10) of SEBI (LODR) 2015	---	NONE
15.	The listed entity shall maintain a functional website containing the basic information about the listed entity.	Regulation 46 of SEBI (LODR) 2015	Certain disclosures are not uploaded on the website	-	-	Certain disclosures are not uploaded on the website	-	Regulation 46 of SEBI (LODR) 2015	---	NONE
16.	Reconciliation of Share Capital Audit	SEBI-DP Reg.55A)	Not filed for the Q4	-	-	Not filed for the Q4	-	SEBI-DP Reg.55A)	-	NONE
17.	The Structural Digital Database as per Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which inter alia required SDD to be maintained by all listed and proposed to be listed entities.	Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015	Structured Digital Database (SDD) not maintained			Structured Digital Database (SDD) not maintained	-	Structured Digital Database (SDD) not maintained	-	NONE



During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observation:

1. Mr Raghunath Allamsetty was appointed as the Compliance Officer with effect from June 28, 2024.
2. Considering the SEBI's Interim order cum show-cause notice dated 13th April, 2023 we have made the following observations:
  - a) As referred in Point No. 72, the company's investment in Ybrant Media Acquisition Inc, one of the subsidiaries of the company has negative equity/net worth indicating the existence of an indicator of impairment. But the company has neither impaired nor created any provision against the value of Investments in Ybrant Media Acquisition Inc.
  - b) As referred in Point No. 177[d], "the company" has to appoint at least one independent director on its board of directors as a director on the board of directors of each of its material subsidiaries within fifteen days of the date of its order.
  - c) As referred in Point No. 177[e] "the company" has to disseminate the standalone financial statements of each of its subsidiaries on its website, for the period between FY 2014-15 and FY 2021-22.
  - d) The opening balances of Investments, receivables and payables with related to subsidiaries in standalone financial statements are subject to the confirmation of peer review auditor and due to its consequent effect, the closing balances thereof are also subject to variation.
  - e) The promoters shareholding is based on available information and may change, as the company has appealed against SEBI's interim order dated 22nd August 2023 and subsequent confirmatory order dated 28th February 2024. The proceedings are ongoing.
  - f) "The company" has still not made any provision for impairment of investments of Rs.16,886.81 lakhs made in M/s Vuchi Media Private Limited despite the fact that the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into. And also 1,40,70,000 equity shares allotted to M/s Vuchi Media Private Limited are pending for cancellation subject to the legal process completion.
  - g) SEBI has issued a show-cause notice and an interim order dated 13-04-2023, observing certain irregularities, followed by interim order dated 22-08-2023 and confirmatory order dated 28-02-2024. The company preferred appeals against the show-cause notice dated 13-04-2023 and interim order dated 22-08-2023, vide appeal nos. 941 of 2023, 942 of 2023 this appeal has been withdrawn subsequent to the issuance of Confirmatory Order on 28-02-2024 and appeal No. 474 of 2024 has been filed before the Hon'ble Securities Appellate Tribunal and the proceedings are ongoing with respect to Appeal No.'s 941 of 2023 and 474 of 2024. We are not able to express an opinion on the issues covered by the said show-cause notice and interim orders, due to lis-pendency. The management of the company is yet to report the status of the compliance of the directions issued by SEBI in the confirmatory orders dated 29-02-2024.
  - h) As per regulation 24(1) of the SEBI(LODR) the company was required to appoint any one Independent director on the Board of its material subsidiary, which the company did not comply with. Ms. Surabhi Sinha was appointed as Director on the Board of the material subsidiary on the 28th April 2023 and the same was intimated to the exchange. However pursuant to their resignation the position of Independent directors on the Board of the material subsidiaries are vacant.
3. There are instances in which the company was required to file documents and reports to the Central Government and the stock exchanges which the company has done in some cases by paying late fine.
4. **Qualifications in case of subsidiaries mentioned below:**  
Considering the SEBI's Interim order cum show cause notice dated 13th April 2023 we have made the following observations:
  - (a). As referred in Point No. 140[a] and 177(b), the order states that the company has wrongly capitalized expenditure incurred during the research phase and research-cum-development phase of the creation of intangible assets and has suggested that the expenditures may either get capitalized directly or get recognized as current assets initially and then get reclassified as Intangible assets under development or intangible asset and also SEBI has directed the company to undertake examination of its consolidated f

financial statements for the period 2014-15 to 2021-22 by a peer-reviewed Chartered Accountant, to ensure that the same are in compliance with all the applicable accounting standards and submit the statement of impact of all the non-compliances within three months from the date of the order. To this extent the current year's opening balances and consequent effect on the closing balances thereof are subject to the verification and confirmation by the peer review auditor.

(b). As referred in Point No. 177(f), the company has to ensure that at least eighty percent of each of the consolidated revenue, assets and profits, respectively, is subjected to audit and as referred in point no. 177(b), the subsidiaries financial statements for the FYs 2014-15 to 2021-22 are subject to the verification and certification by a peer-reviewed chartered accountant within three months from the date of order. Since the company is in the process of getting the subsidiaries financial statements certified by a peer-reviewed chartered accountant, the opening balances are subject to variation and due to its consequent effect, the closing balances as on 31.03.2024 are also subject to variation. On account of this the audited financial statements of subsidiaries are yet to be reviewed by a peer reviewed chartered accountant. In view of the same we are unable to comment upon the true and fair view of the consolidated financial statements of the group.

5. In the process of acquiring M/s Vuchi Media Private Limited BCG has paid consideration to the tune of 29.83% by allotting 1,40,70,000 equity shares at a price of Rs.120.02. But later on, the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into. In view of the above cancellation of deal, the company has not considered M/s Vuchi Media Private Limited as an associate company in the consolidated financial statements.

**I further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. There is no change in the composition of the Board of Directors, that had taken place during the period under review

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are no adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and the said have been reported by the statutory auditors of the company in their report.

I further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

**For M/s. Saurabh Poddar & Associates  
Company Secretaries**

Place: Hyderabad  
Date: 10-01-2025

**Sd/-**

**Name: Saurabh Poddar  
Designation : Proprietor  
Membership No: FCS  
COP No: 10787  
PR : 765/2020 dated 30th June 2020  
UDIN: F009190F003663005**

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT****To**

The Members,  
**M/s. Brightcom Group Limited**  
Hyderabad

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For M/s. Saurabh Poddar & Associates  
Company Secretaries**

Sd/-

Place: Hyderabad  
Date: 10-01-2025

**Name: Saurabh Poddar  
Designation : Proprietor  
Membership No: FCS  
COP No: 10787  
PR : 765/2020 dated 30th June 2020  
UDIN:F009190F003663005**

**BUSINESS RESPONSIBILITY REPORT**

As per Regulation 34(2)(f) of the Listing Regulations, 2015

**Section A: General Information about the Company**

1	Corporate Identity Number (CIN) of the Company	L64203TG1999PLC030996
2	Name of the Company	Brightcom Group Limited
3	Registered Office of the Company	Floor-5, Fairfield by Marriott, Road No.2, Nanakramguda, Gachibowli, Hyderabad, Telangana, India - 500032
4	Website	<a href="https://www.brightcomgroup.com/">https://www.brightcomgroup.com/</a>
5	E-mail id	<a href="mailto:ir@brightcomgroup.com">ir@brightcomgroup.com</a>
6	Financial Year reported	Financial year ending 31st March, 2024
7	Sectors that the company is engaged in (Industrial Activity code-wise)	Digital Marketing & Advertising Technology NIC Code: 9983
8	List three key products/services that the company manufactures/provides (as in Balance sheet)	Ad operations, Campaign management for online ads, data analytics of consumer response online, Advertising Platform support - Programmatic
9	Total number of locations where business activity is under taken by the Company	Our office in India is located in Hyderabad. Our international offices are located at San Jose, CA; Boston, US; Herzliya-Israel; Singapore; UAE; Sidney-Australia; Mexico City-Mexico; Chile, Buenos Aires - Argentina; Belgrade-Serbia; Berlin-Germany; Brasilia-Brazil; Montevideo, Paraguay; Asuncion-Paraguay, UK; France
	a) Number of International Locations (Provide details of major 5)	
	b) Number of National Locations	
10	Markets served by the Company	National & International

**SECTION B: Financial Details of the Company**

1	Paid up Capital (INR)	403,70,43,746
2	Total Turnover (INR)	466,225.28 lakhs
3	Total Profit after taxes (INR)	68,752.48 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs. 13.13 lakhs 2% < as percentage of profit after tax
5	List of activities in which expenditure in 4 above has been incurred:-	Education and Environmental Protection

**Section C: Other Details**

1	Does the Company have any subsidiary Company / Companies	Yes, The Company has 2 wholly owned Indian subsidiaries and 14 foreign subsidiaries.
2	Do the Subsidiary Company/companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	No, however certain business responsibility initiatives in the area of ethics, transparency and accountability, sustainable use of resources, wellbeing of employees are also being followed by its subsidiaries.
3	Do any other entity/entities (e.g., supplies, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company. If yes, then indicate the percentage of such entity/entities(Less than 30%, 30-60%, more than 60%)	<p>The Company does not mandate its suppliers/distributors to participate in the Company's BR initiatives. However, it encourages them to adopt such practices while conducting their business.</p> <p>Most of the suppliers, vendors, agents, consultants, contractors and third parties (More than 60%), who have business relationships with the Company, are contractually bound to abide by the Code of Conduct, Whistle Blower Policy and performance standards. In this capacity they are involved and participate in the Business Responsibility initiatives of the Company.</p>

**Section D: Business Responsibility Information – OTHER DETAILS****1. Details of Director/Directors responsible for BR[1]****a) Details of the Director/Director responsible for implementation of the BR policy/policies.**

Name : Raghunath Allamsetty  
 Designation : Executive Director  
 DIN Number : 00060018

**b) Details of the BR Head**

Name : Raghunath Allamsetty  
 Designation : Executive Director  
 DIN Number : 00060018  
 Phone Number : +91 (40) 67449910  
 E-mail id : [ir@brightcomgroup.com](mailto:ir@brightcomgroup.com)

## 2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

Principle 1: **Ethics, Transparency & Accountability** - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2: **Product Lifecycle Sustainability** - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: **Employee Well Being** - Businesses should promote the wellbeing of all employees.

Principle 4: **Stakeholder Engagement** - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5: **Human Rights** - Businesses should respect and promote human rights.

Principle 6: **Preservation of Environment** - Business should respect, protect, and make efforts to restore the environment.

Principle 7: **Responsible Advocacy** - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8: Inclusive **Growth & Equitable Development** - Businesses should support inclusive growth and equitable development.

Principle 9: **Customer Value** - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

## a) Details of Compliances

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / Policies for	Y	Y	Y	Y	Y	Y	NA	Y	Y
2	Has the Policy being formulated in consultation with the relevant stakeholders	All the policies are in comparable with the best practices in the industry.								
3	Does the policy conform to any national / international standards? If yes, Specify? (50 words)	The Company is abiding by the various laws while framing the policies, the best practices are taken into account								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	The policies have been approved by the Chairman and Managing Director and certain policies are approved by the Board								
5	Does the company have a specified committee of the Board / Director /Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	Many of the policies are available on the website of the Company <a href="http://www.brightcomgroup.com">www.brightcomgroup.com</a> and the policies which are internal to the Company are available on the Intranet of the Company.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8	Does the company have in-house structure to implement the policy / policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the company have grievance redressal mechanism related to the Policy / Policy to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	NA	NA	Y	NA	NA	Y	NA	Y	NA

## b) If answer to the question at serial number 1 against any principle, is 'No', please explain why:

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	<b>Not Applicable</b>								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for a task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)	The Company does not have a need to frame/ incorporate the said policy into the frame work of the Company, the same will be taken up basis the requirement.								



### 3. Governance related to Business Responsibility (BR):

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year?

*Reviewed by the Board of Directors annually. However, Chairman & Managing Director will review the same at regular intervals with concerned stakeholders / Senior Management team.*

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

*The Company publishes the Business Responsibility Report in accordance with SEBI guidelines and it will form part of the Annual Report.*

### Section E: Principle-Wise Performance:

#### Principle 1: Business should conduct and govern themselves with ethics, transparency and Accountability

Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

*The Company does not have a separate policy relating to ethics, however issues regarding the same form an integral part of the Company's Codes of Conduct (Code of Conduct for Employees, Code of Conduct for Directors and designated employees). Efficient conduct of business of the company through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks at BCG.*

*Suppliers/Contractors/others are advised to follow the Quality Policy, Whistle Blower Policy and other key policies which form a major attribute maintaining a business relationship with Company.*

How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide details thereof: in about 50 words or so.

*Brightcom Group Limited strongly emphasis on serving its customers with the best quality services. The Company not only believes in delivery of quality services but also believes in on-time service to all its customers. All the Customer complaints which were received have been resolved in adequate time and proposed improvements incorporated into the processes and the Company makes sure that no complaints are pending at the end of the financial year.*

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

*At Brightcom Group, we believe in improving and maintaining ecological balance by monitoring, tracking and controlling environmental impact at our workplaces by adopting sustainable practices and procedures. We shall strive continually to improve our environment, occupational health and safety performance.*

*Being a Company engaged majorly in Service sector and product development, we always encourage as to procure required limited materials from local and small-scale units, because it approachable easily and frequent monitoring can be done in respect of quality and supplies. Our packing material in terms of value is procured from local sources.*

*The Company also believes in proper and efficient waste disposal by giving due weightage to disposal of E-waste/hazardous waste, which is disposed of in an environmentally friendly manner for preservation of the society.*

**Principle 3: Businesses should promote the wellbeing of all employees**

How do we respect and promote the well-being of all our employees?

*Our pro-activeness in setting up a crisis management team, robust business continuity processes, and infrastructure at Brightcom ensured uninterrupted services to our customers while maintaining health and safety of all the employees. Considering well-being of employees, we launched various initiatives where people can seek counsel to their stress, anxieties and fears.*

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

Has the Company mapped its internal and external stakeholders? Yes/No

*Yes, we have mapped our internal and external stakeholders including employees, customer's suppliers, community and regulators.*

*We have supported the local community through our*

*Corporate Social Responsibility and social development activities.*

*We have shared with our Investor & Shareholders, the AGM, Investor Presentations, Investor Calls, Investor Meetings, Investor Communications (e-Mails, Notices, paper adds and BSE & NSE web portals) and Media interviews etc.*

*To our Employees, we have Internal Employee Communications, HR Portal, News Letters, Employee Gatherings, Team Building Activities and other employee engagements activities.*

*Company believes in improved health, education, environment and accordingly has undertaken several programs and initiatives to the disadvantaged, vulnerable and marginalized population living in the local community. To achieve the same, Company has a well-formulated CSR policy. During the year the Company has taken up activities i.e., IT training to graduate freshers in various softwares including Artificial Intelligence, soft skills like communication, client management etc.*

**Principle 5: Businesses should respect and promote human rights**

Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

*BCG acknowledges and respects human rights of all its stakeholders and groups at the workplace. The Company is committed to ensuring that people are always treated with dignity and respect. We have embraced Human Rights virtues in our Human Resources policies including Code of Conduct, Whistle Blower policy, etc. to uphold human rights within our organisation and we continue to make employees aware of human rights-related issues.*

*Human Rights are embedded in various policies of the Company i.e., Code of Conduct, POSH Policy, Whistle Blower Policy, Human Rights Policy, which extends to the employees/resources hired from outsourced agencies and other stakeholders engaging with the Company and the Company is committed to ensuring that people are treated with dignity and respect. We continue to make our contractor, customers, suppliers, etc. aware of human rights-related issues.*

**Principle 6: Business should respect, protect, and make efforts to restore the environment**

Does the policy relate to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/Suppliers/ Contractors/ NGOs/ others?

*It extends only to the Company. However, the Company encourages all its stakeholders ensure the compliance with all governmental laws related to Environment and Health and Safety.*

*The Environmental risk assessment is being done on periodic basis.*

*At present the company does not have any projects of clean development mechanism.*

*During the FY 2022-23, the Company has not received any show cause/ legal notices from CPCB/ SPCB.*

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with? Yes. Company is a member of FTAPCCI

Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes, specify the board areas (drop box: Governance and administration, Economic Reforms, inclusive Development Policies, energy security, water, Food Security, sustainable Business Principles, Others): No

**Principle 8: Businesses should support inclusive growth and equitable development.**

*At BCG, we believe that, irrespective of whether a company is polluting or non-polluting, protection of environment should be the concern of every socially responsible organisation. Each company must take steps to make sustainable use of resources, establish a healthy and safe working environment, maintain ecological balance, take proactive steps to minimise waste generation and preserve environment.*

*During the year under review, Company has spent over the environmental protection and educational infrastructure. The programs have been undertaken by in-house teams. We review our projects on periodic basis to assess the projects against the project deliverables.*

*This information has been provided under CSR Report of the Company which forms a part of this Annual Report.*

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

*Brightcom Group Limited has standard operating procedure to acknowledge, investigate and respond to any product quality related complaints / query. Dedicated investor relations team, complaints handling teams across the group ensure that detailed investigation is performed for all complaints/queries received and appropriate action is taken wherever necessary within the stipulated time frames. We do not have any consumer cases in this financial year.*

*No cases with respect to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years are filed by any stakeholders against the Company and there are nil cases pending as on end of financial year.*

*We undertake customer satisfaction survey through consistent visit/ interaction with the customers.*

## Annual Report on Corporate Social Responsibility (CSR) activities

(Pursuant to Section 135 of the Companies Act, 2013 and Rules made thereunder) As per Regulation 34(2)(f) of the Listing Regulations, 2015

### 1. Brief outline on CSR Policy of the Company:

To actively contribute to the social and economic development of the communities in which we operate and, in the process, build a better, sustainable way of life for the weaker sections of society and to contribute effectively towards inclusive growth and raise the country's human development index.

Our projects mainly focus on Education, Infrastructure development and Environment development. The Board of Directors have adopted a CSR Policy in line with the Section 135 of the Companies Act, 2013.

### 2. Composition of CSR Committee:

The composition of the Committee as at March 31, 2024 is as below:

Name	Position	Category
Ms. K Jayalakshmi Kumari	Chairman	Independent Director
Mr. Surabhi Sinha	Member	Independent Director
Mr. Kallol Sen	Member	Executive Director

### 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The CSR policy of the Company is available on our website [www.brightcomgroup.com](http://www.brightcomgroup.com)

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Financial Year	Amount available for set-off from preceding financial	Amount required to be setoff for the financial year, if any (in Rs)
<b>Not Applicable</b>		

6. Average net profit of the company as per section 135(5): Rs. 656.25 lacs.

7. CSR Requirement:

Sr. No.	Particulars	Amount (Rs. in Lacs)
a	Two percent of average net profit of the company as per Section 135(5)	Rs. 13.13 lacs
b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
c	Amount required to be set off for the financial year, if any	NIL
d	Total CSR obligation for the financial year (7a+7b-7c).	Rs. 13.13 lacs

8. CSR Spend:

a) CSR amount spent or unspent for the financial year:

Total amount spent for the financial year 2022-23	Amount unspent (in Rs.)				
	Total amount transferred to unspent CSR account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
Rs. 13.13 lacs	Not Applicable				

b) Details of CSR amount spent against ongoing projects for the financial year: NA

c) Details of CSR amount spent against other than ongoing projects for the financial year: Rs.13.13 lakhs on Educational and Environmental activities.

d) Amount spent in Administrative Overheads: Nil

e) Amount spent on Impact Assessment, if applicable: NA

f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 13.13 lacs

g) Excess amount for set off, if any: N.A.

Sl.No.	Particulars	Amount(Rs. in lakhs)
i.	Two percent of average net profit of the Company as per section 135(5)	13.13
ii.	Total amount spent for the financial year	13.13
iii.	Excess amount spent for the financial year (i-ii)	NIL
iv.	Surplus arising out of the CSR Projects or programs or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years (iii-iv)	NIL

**9. (a) Details of unspent CSR amount for the preceding three financial years:**

Sl.No.	Preceding financial year	Amount transferred to unspent CSR Account under Section 135(6) (in Rs. lakhs)	Amount spent in the reporting financial year (in Rs lakhs)	Amount transferred to any funds specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs lakhs)
				Name of the fund	Amount in Rs lakhs	Date of Transfer	
<b>Not Applicable</b>							

**b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years:**

Sl.No.	Project Id	Name of the Project	Financial year in which project was commenced	Project duration	Total amount allocated for the project (in Rs)	Amounts spent on the project in the reporting Financial year (in Rs.)	Cumulative amount spent at the end of reporting financial year (in Rs.)	Status of the project-completed/ongoing
<b>Not Applicable</b>								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):** *Not applicable*

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per section 135(5):** *Not applicable*



# **REPORT ON CORPORATE GOVERNANCE**



# REPORT ON CORPORATE GOVERNANCE

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In compliance with Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company sets forth the report on the Corporate Governance on the matters as mentioned in the said schedule and practices followed by the Company.

## **Company's Philosophy on Corporate Governance**

The Company implements and practices the principles of Corporate Governance based on fairness, transparency, integrity, honesty and accountability consistently being followed in all its business practices and dealings.

The Company is committed to observe good governance by focusing on adequate & timely disclosures, transparent & robust accounting policies, strong & independent Board and endeavors to maximize shareholders benefit.

## **BOARD OF DIRECTORS**

### **Composition of the Board**

The Board of Directors has an optimum combination of Executive and Non-Executive Directors and is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulations.

The Chairman of the Board of Directors is an Executive Director.

The Board is primarily responsible for the overall management of the Company's business. The Directors on the Board are from varied fields with wide range of skills and experience. The non-executive directors including Independent Directors bring statutory and wider perspective in the Board's deliberations and decisions.

Every Independent Director, at the first meeting of the Board in which she/he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration under Section 149(7) of the Act that she/he meets the criteria of independence as required under Section 149(6) of the Act and as per Regulation 16(1)(b) of the SEBI (LODR) Regulations.

The Company provides information as set out in Regulation 17 read with Part A of Schedule II of the SEBI (LODR) Regulations to the Board and the Board Committees to the extent applicable.

The Composition of the Board of Directors as on March 31, 2024, with their attendance at the Board Meetings held during the year 2023-24 and at the last Annual General Meeting are as detailed below:

Name of the Director	Category of Directorship	Number of Board meetings attended during the year 2023-24	Attendance at the last AGM held on November 21, 2024	Number of directorships in other public companies #		Number of committee Positions held in this & Other public companies @	
				Director	Chairman	Member	Chairman
Dr. K. Jayalakshmi Kumari DIN: 03423518	Independent & Non-Executive	14	No	1	NIL	9	3
Dr. Surabhi Sinha DIN: 07354441	Independent & Non-Executive	14	No	NIL	NIL	5	2
Mr. Kallol Sen (DIN #00671018)	Additional (Executive) Director	1	No	NIL	NIL	6	2
Mr. Radhakishore Pandrangi (DIN # 06664969)	Independent & Non-Executive	5	No	NIL	NIL	1	0

#excludes directorships in Indian private limited companies, foreign companies, companies under Section 8 of the Companies Act, 2013 and Alternate Directorships.

@ Committees Member column also includes Chairmanship.

Other than on the Board of the Company, which is a listed entity, the following Director is holding directorship in other listed entity as shown below:

Dr. K. Jayalakshmi Kumari – Cambridge Technology Enterprises Limited as an Independent Director.

None of the other directors are related to any other director on the Board.

None of the Directors of the Company are on the Boards of more than Ten Public Companies /overall Twenty Companies (including Private Limited Companies but excluding Companies incorporated outside India and Companies incorporated under Section 8 of the Companies Act, 2013).

There were no shares held by Non-Executive Directors (comprising of only independent directors) as on March 31, 2024.

The Company conducts Familiarization Programme for the Board Members and particularly for Independent Directors to enable them to be familiarized with the company, its management and its operations to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the Company. Details of the familiarization programmes are hosted on [www.brightcomgroup.com](http://www.brightcomgroup.com)

## Board Meetings

The Company convened minimum one Board Meeting in each quarter as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company ensured the gap between two Board Meetings has not exceeded One Hundred and Twenty Days.

The Board of Directors met Fourteen times during the financial year 2023-24.

Sl. No.	Date of Board Meeting	Sl. No.	Date of Board Meeting
1	April 03, 2023	2	April 28, 2023
3	May 30, 2023	4	August 02, 2023
5	August 14, 2023	6	August 27, 2023
7	September 01, 2023	8	September 12, 2023
9	September 22, 2023	10	October 3, 2023
11	November 15, 2023	12	November 23, 2023
13	January 21, 2024	14	February 2, 2024

### Key Board qualifications, skills, expertise and attributes of the Board of Directors of the Company:

The Board has identified the following skills/expertise/ competencies fundamental while nominating candidates to serve on the Board.

- Expertise in Digital Ads, AI, IOT etc.
- Expertise in HR and Legal related matters.
- Sound knowledge of accounting, finance, banking, tax laws etc.
- Experience in developing and implementing good corporate governance practices.
- Quality of leadership, planning, management, risk assessment etc.

The table below summarizes the key qualifications, skills, expertise and attributes of the Board of Directors of the Company:

Name of the Director	Qualifications	Area of expertise and skills
Mr. Kallol Sen	MBA from IIM Calcutta; B.Tech., from IIT, Kharagpur	Expert in AI technology, Internet technology, Gaming, Education, and Media & Entertainment.
Dr. K. Jayalakshmi Kumari	Ph.D. in Social Sciences, M.A. (Economics), M.A. (Political Science), M. Phil., M.Ed.,	Teaching experience in Social Sciences and conducts awareness programs for women's development, entrepreneurship, health camps, community services towards encouragement of economically weaker women
Dr. Surabhi Sinha	Ph.D., in Mathematics from IIT, Kharagpur., M.Sc., (Mathematics)	Mathematics Professor, Expertise in Non-linear Systems, Linear Programming Approaches and Integer Solutions via Goal Programming
Dr. Radhakishore Pandrangi	Ph.D., in Economics from Osmania University M.Phil. in International Relations from JNU, New Dehli MA in Economics from Hyderabad Central University LLB Hons from Osmania University	Dr. Radhakishore Pandrangi, CEO of Oriental Skills and Safety Services Pvt Ltd, has held leadership roles in trade, policy, and government relations, including at the US Commercial Service and CII. He also serves on various boards and actively contributes to social initiatives in Telangana and Andhra Pradesh.

### Independent Directors' Meeting

During the year 2023-24, all the Independent Directors of the Company met separately on February 02, 2024 without the presence of other Directors or Management representatives, to review the performance of the Non-Independent Directors, the Board and the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the Management and the Board.

### Code of Conduct

The Board of Directors of the Company laid Code of Conduct for Directors and senior management personnel. The Code of Conduct is posted on the Company's website [www.brightcomgroup.com](http://www.brightcomgroup.com). All Directors and designated personnel in the senior management affirmed compliance with the Code for the year under review. The declaration to this effect furnished by Mr. Raghunath Allamsetty, Executive Director is annexed to this report.

## BOARD COMMITTEES:

The Company has six Board level Committees, namely Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, and Risk Management Committee.

### I Audit Committee:

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI (LODR) Regulations, 2015 and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with the SEBI (LODR) Regulations, 2015. The responsibilities of the Committee include review of the quarterly and annual financial statements before submission to Board, review and approval of related party transactions, review of compliance of internal control system, overseeing the financial reporting process to ensure transparency, sufficiency, fairness and credibility of financial statements, statement of deviations, if any, etc. The Committee also reviews the functioning of whistle blower & Vigil mechanism.

The Audit Committee investigates the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations, 2015 and provisions of Section 177 of the Act.

The Audit Committee comprises of three non-executive independent directors and one executive director having financial management expertise. The Chairman of the committee is an independent director, elected by the Members of the Committee.

Eight meetings of the Audit Committee were held during the year viz., on April 28, 2023, May 30, 2023, July 8, 2023, August 14, 2023, August 26, 2023, September 7, 2023, November 15, 2023 and February 2, 2024 respectively.

The composition of the Audit Committee and details of their attendance at the meetings as at March 31, 2024 are as follows:

Name	Position	Category	No. of Meetings Attended
Mr. Nilendu Narayan Chakraborty*	Chairman	Independent & Non-Executive Director	6 of 8
Mr. Vijay Kancharla	Member	Executive Director	7 of 8
Dr. K. Jayalakshmi Kumari	Member	Independent & Non-Executive Director	8 of 8
Dr. Surabhi Sinha	Member	Independent & Non-Executive Director	8 of 8

\*Mr. Nilendu Narayan Chakraborty resigned as an Independent Director w.e.f October 20, 2023.

\*\* Mr. Vijay Kancharla resigned as Executive Director w.e.f January 2, 2024..

## II Nomination and Remuneration Committee:

The terms of references of the Nomination & Remuneration Committee includes recommendation to the Board about appointment of directors, remuneration to Managing Director(s) and Executive Director(s), approval of stock options to employees, evaluation of the performance of the Directors and such other functions as may be delegated by the Board, from time to time.

For the year under review, Three meetings of the Committee were held viz., on April 28, 2023, September 17, 2023, and February 2, 2024 respectively.

The composition of the Committee and the attendance details of the members as at March 31, 2024 are given below:

Name	Position	Category	No. of Meetings Attended
Dr. Surabhi Sinha	Chairperson	Independent & Non-Executive Director	3 of 3
Dr. K. Jayalakshmi Kumari	Member	Independent & Non-Executive Director	3 of 3
Mr. Nilendu Narayan Chakraborty	Member	Independent & Non-Executive Director	2 of 3

\*Mr. Nilendu Narayan Chakraborty resigned as an Independent Director w.e.f October 20, 2023.

### Board Evaluation

Pursuant to provisions of The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, annual performance evaluation of the Directors including Chairman, Board and its Committees has been carried out. The Nomination and Remuneration Committee reviews the said Performance Evaluation on an annual basis. The Performance evaluation of Independent Directors was carried out by the entire Board of Directors without participation of the directors who are subject to the evaluation.

### Remuneration of Directors

There was no pecuniary relationship or transaction between the Non-Executive Directors and the company during the financial year 2023-24.

The role of Non-Executive/Independent Directors of the Company is not just restricted to corporate governance or outlook of the Company, but they also bring with them significant professional expertise and rich experience across the wide spectrum of functional areas such as marketing, technology, corporate strategy, legal, finance and other corporate functions. The Company seeks their expert advice on various matters in technology, legal or Intellectual property from time to time.

Payment criteria of non-executive directors are given in the Nomination and Remuneration Policy. The same is displayed in the 'Investor info' section of Company's website [www.brightcomgroup.com](http://www.brightcomgroup.com).

The details of remuneration covering salary and other benefits paid for the year ended March 31, 2024, to the Managing Director and the Whole time Director of the Company and the details of the sitting fee paid to the Non-Executive Directors are as follows:

Name	Remuneration paid (Rs.)	Sitting fee paid during the period ended 31.03.2024 (Rs.)	No. of Shares held as on 31.03.2024
Mr. M. Suresh Kumar Reddy	NIL	0	1,73,02,723
Mr. Vijay Kancharla	NIL	0	53,93,295
Dr. K. Jayalakshmi Kumari	NIL	2,30,000	NIL
Dr. Surabhi Sinha	NIL	2,20,000	NIL
Mr. Peshwa Acharya	NIL	1,10,0000	NIL
Mr. Nilendu Narayan Chakraborty	NIL	1,60,000	NIL
Dr. Radhakishore Pandrangi	NIL	50,000	NIL
Ms. Meghana Musunuri	NIL	20,000	NIL
Mr. Kallol Sen	NIL	0	NIL

\*Mr. M Suresh Kumar Reddy, Chairman & Managing Director of the Company have resigned wef August 27, 2023.

\*\*Mr. Peshwa Acharya (DIN #06558712), resigned as Non-Executive Director w.e.f December 25, 2023.

\*\*\*Mr. Vijay Kancharla (DIN # 02744217), resigned as Executive Director w.e.ef January 2, 2024.

\*\*\*\*Ms. Meghana Musunuri (DIN # 10462366) resigned as an Independent Director w.e.f March 19, 2024.

\*\*\*\*\* Mr. Nilendu Narayan Chakraborty (DIN # 07505277) resigned as Independent Director w.e.f. October 20, 2023



### III Stakeholders Relationship Committee:

The Committee deals with the noting transfer/transmission of shares, review of dematerialized/rematerialized shares and all other related matters to shares.

The Chairperson of the Committee Dr. Surabhi Sinha is an Independent & Non-Executive Director.

Two meeting of the Stakeholders Relationship Committee were held viz., on May 30, 2023, and February 2, 2024 respectively.

The composition of the Committee and the attendance details of the members as at March 31, 2024 are given below:

Name	Position	Category	No. of Meetings Attended
Dr. Surabhi Sinha	Chairperson	Independent & Non-Executive Director	2 of 2
Dr. K. Jayalakshmi Kumari	Member	Independent & Non-Executive Director	2 of 2
Mr. M. Suresh Kumar Reddy	Member	Executive Director	1 of 2

\*Mr. M Suresh Kumar Reddy, Chairman & Managing Director of the Company has resigned wef August 27, 2023.

The Company had unresolved compliants to the tune of 25 compliants and received 22 complaints during the year under review ; all complaints were resolved and NIL complaints were pending at the close of the financial year.

To facilitate faster redressal of investors 'grievances the Company has created an exclusive email-address "ir@brightcomgroup.com". Investors and shareholders may lodge their query/complaints addressed to this email id which are attended to immediately.

#### SCORES:

Securities Exchange Board of India (SEBI) has initiated a platform for redressing the investor grievances through SCORES, a web-based complaints redressal system. The system processes complaints in a centralized web based mechanism. The company is in compliance with this system.

#### IV Corporate Social Responsibility Committee:

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The Committee has been constituted with the following terms of reference:

- Formulate and recommend to the Board a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Attend to such other matters and functions as may be prescribed from time to time.

The CSR policy of the Company is available on our website [www.brightcomgroup.com](http://www.brightcomgroup.com).

The composition of the Committee as at March 31, 2024 is as below:

Name	Position	Category
Dr. K. Jayalakshmi Kumari	Chairman	Independent & Non-Executive Director
Mr. Vijay Kancharla	Member	Executive Director
Mr. M. Suresh Kumar Reddy	Member	Executive Director

\*Mr. M Suresh Kumar Reddy, Chairman & Managing Director of the Company has resigned w.e.f August 27, 2023.

\*\*\*Mr. Vijay Kancharla (DIN # 02744217), resigned as Executive Director w.e.f January 2, 2024.

For the year under review, the CSR provisions are applicable to the Company and the detailed CSR report forms a part of Board's Report to this Annual Report.

#### V. Risk Management Committee:

The Risk Management Committee was formed on September 16, 2021 and met twice during the year under review. The composition of the Committee is as below:

Name	Position	Category
Mr. Vijay Kancharla	Chairman	Executive Director
Dr. K. Jayalakshmi Kumari	Member	Independent & Non-Executive Director
Dr. Surabhi Sinha	Member	Independent & Non-Executive Director

\*\*\*Mr. Vijay Kancharla (DIN # 02744217), resigned as Executive Director w.e.f January 2, 2024.

## VI. General Body Meetings

### Location and time of last three Annual General Meetings

The details of location and time of last three Annual General Meetings are as detailed below:

Financial Year	Date & Time	Location	Special Resolution Passed
2022-23	November 21, 2024 at 11.00 a.m.	Video Conferencing (VC) facility/ Other Audio-Visual Means ("OAVM")	Five Resolutions were passed.
2021-22	September 30, 2022 11:00 a.m.	Video Conferencing (VC) facility/ Other Audio-Visual Means ("OAVM")	NIL
2020-21	December 31, 2021 11:00 a.m.	Video Conferencing (VC) facility/ Other Audio-Visual Means ("OAVM")	Issue of Equity Shares on a preferential basis

All the special resolutions were passed with requisite majority by e-voting.

**The details of location and time of Extra-ordinary General Meeting are as detailed below: NIL**

**Details of resolution(s) passed through postal ballot during Financial Year 2023-24 and details of the voting pattern: NIL**

## VII Means of Communication

The quarterly, half-yearly and annual financial results are sent to the Stock Exchanges immediately after the Board approves the same. These results are published in English newspaper and vernacular newspaper shortly after its submission to the Stock Exchanges. The results along with presentations made by the Company to Analysts are also posted on the website of the Company viz. [www.brightcomgroup.com](http://www.brightcomgroup.com). The Company's website also displays all official news releases from time to time. The Company organizes investor conference calls to discuss its financial results every quarter where investor queries are answered by the Management of the Company.

The Company's website [www.brightcomgroup.com](http://www.brightcomgroup.com) contains a separate dedicated section 'Investor Info' where shareholders information is available. Full text of Annual Report is also available on the website in a user friendly and downloadable format as per the requirement of the SEBI (LODR) Regulations, 2015.

## CERTIFICATE BY PRACTICING COMPANY SECRETARY

The Company has received certificate from Saurabh Poddar ,Practicing Company Secretary (10787) confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate of Affairs or any such authority. The certificate forms part of this Annual Report.

### General Shareholder Information:

i.	Annual General Meeting (Day, Date, Time and Venue):	25th Annual General Meeting of the Company is scheduled to be held on Friday, the February 7, 2025 at 11:30 a.m.  The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated December 28, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
ii.	Financial Year:	April 01 to March 31. The results of every quarter beginning from April are declared within the time specified under the provisions of SEBI (LODR) Regulations, 2015.
iii.	Dividend Payment Date	Dividend not declared
iv.	Date of Book Closure:	Friday, January 31, 2025 to Friday, February 7, 2025, (Both days inclusive).
v.	Listing on stock exchanges:	BSE Limited & National Stock Exchange of India Limited – Annual listing fee has been duly paid to the Stock Exchanges.
vi.	Stock codes:	BSE – Scrip Code: 532368; Scrip Id: BCG NSE – Symbol: BCG
vii.	Company's ISIN:	INE425B01027

### VIII Market price data

The monthly high and low stock quotations during the reporting financial year in BSE Limited and National Stock Exchange of India Limited are given below:

Month	BSE Limited		National Stock Exchange of India Ltd.	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
Apr-23	19.51	9.27	14.8	13.55
May-23	18.7	9.35	17.4	16.35
Jun-23	36.82	19.17	21.1	18.3
Jul-23	33.07	23.14	17	15.9
Aug-23	26.73	16.92	16.9	16.15
Sep-23	21.29	12.65	16.6	16
Oct-23	19.39	14.5	19.5	18.5
Nov-23	17.98	15.91	17	17
Dec-23	22.97	16.6	25.05	25.05
Jan-24	21.99	17.48	31.2	30.15
Feb-24	20.84	16.36	18.7	17.4
Mar-24	19.84	13.58	9.75	9.35

## IX Registrars and Transfer Agents

AARTHI CONSULTANTS PRIVATE LIMITED, (Unit: Brightcom Group Limited)

1-2-285, Domalguda, Hyderabad - 500 029.

Phone : +91-40-27634445, 27638111, 27642217, 66611921; Fax : +91-40-27632184,

Email : [info@arthiconsultants.com](mailto:info@arthiconsultants.com); [arthiconsultants@gmail.com](mailto:arthiconsultants@gmail.com)

Website: [www.arthiconsultants.com](http://www.arthiconsultants.com)

### Share transfer system

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

Company's share transfer and related operations is operated through its Registrar and Share Transfer Agent M/s. Arthi Consultants Private Limited, Hyderabad.

### ix. Distribution of Shareholding as on March 31, 2024

Nominal Value of Shareholding (in Rs.)	No. of Shareholders	Percentage	No. of Shares	Percentage
Upto 5000	6,40,157	95.00	33,47,11,433	16.58
5001 - 10000	16,649	2.47	12,18,97,360	6.04
10001 - 20000	8,715	1.29	12,35,31,527	6.12
20001 - 30000	2,990	0.44	7,34,58,613	3.64
30001 - 40000	1,402	0.21	4,88,91,822	2.42
40001 - 50000	947	0.14	4,32,86,100	2.14
50001 - 100000	1,635	0.24	11,53,57,205	5.71
100000 & Above	1,385	0.21	1,15,73,87,813	57.34
<b>TOTAL</b>	<b>6,73,880</b>	<b>100</b>	<b>2,01,85,21,873</b>	<b>100</b>

## Categories of Shareholding as on March 31, 2024:

Sl. No.	Category	No. of Shares held	% of shareholding
1	Promoter (s) / Promoter Group	37,09,93,848	18.38
2	Key Managerial Personnel	3,458	0.00
3	Mutual Funds	30,69,298	0.15
4	Foreign Portfolio Investor	21,53,31,015	10.67
5	Bodies Corporate	4,05,62,116	2.01
6	Government Companies	0	0.00
7	Non Resident Individuals	14,15,75,875	7.01
8	Trusts	2,533	0.00
9	Clearing Members	18,543	0.00
10	Foreign Depositories	0	0.00
11	Employees	0	0.00
12	Overseas Corporate Bodies	6,00,000	0.03
13	General Public	1,24,63,23,687	61.74
14	NBFCs Registered with RBI	41,500	0.00
15	Alternative Investment Funds	0	0.00
	<b>GRAND TOTAL</b>	<b>2,01,85,21,873</b>	<b>100</b>

### XI. Dematerialization of shares:

The Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to handle dematerialization of shares.

As on March 31, 2024 a total of 2,01,62,86,707 equity shares which form 99.89% of the share capital stands dematerialized.

Your Company confirms that the entire Promoter's holdings are in electronic form and the same is in line with the directions issued by SEBI. The equity shares of the Company are regularly traded in BSE and NSE and hence have good liquidity.

### iXII. Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments

The Company has not issued Global Depository Receipts or American Depository Receipts or any Convertible instruments during the year under review.

### iXIII. Commodity Price Risk/ Foreign Exchange Risk and Hedging

The Company did not engage in hedging activities.

### XIV. Plant Location :

In view of the nature of the Company's business viz. Digital Marketing, Information Technology (IT) Services and IT Enabled Services, the Company operates from various offices in India & Abroad and does not have any manufacturing plant.

## XV. Address for Correspondence:

Company	Registrars and Transfer Agent
Investor Relations Brightcom Group Limited Floor: 5, Fairfield by Marriott, Road No: 2, Nanakramguda, Gachibowli, Hyderabad – 500032, Telangana, India. Tel: +91 40 67449910 fax: +91 22 66459677 Email: ir@brightcomgroup.co m; Website: www.brightcomgroup.com	Aarthi Consultants Private Limited (Unit: Brightcom Group Limited) 1-2-285, Domalguda, Hyderabad - 500 029. Phone : +91-40-27634445, 27638111, 27642217, 66611921 Fax : +91-40- 27632184, Email: info@arthiconsultants.com; ar thiconsultants@gmail.com

### Disclosures

(i) During the financial year ended March 31, 2024, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

(ii) The Company has formulated and adopted formal Whistle Blower Policy/vigil mechanism and the same is hosted on the Company's Web site and no concerned person has been denied access to the Audit Committee.

(iii) The Company has framed a Material Subsidiary Policy and the same is placed on the Investors section of Company's website [www.brightcomgroup.com](http://www.brightcomgroup.com).

(iv) The company has framed Related Party Transaction Policy and is placed on the Investors section of Company's website [www.brightcomgroup.com](http://www.brightcomgroup.com).

(v) The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India ('ICAI') which are notified by the Ministry of Corporate Affairs ('MCA') in the preparation of financial statements.

(vi) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the financial year ended March 31, 2024, the Company has not received any complaints pertaining to Sexual Harassment.

(vii) The Company has complied with all the applicable mandatory requirements of the Corporate Governance and has complied with the following non-mandatory requirements as prescribed in the listing regulations:

- Since the Company does not have a Non-Executive Chairman, it does not maintain such office.
- During the year under review, there are audit qualifications on the Company's financial statements.

(viii) The Company has complied with all the mandatory clauses of corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of the regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the date of its applicability.



## **Declaration of compliance with the Code of Conduct**

Il hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2024.

**By order of the Board  
For Brightcom Group Limited**

Date: 10-01-2025  
Place: Hyderabad

**Sd/-**

**Raghunath Allamsetty**  
Executive Director  
DIN # 00060018

# COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17 (8) of the SEBI (LODR) Regulations, 2015)

To  
The Board of Directors  
**BRIGHTCOM GROUP LIMITED**  
(formerly Lycos Internet Limited)

We, the undersigned, in our respective capacities as Executive Director of BRIGHTCOM GROUP LIMITED (formerly Lycos Internet Limited) ("the Company"), to the best of our knowledge and belief certify that:

- (A) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2024, and based on our knowledge and belief, we state that:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- (C) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- (i) significant changes, if any, in the internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**By order of the Board  
For Brightcom Group Limited**

Date: 10-01-2025  
Place: Hyderabad

Sd/-

**Raghunath Allamsetty**  
Executive Director  
DIN # 00060018

# **CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members of  
**Brightcom Group Limited**

I, Saurabh Poddar, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting by the Board of Directors of **M/s. Brightcom Group Limited** (hereinafter referred to as 'the Company'), having CIN:- L64203TG1999PLC030996 and having its registered office at Floor 5, Fairfield by Marriott, Road No.2, Nanakramguda, Gachibowli, Hyderabad - 500032.

I, have examined the compliance of conditions of Corporate Governance by **Brightcom Group Limited** ("the Company"), for the year ended March 31, 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

## **Management's Responsibility**

The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

## **Auditors' Responsibility**

1. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2024.
3. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Company Secretaries of India (the "ICSI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICSI.

## **Certification:**

4. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Regulations, except in one case which we qualify below :-

As per Regulation 24(1) of The Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations 2015, which states that "at least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary, whether incorporated in India or not."

*During the period under review the company has not appointed an independent Director on the Board of its material subsidiaries. Ms. Surabhi Sinha , Independent Director was appointed as Director in Dream Ad – Argentina and Online Media Solutions Limited, Israel on the 28th April 2023. Dr. Jayalakshmi Kanukollu Independent Director was appointed as Director in Frontier Data Management Inc. USA. on the 28th April 2023. The matter for appointment of independent directors to the board of the material subsidiaries have been intimated to the Stock exchange's on that date.*

## **Assumption & Limitation of Scope and Review:**

1. Ensuring the authenticity of documents and information furnished is the responsibility of the management of the Company.
2. Our responsibility is to give a certificate based on our examination of relevant documents and information. It is neither an audit nor an investigation.
3. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
4. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For M/s. Saurabh Poddar & Associates  
Company Secretaries  
FIRM UIN: S2012AP177700**

Date: 10-01-2025  
Place: Hyderabad

**Name: Saurabh Poddar**  
Membership No: FCS 9190  
COP No: 10787  
PR : 785/2020 dated 30th June 2020  
UDIN: F009190F003662917

# **Certificate of Non-Disqualification of Directors**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i)  
of the SEBI LODR Regulations)

To  
The Members of  
**Brightcom Group Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from Brightcom Group Limited having CIN: L64203TG1999PLC030996 and having registered office at Floor 5, Fairfield by Marriott, Road No.2, Nanakramguda, Gachibowli, Hyderabad - 500032 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr Muthukuru Suresh Kumar Reddy	00140515	26/06/2012
2.	Mr Vijay Kancharla	02744217	26/06/2012
3.	Mr Peshwa Acharya	06558712	15/09/2020
4.	Dr. Jayalakshmi Kumari Kanukollu	03423518	17/05/2016
5.	Dr. Surabhi Sinha	07354441	13/02/2018
6.	Mr Nilendu Narayan Chakraborty	07505277	09/12/2021
7.	Mr. Radhakishore Pandrangi	06664969	22/09/2023
8.	Ms. Meghana Musunuri	10462366	21/01/2024
9.	Mr. Kallol Sen	00671018	2/2/2024

\*Mr. M Suresh Kumar Reddy, Chairman & Managing Director of the Company have resigned wef August 27, 2023.

\*\*Mr. Peshwa Acharya (DIN #06558712), resigned as Non-Executive Director w.e.f December 25, 2023.

\*\*\*Mr. Vijay Kancharla (DIN # 02744217), resigned as Executive Director w.e.f January 2, 2024.

\*\*\*\*Ms. Meghana Musunuri (DIN # 10462366) resigned as an Independent w.e.f March 19, 2024.

\*\*\*\*\* Mr. Nilendu Narayan Chakraborty (DIN # 07505277) resigned as Independent Director w.e.f. October 20, 2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s. Saurabh Poddar & Associates  
Company Secretaries  
FIRM UIN: S2012AP177700**

Date: 24-10-2024  
Place: Hyderabad

**Name: Saurabh Poddar**  
Membership No: FCS 9190  
COP No: 10787  
PR : 785/2020 dated 30th June 2020  
UDIN:F009190F003662941



# **STANDALONE FINANCIAL STATEMENTS**



# INDEPENDENT AUDITOR'S REPORT

**To**  
**the Members of**  
**BRIGHTCOM GROUP LIMITED**

## **Report on the Standalone Ind AS Financial Statements**

### **Qualified Opinion**

We have audited the accompanying standalone financial statements of M/s. Brightcom Group Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Group as at March 31, 2024, its Profit including other comprehensive income, changes in Equity and its cash flows for the year then ended.

### **Basis for Qualified Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs).

*Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report.*

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

1) We cannot confirm the opening and closing balances as they are subject to change. SEBI vide its letter dated 13.04.2023 has ordered company to undertake examination of its financial statements for the period 2014-15 to 2021-22 by a peer-reviewed Chartered Accountant, to ensure that the same are in compliance with all the applicable accounting standards and submit the statement of impact of all the non-compliances. To this extent the current year's opening balances and consequent effect on the closing balances thereof are subject to the verification and confirmation by the peer review auditor. (Refer SEBI Order No WTM/ASB/CFID/\_4/25730/2023-24 point no 177(b))

2) The company's revenue is predominantly derived from its foreign branch in the USA, which represents a significant part of its financial performance. To ensure this accuracy we have relied on the financial statements of the foreign branch in the USA which have been confirmed by their Certified Public Accountant (CPA).

1) Considering the SEBI's Interim order cum show-cause notice dated 13th April, 2023 we have made the following observations:

a) As referred in Point No. 72, the company's investment in Ybrant Media Acquisition Inc, one of the subsidiaries of the company has negative equity/net worth indicating the existence of an indicator of impairment. But the company has neither impaired nor created any provision against the value of Investments in Ybrant Media Acquisition Inc.

b) As referred in Point No. 177[d], "the company" has to appoint at least one independent director on its board of directors as a director on the board of directors of each of its material subsidiaries within fifteen days of the date of its order.

c) As referred in Point No. 177[e] "the company" has to disseminate the standalone financial statements of each of its subsidiaries on its website, for the period between FY 2014-15 and FY 2021-22.

d) The opening balances of Investments, receivables and payables with related to subsidiaries in standalone financial statements are subject to the confirmation of peer review auditor and due to its consequent effect, the closing balances thereof are also subject to variation.

e) The promoters shareholding is based on available information and may change, as the company has appealed against SEBI's interim order dated 22nd August 2023 and subsequent confirmatory order dated 28th February 2024. The proceedings are ongoing.

a) "The company" has still not made any provision for impairment of investments of Rs.16,886.81 lakhs made in M/s Vuchi Media Private Limited despite the fact that the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into.

And also 1,40,70,000 equity shares allotted to M/s Vuchi Media Private Limited are pending for cancellation subject to the legal process completion.

1) SEBI has issued a show-cause notice and an interim order dated 13-04-2023, observing certain irregularities, followed by interim order dated 22-08-2023 and confirmatory order dated 28-02-2024. The company preferred appeals against the show-cause notice dated 13-04-2023 and interim order dated 22-08-2023, vide appeal nos. 941 of 2023, 942 of 2023 this appeal has been withdrawn subsequent to the issuance of Confirmatory Order on 28-02-2024 and appeal No. 474 of 2024 has been filed before the Hon'ble Securities Appellate Tribunal and the proceedings are ongoing with respect to Appeal No.'s 941 of 2023 and 474 of 2024. We are not able to express an opinion on the issues covered by the said show-cause notice and interim orders, due to lis-pendency. The management of the company is yet to report the status of the compliance of the directions issued by SEBI in the confirmatory orders dated 29-02-2024.

### **Emphasis of Matter Paragraph**

1. With respect to Income Tax the company has certain appeals pending with the authorities, the outcome of which is not ascertained as on the date of Balance Sheet.
2. The standalone Ind AS financial statements of the company for the previous financial year i.e., for the year ended 31.03.2023 have been audited by predecessor auditor. The figures as at 31.03.2023 are subject to variation in view of the SEBI's observations/directions and consequent effect on the closing balances thereof as at 31.03.2024.
3. Bank balances were verified to the extent of bank statements and balances confirmations provided to us.

**Our opinion is not modified in respect of above matters.**

### **Information Other than the Standalone Financial Statements and Auditor's Report thereon**

The "Company's" Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and

other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material
- uncertainty exists related to events or conditions that may cast a significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in: (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safe guards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and except for the matters described in the Basis for Qualified Opinion Section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the accompanying financial statements.

b) Except for the possible effects of the matter described in the Basis for Qualified Opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) Except for the possible effects of the matter described in the Basis for Qualified Opinion, the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account; as per Companies (Audit and Auditors) Rules, 2014 as amended.

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion Section.

g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B". Our report expresses Qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended; In our opinion and to the best of our information and according to the explanations given to us, during the year, the Company has not paid / provided remuneration.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the pending litigations which would have impact on its standalone financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2024.

iii. Based on our examination, we have identified the following non-compliances with the relevant laws and regulations:

· The company has not declared any dividend during the year.

· The Company has not transferred the unclaimed dividend amount to the Investor Education and Protection Fund even after seven years.

i. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities

entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations in sub-clause (iv) and (v) above contain any material misstatement.

d) Total dividend of Rs. 3,402.28 lakhs is pending for payment which pertains to various financial years (Refer Notes to the Financial statements)

i. The company does not maintain an audit trail and edit-log system as per MCA Guidelines.

#### **Other Matters**

The financial statements of the company for the previous financial year i.e., for the year March 31, 2023 were audited by the predecessor auditors, P Murali & Co, Chartered Accountants, have expressed a qualified opinion vide audit report dated May 20, 2023.

**For P R Chandra & Co**  
**Chartered Accountants**  
**Firm Registration No: 018985S**

Place: Hyderabad  
Date: 09-01-2025

**CA Bandi Poorna Sai Kumar**  
**Partner**  
**Membership No. 244881**  
**UDIN: 25244881BMKZMW3827**



## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BRIGHTCOM GROUP LIMITED of even date.

i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment (PPE).

b) The company is maintaining proper records showing full particulars of intangible assets.

c) According to the information and explanations given to us and on the basis of our examination of records of the Company, PPE have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

d) According to the information and explanations given to us and on the basis of examination of records, title deeds of immovable properties are held in the name of the company.

e) According to the information and explanations given to us and on the basis of our examination of records, the company has not revalued the Property Plant and Equipment or intangible assets during the period under review.

f) No proceedings have been initiated during the year or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. a) The Company is in the business of providing software development and digital marketing services. So, the Company does not hold any physical inventory.

b) The company has not availed any working capital from banks/ Financial Institutions.

iii. a. The company has not made Investments in, provided any guarantee or security to companies, firms, LLP or any other parties.

b. The Company has granted advances to wholly owned subsidiary companies and the balance outstanding as on balance sheet date is Rs.40,279.99 Lakhs with respect to such advances. In the absence of proper information, we are unable to comment whether these advances given are advances in the nature loan or regular in the course of business advance.

iv. The company has not granted any loans to the parties covered under section 185 and 186 of the Companies Act, 2013. The Company has complied with the provisions of Section 185 and 186 of the Act in respect of Investments made by the Company and providing guarantees and securities. (Refer notes to financial statements). However, company has granted advances to two of its wholly owned subsidiaries in respect of which, we are unable to comment whether those advances given are advances in the nature of loan or regular in the course of business advance.

v. As informed to us, the Company has not accepted any deposits during the year from the public within the meaning of the provisions of section 73 of "the Act" and hence directives issued by the reserve bank of India and the provisions of section 73 to 76 or any other relevant provisions of "the Act" the Rules framed there under are not applicable to the Company at present.



vi. As informed to us, the maintenance of Cost Records have not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

vii. According to the information and explanations given to us and based on the records of "the Company" examined by us, "the Company" is regular in depositing the undisputed statutory dues except Income Tax and TDS which is overdue for a period of more than six months, with the appropriate authorities in India.

Name of Statute	Nature of Dues	Outstanding Amount
Income Tax Department	Self-Assessment Tax	715.56
Income Tax Department	TDS Payable	1071.02

(b) According to the information and explanations given to us and based on the records of "the Company" examined by us, there are statutory dues which have not been deposited on account of disputes as below as on March 31st 2024.

Name of the Statute	Year Pertaing to	Forum where it is pending	Amount Involved
Service Yax	Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	1,460.05
Service Tax	Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	413.23
Service Tax	Liability for the period April 2014 to June 2017.	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	6,487.35
GST	Liability for the period July 2017 to March 2021.	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	3,287.09
Income Tax	Liability for the A.Y.2006-07 to A.Y. 2009-10.	CIT(Appeals) / ITAT	835.02
Income Tax	Liability for the A.Y.2010-11 to A.Y. 2013-14.	CIT(Appeals)/ ITAT	3,889.14
Income Tax	Liability for the A.Y.2014-2015 to A.Y. 2020-22.	CIT(Appeals)/ ITAT	8,687.92

viii. As per the information and explanation given to us, there are no instances where the company has surrendered or disclosed such transactions as income during the year ended 31st March, 2024 in the tax assessments under the income tax Act, 1961.

ix. According to the information and explanations given to us, the company has not availed any loan from financial institutions or banks or issued debentures as at Balance Sheet date.

ix. a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year ended 31st March, 2024.

(b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year ended 31st March, 2024.

x. a) Based on examination of books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

xi. a) Based on examination of books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in form ADT- 4 as prescribed under rule 13 of the companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) In the absence of information provided by the management, we are unable to comment whether whistleblower mechanism has been established in accordance with requirements of the companies act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as to whether any whistleblower complaints have been received during the year by the company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it.

ixiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

ixiv. a) The company does not have internal audit system that commensurate with the size and nature of its business.

b) We have not received internal audit reports from the management for the year under audit i.e., FY 2023-24.

xv. As per the information and explanation given to us and in our opinion during the year "the company" has not entered into any non-cash transactions with its directors or persons connected to its directors.

xvi. a) The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934.

b) The company has not conducted any Non-Banking Financial or Housing Finance activities.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended).

xvii. The company has not incurred any cash losses during the current year and in the immediately preceding financial year, subject to adjustment if any, which may arise out of the SEBI Interim Order as referred to the Basis for Qualified opinion.

ixviii. There has been resignation of the statutory auditors of the Company during the Year. No issues, objections or concerns were raised by the outgoing auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, based on the knowledge of the Board of Directors' and management plans (Refer to Notes to the financial statement), The standalone financial statements of the company are prepared under the assumption of going concern.

xx. a) Details of Amount spent towards CSR, if any, has not been provided to us.

b) In the absence of information as above, we are not able to comment on unspent amount in respect of amount to be transferred in case of ongoing and other than ongoing projects.

**For P R Chandra & Co**  
**Chartered Accountants**  
**Firm Registration No: 018985S**

**Place: Hyderabad**  
**Date: 09-01-2025**

**CA Bandi Poorna Sai Kumar**  
**Partner, Membership No. 244881**  
**UDIN: 25244881BMKZMW3827**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of BRIGHTCOM GROUP LIMITED of even date

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) Of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of BRIGHTCOM GROUP LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion and the company's Internal Financial Control system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that

- 1) Pertain to the maintenance of records that, in reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted principles, and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitation of Internal Financial Controls over Financial Reporting**

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Qualified Opinion**

In our opinion, the company does not have adequate Internal Financial Control Systems over financial reporting and such systems were not operating effectively as at March 31st, 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P R Chandra & Co**  
**Chartered Accountants**  
**Firm Registration No: 018985S**

Place: Hyderabad  
Date: 09-01-2025

**CA Bandi Poorna Sai Kumar**  
**Partner, Membership No. 244881**  
**UDIN:25244881BMKZMW3827**

Brightcom Group Limited			
Balance Sheet as at 31st March '2024			
Amount in Inr Lakhs except No. of Shares And EPS			
Particulars	Note	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	55.44	57.94
Capital work in Progress	3	-	-
Investment property	4	21.95	21.95
Other intangible assets	3	-	-
Intangible assets under development	3	-	-
<b>Financial assets</b>			
- Investments	5	67,775.49	67,775.49
- Loans	6	20.66	19.91
- Others financial assets	7	164.45	164.45
Deferred tax assets (net)	8	-	-
Non- Current tax assets (net)	9	68.37	51.93
Other non-current assets	-	-	-
<b>Total Non-current assets</b>		<b>68,106.36</b>	<b>68,091.67</b>
<b>Current assets</b>			
<b>Financial assets</b>			
- Trade receivables	10	22,885.43	20,876.40
- Cash and cash equivalents	11	24.03	96.52
- Other bank balances	12	52.85	59.46
- Loans	13	85,719.23	85,380.08
- Other Financial Assets	14	67.23	57.36
Other current assets	15	5,943.08	5,441.29
<b>Total Current assets</b>		<b>1,14,691.85</b>	<b>1,11,911.11</b>
<b>Total assets</b>		<b>1,82,798.21</b>	<b>1,80,002.78</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	16	40,370.44	40,370.44
Other equity	17	1,17,222.42	1,17,068.85
<b>Total Equity</b>		<b>1,57,592.86</b>	<b>1,57,439.29</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	18	10,989.38	10,837.79
Other long term liabilities			
Provisions	19	457.13	486.81
Deferred tax liability (net)	8	7.25	56.79
<b>Total Non-current liabilities</b>		<b>11,453.76</b>	<b>11,381.39</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings			
- Trade payables	20	6,373.69	3,710.90
(A) Total outstanding dues of Micro enterprises and Small Enterprises			
(B) Total outstanding dues of creditors other than micro and small enterprises.			
(iii) Other financial liabilities (other than those specified in item (c) below)			
(C)thers financial liabilities	21	104.25	109.37
Other current liabilities	22	5,159.53	4,967.99
Provisions	23	2,114.12	2,393.85
<b>Total Current liabilities</b>		<b>13,751.59</b>	<b>11,182.11</b>
<b>Total equity and liabilities</b>		<b>1,82,798.21</b>	<b>1,80,002.78</b>
<b>Notes forming part of Standalone financial statements</b>			
<b>AS PER OUR REPORT OF EVEN DATE</b>			
The accompanying notes from 1 to 54 form an integral part of the standalone financial statements.			
<b>AS PER OUR REPORT OF EVEN DATE</b>			
For P R Chandra & Co., Chartered Accountants ERN:018985S		For and on behalf of the Board Brightcom Group Limited	
Bandi Poorna Sai Kumar Partner M.No.244881 UDIN: Place : Hyderabad Date : 09-01-2025	Raghunath A Executive Director DIN: 00060018	PV Subba Rao Director DIN: 10844145	



**Brightcom Group Limited**

**Statement of Profit and Loss for the year ended 31st March'2024**

Amount in Inr Lakhs except No. of Shares And EPS

Particulars	Note	For the period ended	For the period
		31st March'2024	31st March'2023
		Rupees	Rupees
<b>REVENUE</b>			
I. Revenue from operations	24	46,603.02	43,391.27
II. Other income	25	412.44	353.02
<b>III. Total revenue (I+II)</b>		<b>47,015.46</b>	<b>43,744.29</b>
<b>IV. EXPENSES</b>			
Cost of Revenue	26	37,239.63	33,655.07
Employee Benefit expenses	27	4,454.76	4,394.51
Other Expenses	28	5,180.06	4,227.00
Financial costs	29	29.60	40.47
Depreciation and amortization expense	3	11.23	6.78
<b>Total expenses (IV)</b>		<b>46,915.28</b>	<b>42,324.29</b>
<b>V. Profit/(loss) before tax (III-IV)</b>		<b>100.18</b>	<b>1,420.00</b>
<b>VI. Tax expense</b>			
Current tax		35.01	496.20
Deferred tax		(49.54)	(10.10)
<b>VII. Profit/(loss) for the period (V-VI)</b>		<b>114.71</b>	<b>933.90</b>
<b>VIII. Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan(net of tax)		12.03	7.14
Exchange difference in translation of foreign operatins		26.82	529.93
<b>IX. Total comprehensive income for the period (VII+VIII)</b>		<b>153.56</b>	<b>1,470.97</b>
Earnings per share			
a) Basic (in Rs.)		0.006	0.046
b) Diluted (in Rs.)		0.006	0.046

**Notes forming part of Standalone financial statements**

**AS PER OUR REPORT OF EVEN DATE**

The accompanying notes from 1 to 54 form an integral part of the standalone financial statements.

For P R Chandra & Co.,  
Chartered Accountants  
FRN:018985S

For and on behalf of the Board  
Brightcom Group Limited

Bandi Poorna Sai Kumar  
Partner  
M.No.244881  
UDIN:

Raghunath A  
Executive Director  
DIN: 00060018

PV Subba Rao  
Director  
DIN: 10844145

Place : Hyderabad  
Date : 09-01-2025

Statement of Changes in Equity for the period ended 31st Mar 2024

A. Equity Share Capital

	Amount in Lakhs	
	Balance As at 1st April 2023	Balance as at 31st March 2024
Balance As at 1st April 2023	40,370.44	40,370.44
Changes in equity share capital during the year	-	-
<b>Balance As at 1st April 2022</b>	<b>40,358.44</b>	<b>40,370.44</b>
Balance As at 1st April 2022	40,358.44	40,370.44
Changes in equity share capital during the year	12.00	-
<b>Balance As at 31st March 2023</b>	<b>40,370.44</b>	<b>40,370.44</b>

B. Other Equity

	Amount in Lakhs										
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities premium reserve	General reserve	Reserves and Surplus Surplus in statement of P&L	Foreign currency translation reserve	Items of Other Comprehensive Income Actuarial Gain/(Loss)	Money received against share warrants	Money received against share warrants	Total Rupees
<b>Balance at the beginning of the reporting period as at 1st April 2023</b>			41,678.12	72,865.43	398.17	1,586.07	540.53	0.53	-	-	1,17,068.85
Changes in accounting policy or prior period errors											
Restated balance at the beginning of the reporting period			41,678.12	72,865.43	398.17	1,586.07	540.53	0.53	-	-	1,17,068.85
Total			41,678.12	72,865.43	398.17	1,586.07	26.82	12.03	-	-	153.58
Comprehensive Income for the year						114.72					
Dividends (including Dividend tax)											
Transfer to General Reserve											
Transfer to retained earnings											
add during the year											
<b>Balance at the end of the reporting period 31st March 2024</b>			41,678.12	72,865.43	398.17	1,700.79	567.35	12.56			1,17,222.42

B. Other Equity

	Amount in Lakhs										
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities premium reserve	General reserve	Reserves and Surplus Surplus in statement of P&L	Foreign currency translation reserve	Items of Other Comprehensive Income Actuarial Gain/(Loss)	Money received against share warrants	Money received against share warrants	Total Rupees
<b>Balance at the beginning of the reporting period as at 1st April 2022</b>			41,678.12	72,851.23	398.17	6,498.80	10.60	0.53			1,21,637.44
Changes in accounting policy or prior period errors											
Restated balance at the beginning of the reporting period			41,678.12	72,851.23	398.17	6,498.80	10.60	52,719.05			1,21,637.44
Total			41,678.12	72,851.23	398.17	941.04	529.93				1,47,037
Comprehensive Income for the year											
Dividends (including Dividend tax)											
Transfer to General Reserve											
Transfer to retained earnings											
add during the year											
<b>Balance at the end of the reporting period 31st March 2023</b>			41,678.12	72,865.43	398.17	1,586.07	540.53	0.53			1,17,068.85

<b>Cash flow statement for the year ended 31st March'2024</b>			
Amount in Inr Lakhs except No. of Shares And EPS			
	Partirulars	Year ended	Year ended
		31st March'2024	31st March'2023
		Rupees	Rupees
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Profit Before Tax	100.18	1,420.00
	<b>Adjustment for :</b>		
	Add:Depreciation and amortisation expense	11.23	6.78
	Interest Expense/ (Income)		
	Allowance for doubtful trade receivables	191.23	67.28
	Bad Debts written off		
	Dividend from Subsidiaries	(412.44)	(1,010.99)
	<b>Operating Profit before Working Capital Changes</b>	<b>(110.79)</b>	<b>483.07</b>
	<b>Adjustment for Working Capital Changes:</b>		
	Increase/ (Decrease) in Shor term Borrowings	-	-
	Increase/ (Decrease) in Trade Payables	2,663.79	1,348.41
	Increase/ (Decrease) in other Current Liabilities	198.14	(183.86)
	Increase/ (Decrease) in Others financial liabilities	(5.12)	(1.36)
	Increase/ (Decrease) in Short-Term Provisions	(314.74)	1,206.54
	Decrease/ (Increase) in Trade Receivables	(2,200.27)	(2,965.97)
	Decrease/ (Increase) in Short-Term Loans and Advances	(339.15)	2,504.19
	(Increase)/ Decrease in Other Financial Assets	(9.87)	4.42
	(Increase)/ Decrease in other Current Assets	(89.35)	(104.13)
	<b>Cash Flow from Operating Activities</b>	<b>(207.36)</b>	<b>2,291.31</b>
	Taxes paid		156.83
	<b>Net Cash Flow from Operating Activities(A)</b>	<b>(207.36)</b>	<b>2,134.48</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Sale of Fixed assets		
	Purchase/ (Increase) of Fixed Assets	(8.72)	(14.06)
	Investment in Subsidiary /Joint Venture		
	(Increase)/ Decrease in Non-Current Investments		
	<b>Net cash flow from investing activities(B)</b>	<b>(8.72)</b>	<b>(14.06)</b>
<b>C.</b>	<b>Cash Flows from Financing Activities</b>		
	Interest Paid		
	Dividend Paid	(6.61)	(3,946.96)
	Increase/ (Decrease) in Long Term Loans		
	Increase/ (Decrease) in share capital	-	12.00
	Increase/ (Decrease) in share premium	-	34.20
	Increase/ (Decrease) in Reserves(bouns issue)		
	Increase / (Decrease) in Foreign Currency Fluctuation Reserve	178.41	1,374.86
	Increase/ (Decrease) in long term provision	(17.64)	(11.64)
	(Increase)/ Decrease in Deffered tax Asset(Net)		
	Increase/ (Decrease) in Other Long term Liabilities		
	(Increase)/ Decrease in Deffered tax Liability(Net)		
	(Increase)/ Decrease in Long term loans and advances	(0.75)	(9.54)
	(Increase)/ Decrease in Non current Other Financial Assets		
	(Increase)/ Decrease in Other Non - Current tax Assets(Net)	(16.44)	5.12
	(Increase)/ Decrease in Other Non - Current Assets		
	<b>Net cash flow from financing activities C</b>	<b>136.97</b>	<b>(2,540.96)</b>
	<b>Cash and cash equivalents at beginning of year</b>	<b>155.98</b>	<b>576.51</b>
	<b>Net change in cash ( A+B+C)</b>	<b>(79.11)</b>	<b>(420.53)</b>
	<b>Cash and cash equivalents at period ended 31st March'2024</b>	<b>76.88</b>	<b>155.98</b>
<b>Notes forming part of Standalone financial statements</b>			
<b>AS PER OUR REPORT OF EVEN DATE</b>			
For P R Chandra & Co., Chartered Accountants FRN:0189855		For and on behalf of the Board Brightcom Group Limited	
Bandi Poorna Sai Kumar Partner M.No.244881 UDIN:		Raghunath A Executive Director DIN: 00060018	PV Subba Rao Director DIN: 10844145
Place : Hyderabad Date : 09-01-2025			

## NOTE NO 3 : PROPERTY, PLANT AND EQUIPMENT &amp; INTANGIBLE ASSETS AS AT 31-03-2024

Sl. No.	Particulars	Gross Block						Depreciation/Amortization						Amount in Rupees	
		As on 1st April, 2023	Additions during the year	Sale/ Deletions during the year	As on 31st March 2024	Dep. As on April, 2023	Depreciation/Amortization for the year	Sale/ Deletions during the year	Adjustments to Reserves as per New Act	Total Depreciation	Net Block as on 31st March, 2023	Net Block as on 31st March, 2024			
	PROPERTY, PLANT AND EQUIPMENT														
	Electrical Equipment	240.40	-	-	240.40	240.40	-	-	-	-	240.40	-	-	-	-
	Office Equipments	547.90	-	-	547.90	526.82	0.47	-	-	527.29	20.61	-	-	20.61	21.09
	Air conditioners	74.92	-	-	74.92	68.03	4.50	-	-	72.53	2.39	-	-	2.39	6.89
	Computers	3,610.83	8.72	-	3,619.55	3,586.62	5.23	-	-	3,591.84	27.71	-	-	27.71	24.21
	Furniture	1,036.22	-	-	1,036.22	1,030.46	1.03	-	-	1,031.49	4.73	-	-	4.73	5.75
	Vehicles	10.78	-	-	10.78	10.78	-	-	-	10.78	0.46	-	-	0.46	0.46
	INTANGIBLE FIXED ASSETS	5,521.05	8.72	-	5,529.77	5,463.10	11.23	-	-	5,474.33	55.44	-	-	55.44	57.94
1.00	Computer Products / Rights	23.74	-	-	23.74	23.74	0.00	-	-	23.74	-	-	-	23.74	0.00
	TOTAL	23.74	8.72	-	23.74	23.74	0.00	-	-	23.74	-	-	-	23.74	0.00
		5,544.79	8.72	-	5,553.51	5,486.85	11.23	-	-	5,498.08	55.44	-	-	55.44	57.94

## NOTE NO 3 : PROPERTY, PLANT AND EQUIPMENT &amp; INTANGIBLE ASSETS AS AT 31-03-2023

Sl. No.	Particulars	Gross Block						Depreciation/Amortization						Amount in Lakhs	
		As on 1st April, 2022	Additions during the year	Sale/ Deletions during the year	As on 31st March 2023	Dep. As on April, 2022	Depreciation/Amortization for the year	Sale/ Deletions during the year	Adjustments to Reserves as per New Act	Total Depreciation	Net Block as on 31st March, 2022	Net Block as on 31st March, 2023			
	PROPERTY, PLANT AND EQUIPMENT														
1	Electrical Equipment	240.40	-	-	240.40	240.40	-	-	-	-	240.40	-	-	-	0.00
2	Office Equipments	547.80	0.10	-	547.90	525.97	0.85	-	-	526.82	21.09	-	-	21.09	21.83
3	Air conditioners	74.92	-	-	74.92	64.48	3.55	-	-	68.03	6.89	-	-	6.89	10.44
4	Computers	3,600.81	10.02	-	3,610.83	3,584.89	1.73	-	-	3,586.62	24.21	-	-	24.21	15.92
5	Furniture	1,032.28	3.94	-	1,036.22	1,029.81	0.65	-	-	1,030.46	5.75	-	-	5.75	2.47
6	Vehicles	10.78	-	-	10.78	10.78	-	-	-	10.78	0.00	-	-	0.00	0.00
	INTANGIBLE FIXED ASSETS	5506.99	14.06	-	5521.05	5456.32	6.78	-	-	5463.10	57.94	-	-	57.94	50.66
1	Computer Products / Rights	23.74	-	-	23.74	23.74	0	-	-	23.74	-	-	-	23.74	0
	TOTAL	23.74	14.06	-	23.74	23.74	0	-	-	23.74	-	-	-	23.74	0
		5530.73	14.06	-	5544.79	5480.07	6.78	-	-	5486.85	57.94	-	-	57.94	50.66

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 4 : INVESTMENT PROPERTY

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	Land at cost	21.95	21.95
	<b>Total Investment Property</b>	<b>21.95</b>	<b>21.95</b>

NOTE NO. 5 : INVESTMENTS - NON CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Investments - Non- Current</b>		
	<b>(a) Investment in Equity Instruments at cost</b>		
	<b>(i) Subsidiaries (Unquoted)</b>		
	Frontier Data Management Inc. USA	12,984.77	12,984.77
	International Expressions Inc. USA	10,453.63	10,453.63
	Online Media Solutions Limited , Israel	5,178.81	5,178.81
	Ybrant Media Acquisition Inc. USA	12,652.40	12,652.40
	Dream Ad Group	5,432.40	5,432.40
	Max Interactive Pty Ltd., Australia	4,174.90	4,174.90
	Dyomo Corporation .USA	4.67	4.67
	Ybrant Digital Services De Publicidade Ltda,Brasil	2.66	2.66
	Ybrant Digital (Brasil) Ltd., Singapore	-	-
	LGS Global FZE, UAE	2.44	2.44
	LIL Projects Private Limited	1.00	1.00
	Yreach Media Pvt.Ltd	0.99	0.99
	Vuchi Media Pvt ltd	16,886.81	16,886.81
	<b>Total Investments Non- Current</b>	<b>67,775.49</b>	<b>67,775.49</b>

NOTE NO. 6 : LOANS - NON CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Loans - Non- Current</b>		
	<b>Unsecured, Considered Good</b>		
	(a) Security deposits	20.66	19.91
	<b>Total Loans - Non- Current</b>	<b>20.66</b>	<b>19.91</b>

NOTE NO. 7 : OTHER FINANCIAL ASSETS - NON CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Other financial assets - Non- Current</b>		
	<b>Unsecured Considered Good</b>		
	Advances to related parties		
	- Ybrant Employees Welfare Trust	107.50	107.50
	- LGSL Foundation Trust	56.95	56.95
	<b>Total Other financial assets - Non- Current</b>	<b>164.45</b>	<b>164.45</b>

NOTE NO. 8 : DEFERRED TAX ASSETS (NET)

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Deferred tax assets (net)</b>		
	<b>Deferred tax liability</b>	527.74	548.75
	Allowances for bad and doubtful debts	(66.82)	(23.51)
	Acturail gain or loss of gratuity	6.46	2.49
	<b>Deferred tax assets</b>		
	Opening Deferred tax assets	671.06	681.97
	- Fixed Assets	(14.73)	(17.28)
	- Provision for gratuity and compensated absences	3.92	6.37
	Allowances for bad and doubtful debts		
	Acturail gain or loss of gratuity		
MAT Credit	(200.12)	(200.12)	
<b>Deferred tax assets (net)</b>		<b>(7.25)</b>	<b>(56.79)</b>

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 9 : NON- CURRENT TAX ASSETS (NET)

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Non- Current tax assets (net)</b>		
	-TDS Receivables	68.37	51.93
<b>Total Non- Current tax assets (net)</b>		<b>68.37</b>	<b>51.93</b>

NOTE NO. 10 : TRADE RECEIVABLES

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Trade receivables</b>		
	(i) Unsecured considered good	23,658.67	21,458.41
	Less: Allowances for bad and doubtful debts	773.24	582.01
	<u>Notes</u>		
	<i>In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.</i>		
<b>Total Trade receivables</b>		<b>22,885.43</b>	<b>20,876.40</b>

NOTE NO. 11 : CASH AND CASH EQUIVALENTS

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Cash and cash equivalents</b>		
	Balances with banks		
	(i) Current accounts	24.00	96.52
	(ii) Cheques, drafts on hand		
	(iii) Cash on hand	0.03	0.01
Total Cash and cash equivalents		24.03	96.52

NOTE NO. 12 : OTHER BANK BALANCES - CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Other bank balances - Current</b>		
	(i) Earmarked balances with Banks		
	- Unpaid Dividend	49.91	56.52
	(ii) Balances with bank held as Margin Money	2.94	2.94
Total Other bank balances - Current		52.85	59.46

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 13 : LOANS - CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Loans -Current</b>		
	Unsecured Considered Good		
	(a)Advances to related parties		
	LIL Projects Private Limited	11,953.46	12,996.92
	Yreach Media Pvt.Ltd	28,199.17	28,249.87
	(b) Others		
	- Advances to Employees	1,033.61	1,026.68
- Other Advances	44,532.99	43,106.60	
Total Loans - Current		85,719.23	85,380.08

NOTE NO. 14 : OTHER FINANCIAL ASSETS - CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Other financial asset-Current</b>		
	(a) Security deposits		
	- Rental deposits	42.44	32.57
	- Other deposits	24.79	24.79
Total Other Financial Assets - Current		67.23	57.36



NOTE NO. 15 : OTHER CURRENT ASSETS

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	Other Current Assets Other Current assets	5,943.08	5,441.29
<b>Total Other Current Assets</b>		5,943.08	5,441.29

Note No: 16 Equity share capital

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	Equity share capital		
	(i) Authorized (2,250,000,000 Equity Shares of Rs.2/- each )	45,000.00	45,000.00
	(ii) Issued , Subscribed and Paid Up (2,018,521,873 Equity Shares Rs.2/- each)	40,370.44	40,370.44
	(iv) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period: <u>Number of Shares</u>		
	Shares outstanding at the beginning of the year	2,01,85,21,873	2,01,79,21,873
	Add: Issued and allotted during the year	-	6,00,000
	Shares outstanding at the end of the year	2,01,85,21,873	2,01,85,21,873
	(v) Rights, Preferences and restrictions attached to the equity shares:		
	(a) The Company has only one class of equity shares having par value of `2 each. Each shareholder is eligible for one vote per share held.		
	(b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by equity shareholders.		
	(vi) Shares held by holding Company		
	(vii) The details of shareholders holding more than 5% shares in the Company		
	<b>(a) Equity Shares</b>		
	Aradhana commosales LLP		
	Number of equity shares	10,41,66,666.00	10,41,66,666.00
	% of holding	5.16%	5.16%
	SARITA COMMOSALES LLP		
	Number of equity shares	10,36,76,916.00	10,30,76,916.00
	% of holding	5.14%	5.11%

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

Note No: 17 Other equity

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
	<b>Other equity</b>		
	<b>(i) Reserves &amp; Surplus</b>		
	<b>a).Capital reserve</b>		
	Opening balance	41,678.12	41,678.12
	During the year	-	-
		41,678.12	41,678.12
	<b>b).Securities Premium</b>		
	<b>Opening balance</b>	72,865.43	72,831.23
	Add:During the year	-	34.20
		<b>72,865.43</b>	<b>72,865.43</b>
	<b>c).General reserve</b>		
	Opening balance.	398.17	398.17
	During the year	-	-
		<b>398.17</b>	<b>398.17</b>
	<b>d).Surplus</b>		
I	Opening balance	1,586.60	6,699.33
	Add: Profit for the year	114.72	933.90
	Add: Remeasurement of the defined benefit plan	12.03	7.14
	Less: Dividend issued	-	6,053.77
		<b>1,713.35</b>	<b>1,586.60</b>
	<b>e).Foreign currency translation reserve</b>		
	<b>Opening balance</b>	540.53	10.60
	Add:During the year	26.82	529.93
		<b>567.35</b>	<b>540.53</b>
		-	-
		-	-
	<b>Total Reserves and Surplus</b>	<b>1,17,222.42</b>	<b>1,17,068.85</b>

NOTE NO. 18 : BORROWINGS - NON CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
	<b>Borrowings - Non-Current</b>		
	<b>(i) From banks-Secured</b>		
	<b>(ii) From other parties-Unsecured</b>		
	<b>Loans from Related parties</b>		
I	Dream Ad, Panama - Loan	917.07	904.42
	Frontier Data Management -Loan	1,084.30	1,069.34
	International Expressions	876.82	864.72
	Online Media - Loan	1,314.74	1,296.61
	Ybrant Media Inc - Loan	6,796.45	6,702.70
		-	-
		-	-
		-	-
	<b>Total Long term Borrowings Non-Current</b>	<b>10,989.38</b>	<b>10,837.79</b>

NOTE NO. 19 : PROVISIONS - NON CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Provisions- Non Current</b>		
	Provision for employeed benefits		
	(a) Gratuity	41.60	53.59
	(b) Leave encashment	16.91	16.91
	Other Provisions	398.62	416.30
		-	-
		-	-
	<b>Total provisions Non current</b>	<b>457.13</b>	<b>486.81</b>

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 20 : TRADE PAYABLES - CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Trade payables</b>		
	Total outstanding dues of micro enterprises and small enterprises	0.24	0.21
	Total outstanding dues of creditors other than micro enterprises and small enterprises	6,373.44	3,710.68
	<b>Total Trade payables - Current</b>	<b>6,373.69</b>	<b>3,710.90</b>

NOTE NO. 21 : OTHER FINANCIAL LIABILITIES - CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Other financial liabilities - Current</b>		
	Others	104.25	109.37
	<b>Total Other financial liabilities - Current</b>	<b>104.25</b>	<b>109.37</b>

NOTE NO. 22 : OTHER CURRENT LIABILITIES

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Other current liabilities</b>		
	Unpaid dividend	3,402.28	3,408.88
	Other Current Liabilities	1,757.25	1,559.11
	<b>Total Other current liabilities</b>	<b>5,159.53</b>	<b>4,967.99</b>

NOTE NO. 23 : PROVISIONS - CURRENT

S.No.	Particulars	As at 31st	As at 31st
		March'2024	March'2023
		Rupees	Rupees
I	<b>Provisions - Current</b>		
	(i) Provision for employee benefits		
	Employee benefit payable	654.93	661.72
	(ii) Others	-	-
	(a) Provisions for expenses	43.46	10.92
	(b) Other Provisions	1,380.73	1,225.01
	(c) Tax	35.01	496.20
		-	-
		-	-
	<b>Total Provisions - Current</b>	<b>2,114.12</b>	<b>2,393.85</b>

## NOTE NO. 24 : REVENUE FROM OPERATIONS

S.No.	Particulars	For the period 31st March'2024	For the period 31st March'2023
		Rupees	Rupees
I	Sale of Software Exports	46,603.02	43,391.27
	<b>Total Revenue from Operations</b>	<b>46,603.02</b>	<b>43,391.27</b>

## NOTE NO. 25 : OTHER INCOME

S.No.	Particulars	For the period 31st March'2024	For the period 31st March'2023
		Rupees	Rupees
I	Interest income /Dividend income Net gain/loss on foreign currency translation and transaction	412.44	1,010.99
	<b>Total Other Income</b>	<b>412.44</b>	<b>353.02</b>

## NOTE NO. 26 : COST OF REVENUE

S.No.	Particulars	For the period 31st March'2024	For the period 31st March'2023
		Rupees	Rupees
I	Software Purchase & Sub Contractors Cost	37,239.63	33,655.07
	<b>Total Cost of Revenue</b>	<b>37,239.63</b>	<b>33,655.07</b>

## NOTE NO. 27 : EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	For the period 31st March'2024	For the period 31st March'2023
		Rupees	Rupees
I	Salaries,wages and allowances	4,438.59	4,385.51
	Contribution to provident and other fund	14.70	7.95
	Staff Welfare Expenses	1.47	1.04
	<b>Total Employee Benefit Expenses</b>	<b>4,454.76</b>	<b>4,394.51</b>

## NOTE NO. 28 : OTHER EXPENSES

S.No.	Particulars	For the period 31st March'2024	For the period 31st March'2023
		Rupees	Rupees
	Power & Fuel	6.33	5.82
	Rent	603.34	567.70
	Repairs & Maintenance	112.71	104.74
	Insurance	111.20	101.79
I	Rates & Taxes (excluding Income Tax)	2.41	1.52
	Miscellaneous Expenses	22.84	21.26
	Payment to Auditors:	-	-
	(i) As Auditor fee	15.00	15.00
	(ii) For Tax Audit fee	1.00	1.00
	(iii) For Other Audit related Services	2.00	2.00
	Ins Fee	-	-
	Discount Expense	-	-
	Telephone, Postage and Others	129.50	119.33
	Business Promotion Expenses	744.26	538.62
	Travelling and Conveyance	20.60	25.34
	Office Maintenance	211.10	167.11
	Printing & Stationery Expenses	13.00	13.53
	Security Charges	15.47	14.41
	Consultancy Charges	288.47	204.76
	Event Sponsorship & Seminar Fee	-	30.00
	Web Development Expenses	771.47	519.39
	Professional Charges	854.26	854.82
	Sales and Marketing Expenses	789.58	565.81
	Books & Subscriptions	30.29	28.20
	Provision for Impairment of Debtors	191.23	67.28
	Other Expenses	230.86	237.92
	CSR Expenditure	13.13	20.12
	<b>Total Other Expenses</b>	<b>5,180.06</b>	<b>4,227.46</b>

## NOTE NO. 29 : FINANCE COSTS

S.No.	Particulars	For the period 31st March'2024	For the period 31st March'2023
		Rupees	Rupees
	Interest on Unsecured Loan	27.54	38.00
	Loan processing Charges & Bank Charges	2.06	2.47
	<b>Total Finance Costs</b>	<b>29.60</b>	<b>40.47</b>

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

### 30. Auditor's Remuneration:

Particulars	(in lakhs.)	
	Year ended 31 <sup>st</sup> March,	
	2024	2023
<b>Statutory Audit Fees</b>	15.00	15.00
<b>Tax Audit Fee</b>	1.00	1.00
<b>Other Audit related Services</b>	2.00	2.00
<b>Total</b>	<b>18.00</b>	<b>18.00</b>

### 31. Quantitative Details:

The Company is engaged in providing digital marketing services, development of Computer Software and services. The production and sale of such digital marketing services and software development services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under **Paragraphs 5 (viii)(c) of general instructions for preparation of the Statement of Profit and Loss as per Schedule III to the companies Act, 2013.**

### 32. Related Party Transactions:

During the financial year 2023-24 the Company has entered into some transactions, which can be deemed as related party transactions. All these matters have been approved by the Board, wherever necessary.

#### (a) Related Parties:

S.No.	Particulars	Nature of Relationship
1	M. Suresh Kumar Reddy	Chairman and Managing Director
2	Vijay Kancharla	Executive Director
3	K. Jaya Lakshmi kumari	Independent Director
4	Nilendu Narayan Chakraborty	Independent Director
5	Surabhi Sinha	Independent Director
6	Raghunath Allamsetty	Executive Director
7	Peshwa Acharya	Non-Independent & Non-Executive Director
8	Kallol Sen	Executive Director
9	Radhakishore Pandrangi	Independent Director
10	Paladugu Venkata Subba Rao	Independent Director
11	Deepika Daliya	Independent Director
12	Meghana Musunuri	Independent Director
13	Ram Sharma	Independent Director
14	Ravi Chandran	Independent Director
15	Shambhavi Vedantam Murthy	Independent Director
16	Pleo Ganeshan	Independent Director
17	Dr. Chandrika Setu Sharma	Independent Director
18	Mr. Satyanarayana Yadavally	Independent Director
19	Yreach Media Private Limited, India	99% Owned Subsidiary
20	LIL Projects Private Limited, India	Wholly Owned Subsidiary
21	Frontier Data Management Inc, USA	Wholly Owned Subsidiary
22	International Expressions Inc, USA	Wholly Owned Subsidiary
23	Online Media Solutions Limited, Israel	Wholly Owned Subsidiary

## Brightcom Group Limited

### Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

24	Ybrant Media Acquisition Inc, USA	Wholly Owned Subsidiary
25	Dyomo Corporation, USA	Wholly Owned Subsidiary
26	Max Interactive Pty, Ltd., Australia	Wholly Owned Subsidiary
27	DreamAd, Argentina	Wholly Owned Subsidiary
28	DreamAd, Chile	Wholly Owned Subsidiary
29	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	Wholly Owned Subsidiary
30	DreamAd, Panama	Wholly Owned Subsidiary
31	DreamAd, Uruguay	Wholly Owned Subsidiary
32	Ybrant Digital Servicios De Publiciade Ltda, Brasil	Wholly Owned Subsidiary
33	Ybrant Digital (Brasil) Ltd., Singapore	Wholly Owned Subsidiary
34	LGS Global FZE, UAE	Wholly Owned Subsidiary
35	Ybrant Employees welfare Trust	Directors acting as Trustees
36	LGSL Foundation Trust	Directors acting as Trustees
37	Vuchi Media Pvt Ltd	Associate company

#### (b) Balances with related parties at the year-end:

##### (i) Unsecured loans from Related Parties:

(Amount in Rs.)

Particulars	Year ended 31 <sup>st</sup> March	
	2024	2023
DreamAd, Panama	917.07	904.42
Frontier Data Management Inc, USA	1,084.30	1069.34
International Expressions Inc, USA	876.82	864.72
Online Media Solutions Limited, Israel	1,314.74	1,296.61
Ybrant Media Acquisition Inc, USA	6,796.45	6702.70
LIL Projects Pvt Ltd	-	-
Yreach Media Pvt Ltd	-	-

##### (ii) Investment in Subsidiaries and Associates:

Particulars	Year ended 31 <sup>st</sup> March	
	2024	2023
DreamAd Group	5,432.40	5,432.40
Frontier Data Management Inc., USA	12,984.77	12,984.77
International Expressions Inc., USA	10,453.63	10,453.63
Online Media Solutions Limited, Israel	5,178.81	5,178.81
Ybrant Media Acquisition Inc., USA	12,652.40	12,652.40
Max Interactive Pty Ltd, Australia	4,174.90	4,174.90
Dyomo Corporation, USA	4.67	4.67
Ybrant Digital Servicios De Publiciade Ltda, Brasil	2.66	2.66
Ybrant Digital (Brasil) Ltd., Singapore	0.00	0.00
LGS Global FZE, UAE	2.44	2.44
Yreach Media Pvt Ltd.	0.99	0.99



## Brightcom Group Limited

### Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

LIL Projects private limited.	1.00	1.00
Vuchi Media Pvt Ltd	16,886.81	16,886.81

#### (iii) Unsecured loans to related parties:

Particulars	year ended 31 <sup>st</sup> March	
	2024	2023
Ybrant Employees welfare Trust	107.50	107.50
LGSL Foundation Trust	56.95	56.95
LIL Projects Pvt Ltd	11,953.46	12,996.92
Yreach Media Pvt Ltd	28,199.17	28,249.87

#### 33. Lease:

The company's lease asset classes primarily consist of leases for land and buildings. Effective April 1, 2019, the company adopted Ind AS 116, Leases and applied the standard to applicable lease contracts. On the adoption of the new standard resulted in the recognition of ROU asset of Rs. NIL, and a lease liabilities of Rs.NIL at a standalone level. The effect of this adoption is insignificant on the operating profit, net profit for the period and earnings per share

#### 34. Foreign Currency Outflows:

Foreign Exchange outflows as reported by the Company to Government of India and as certified by Management.

Particulars	(Amount in Rs.) Year Ended 31 <sup>st</sup> March,	
	2024	2023
Foreign Travelling	0.00	7.10
<b>Total</b>	<b>0.00</b>	<b>7.10</b>

#### 35. Foreign Currency Inflows:

Foreign Exchange inflows as reported by the Company to Government of India and as certified by Management.

Particulars	(in lakhs) Year Ended 31 <sup>st</sup> March,	
	2024	2023
Sales & Services	NIL	NIL
Realization from Trade Receivables out of Opening Balance	NIL	NIL
Investment in Equity	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

#### 36. Employee Benefits (Gratuity)

The details of the Company's post – retirement benefit plans for its employees including whole-time directors are given below which are certified by an Independent Actuary.

##### a) Changes in the Present Value of Obligation

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
Present Value of Obligation as at beginning	54.02	52.91

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

Current Service Cost	6.11	6.08
Interest Expense or Cost	3.84	3.68
Re-measurement (or Actuarial) (gain) / loss arising from: others		
- change in demographic assumptions		
- change in financial assumptions	-18.50	-7.16
- experience variance (Actual v assumptions)		
Past Service Cost		
Effect of change in foreign exchange rates		
Benefits Paid	-3.87	-1.48
Acquisition Adjustment		
Effect of business combinations or disposals		
<b>Present Value of Obligation as at the end</b>	<b>41.60</b>	<b>54.02</b>

### b) Bifurcation of Net Liability

Particulars	As on	
	31-Mar-24	31-Mar-23
Current Liability (Short term)	22.16	20.74
Non-Current Liability (Long term)	19.44	33.28
<b>Total Liability</b>	<b>41.60</b>	<b>54.02</b>

### c) Changes in the Fair Value of Plan Assets

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
<b>Fair Value of Plan Assets as at the beginning</b>	0.43	0.43
<b>OB difference</b>		
Actuarial gain/(loss)	0.11	0.03
Employer's Contribution Expenses		
Employee's Contribution		
Benefits Paid	-3.87	
Return on plan assets, excluding amount recognized in net interest expense	-0.11	-0.03
Acquisition Adjustment	4.01	-
<b>Fair Value of Plan Assets as at the end</b>	<b>0.57</b>	<b>0.43</b>

### d) Change in the Effect of Asset Ceiling

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
<b>Effect of Asset Ceiling at the beginning</b>	-	-
Interest Expense or Cost (to the extent not recognized in net interest expense)	-	-

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
<b>Effect of Asset Ceiling at the end</b>	<b>-</b>	<b>-</b>

### e) Expenses Recognized in the Income Statement

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
Current Service Cost	6.11	6.07
Past Service Cost		
Loss / (Gain) on settlement		
Expected return on Asset	0.11	
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	3.84	3.64
Actuarial Gain/Loss		
<b>Expenses Recognized in the Income Statement</b>	<b>10.06</b>	<b>9.72</b>

### f) Other Comprehensive Income

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
Actuarial (gains) / losses		
- change in demographic assumptions		
- change in financial assumptions	(18.50)	7.16
- experience variance (i.e. Actual experience vs assumptions)		
- others obd difference		
Return on plan assets, excluding amount recognized in net interest expense	0.11	(0.03)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>(18.39)</b>	<b>7.13</b>

### g) Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-24	31-Mar-23
Government of India securities	-	-
State Government securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	-	-
Bank balance	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### h) Actuarial Assumptions:

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As on	
	31-Mar-24	31-Mar-23
Discount rate (per annum)	7.08%	7.35%
Salary growth rate (per annum)	6.00%	6.00%

### (ii) Leave Encashment

The provision for Leave Encashment is calculated as per accrual method and included in current liability & provision.

### 37. Earnings Per Share:

Particulars	(in lakhs)	
	Year Ended 31 <sup>st</sup> March,	
	2024	2023
Profits Attributable to Equity Share Holders	114.72	933.89
Weighted Average No. of Shares Outstanding for the Year ended		
Basic	2,018,521,873	2,018,521,873
Diluted	2,018,521,873	2,018,521,873
Earnings per Share – Basic	0.006	0.046
Earnings per Share – Diluted	0.006	0.046

The EPS of Rs. 0.006 on a PAT of Rs. 114.72 lakhs for the year ended 31 March 2024 for an Equity Capital i.e. Rs.40,370.44 lakhs consisting of 2,018,521,873. Equity Shares of Rs.2/- each fully paid up and whereas the EPS of Rs. 0.046 on a PAT of Rs. 933.89 lakhs for the year ended 31 March 2023 for an Equity Capital i.e. Rs.40370.44 lakhs consisting of 2,018,521,873.

38. As per Ind AS 21, the Foreign exchange fluctuation gain / (loss) on monetary items is recognized in statement of P & L a/c. The receivables have been considered at the actual rate at which the amount is realized.

### 39. Segment Reporting:

The Company is mainly engaged in the area of Digital Marketing (& related) services and Software Development Services.

The company publishes standalone financial statements along with the consolidated financial statements in the annual report. Segment wise details are provided in consolidated financial statements.

### 40. Intra branch Transactions:

The Intra Branch transactions have been eliminated while preparing the financial statements.

41. The subsidiary (Ybrant Media Acquisition Inc., USA) has failed to pay part consideration due to Daum Global Holding Corporation in respect of acquisition of Lycos Inc., considering which the district court of New York has granted receivership of 56% shares of the Lycos Inc. back to Daum Global Holding Corporation.[Announcement under Regulation 30 (LODR) dated 9th May, 2018 on BSE].

### 42. Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2024.

### 43. Confirmation of Closing Balances:

The Company has sought for confirmations in respect of Trade receivables, Trade Payables, loans and advances given and received. However, the confirmations from few parties are yet to be received in respect of the said items.

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

### 44. Trade receivables ageing schedule

#### (a).Ageing as at 31 March 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	-	15,369.36	8,289.32	-	-	-	23,658.67
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Less: Expected credit loss	-	-	-	-	-	-	-773.24
<b>Total</b>		<b>15,369.36</b>	<b>8,289.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,885.43</b>

#### b).Ageing as at 31 March 2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good		17,804.18	3,654.23	-	-	-	21,458.41
Disputed Trade Receivables - considered good		-	-	-	-	-	-
Less: Expected credit loss	-	-	-	-	-	-	-582.01
<b>Total</b>		<b>17,804.18</b>	<b>3,654.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,876.40</b>

### 45. Trade payables ageing schedule

#### a).Ageing as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	0.24	-	-	-	-	0.24
Others	6,373.45	-	-	-	-	6,373.45
<b>Total</b>	<b>6,373.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,373.69</b>

#### b).Ageing as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	0.21	-	-	-	-	0.21
Others	3,710.68	-	-	-	-	3,710.68
<b>Total</b>	<b>3,710.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,710.89</b>

#### **46. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and makes policies for managing each of these risks, which are summarized below.

##### **A. Credit Risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company considers a counterparty who fails to pay according to the contractual terms or obligations as a defaulted party. This is based on considering the market and economic forces in which the entities in the company's are operating and considering the impact of COVID – 19. The Company creates provision for the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment with in the due date. In calculating expected credit loss, the Group has also considered historical pattern of credit loss, the likelihood of increased credit risk and consequential default considering emerging situations due to COVID –19.

##### **Trade receivables as contract asset:**

The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. Outstanding customer receivables are regularly monitored. The Company receivables turnover is quick and historically, there were no significant defaults. Ind AS requires an entity to recognize in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired.

##### **B. Liquidity Risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

##### **C. Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other market changes. Financial instruments affected by market risk include loans and borrowings and deposits.

##### **- Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates is negligible.

## Brightcom Group Limited

### Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

#### - Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company exposure to the risk of changes in foreign exchange rates relates primarily to the Company operating activities (when revenue or expense is denominated in a foreign currency).

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities.

#### 47. . Contingent Liabilities & Guarantees:

Particulars	Name of the Bank / Party	(in lakhs.
		Year ending 31st March, 2024
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	1,460.05
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	413.23
Disputed Service tax Liability for the period April 2014 to June 2017.	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	6,487.35
Disputed GST Liability for the period July 2017 to March 2021.	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	3,287.09
Disputed Income Tax Liability for the A.Y.2006-07 to A.Y. 2009-10.	CIT(Appeals) / ITAT	835.02
Disputed Income Tax Liability for the A.Y.2010-11 to A.Y. 2013-14.	CIT(Appeals)/ ITAT	3,889.14
Disputed Income Tax Liability for the A.Y.2014-2015 to A.Y. 2020-22.	CIT(Appeals)/ ITAT	8,687.92
Corporate Guarantee for Acquiring Lycos Inc (USD 4 Mn) *	Daum Global Holdings Corp, Republic of Korea	3,334.80

\* Assumption: 1 USD = Rs.83.37 (Closing rate as on 31<sup>st</sup> March 2024)

48. Dividend Payable is pending for various financial years amounting to Rs.3,402.28/-lakhs.

#### 49. Additional Regulatory Information:

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

<b>Ratios</b>					
<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>Current year</b>	<b>Previous year</b>	<b>Change in ratio</b>
Current ratio (in times)	Total current assets	Total current liabilities	8.34	10.01	-17%
Debt-Equity ratio (in times)	Debt consists of borrowings and long term liabilities	Total equity	0.0727	0.0723	-17%
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes+ Non-cash operating expenses + Interest +Other non-cash adjustments	Debt service = Interest + finance charges	5.26	40.50	-78%
Return on equity ratio (in %)	Profit for the year	total equity	0.07%	0.59%	-88%
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	2.13	1.45	47%
Trade payables turnover ratio (in times)	Cost of equipment and software licences	Average trade payables	7.39	6.88	7%
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.46	0.43	7%
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.25%	2.15%	-89%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Long term liabilities	0.08%	0.87%	-91%
Return on investment (in %)	Total Other comprehensive income	total assets	0.08%	0.82%	-90%

50. The figures of previous year have been regrouped wherever necessary.



## Brightcom Group Limited

### Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

51. SEBI has issued a show-cause notice and an interim order dated 13-04-2023, observing certain irregularities, followed by interim order dated 22-08-2023 and confirmatory order dated 28-02-2024. The company preferred appeals against the show-cause notice dated 13-04-2023 and interim order dated 22-08-2023, vide appeal nos. 941 of 2023, 942 of 2023 and 474 of 2024 respectively before the Hon'ble Securities Appellate Tribunal and the proceeding are going on. We are not able to express an opinion on the issues covered by the said show-cause notice and interim orders, due to its-pendency.
52. The Company has spent Rs. 13.12 Lakhs on CSR activities in the areas of Education and Environmental Protection. A detailed report on CSR forms part of this annual report.
53. As referred in point no 177(g)(ii) of SEBI's interim order cum show cause notice dated 13th April 2023, the internal team of the company conducts and ensures the adequacy of internal audit function of the company.
54. The figures have been rounded off to the nearest lakhs and decimals thereof.

**As per our report of even date**  
**For P Ravi Chandra,**  
**CHARTED ACCOUNTANTS**  
**FRN: 018985S**

**For and on behalf of the Board of**  
**BRIGHTCOM GROUP LIMITED**

**Bandi Poorna Sai Kumar**  
**Partner**  
**Membership Number: 244881**

**Raghunath A**  
**Executive Director**  
**DIN: 00060018**

**PV Subba Rao**  
**Director**  
**DIN: 10844145**

**PLACE: HYDERABAD**  
**DATE: 09-01-2025**

## **Brightcom Group Limited**

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

### **1. Corporate Information:**

Brightcom Group Limited, offers digital marketing solutions to businesses, agencies and online publishers worldwide. Brightcom Group Limited connects Advertisers with their Audience across any form of Digital Media, using its massive local presence to deliver appropriate messages to the right audience, through the most relevant Digital channels. Brightcom Group Limited has a global presence, with offices in over 24 countries.

Brightcom Group Limited is also a Global Information Technology Implementation and Outsourcing Services Provider with an exceptional track record of providing high quality, on-budget, and on-time solutions to demanding clients specifically in the areas of Digital Media advertising and in the fields of AI, ML, IOT to name a few. Our business knowledge in key verticals helps us provide solutions that are customized to address the specific needs while focusing on maximizing value of Information Technology investments such that clients can achieve their business objectives. We believe in fostering long-term relationships, and partner with our clients in their success. BCG Provides End-to-end Enterprise Solution Offerings and Specializing in ERP Solutions, Microsoft and Open Source Systems development.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Statement of compliance**

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 read with rule 3 of companies (Indian accounting standards) Rules, 2015 ("the rules") (as amended from time to time).

#### **b) Basis of preparation**

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### **c) Use of estimates and judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

## **Brightcom Group Limited**

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

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 investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

### **Impairment of investments**

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

### **Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

### **Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

### **Contingencies**

Management judgement is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/ claims/litigations against the Company/by the Company as it is not possible to predict the outcome of pending matters with accuracy.

### **Defined Benefit Plans**

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

### **Fair Value measurement of financial instruments**

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

### Intangibles

Internal technical or user team assess the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

#### d) Current Vs Non-current classifications

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it satisfies the below mentioned criteria:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current assets.

A liability is classified as current when it satisfies the below mentioned criteria:

- i. Expected to settle the liability in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

#### e) Dividends

Annual dividend distribution to the shareholders is recognized as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognized on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognized directly in equity.

#### f) Revenue recognition

##### 1) Digital Marketing Services:

- i) The Contracts between the Company and its Customers are either time or material contracts or fixed price contracts.

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

- ii) Revenue from fixed price contracts is recognized according to the milestones achieved as specified in the contracts on the proportionate-completion method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the period in which such changes are identified. Deferred revenue represents amounts billed in excess of revenue earned for which related services are expected to be performed in the next operating cycle.
- iii) In respect of time and material contract, revenue is recognized in the period in which the services are provided and related costs are incurred.
- iv) Revenue from product sale and licensing arrangements are recognized on delivery and installation.
- v) Revenue is reported net of discounts, indirect and service taxes.

### *2) Software Development:*

- i) Income from software development is accounted for on the basis of Software developed and billed to clients on acceptance and/or on the basis of man days/man hours as per the terms of contract.
- ii) Revenue from professional services consist primarily of revenue earned from services performed on a 'time and material' basis. The related revenue is recognized as and when the services are performed and related costs are incurred.
- iii) Revenue from software development services includes revenue from time and material and fixed price contracts are recognized as related services are performed.
- iv) Revenue from fixed price contracts is recognized according to the milestones achieved as specified in the contracts on the proportionate-completion method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the period in which such changes are identified. Deferred revenue represents amounts billed in excess of revenue earned for which related services are expected to be performed in the next operating cycle.
- v) Revenue is not recognized on the grounds of prudence, until realized in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.
- vi) Revenue is reported net of discounts, indirect and service taxes.
- g) Dividend income is recorded when the right to receive payment is established. Interest income is recorded using the effective interest method.

**h) Leases**

The Company's lease asset classes primarily consist of leases for land and buildings. 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 for 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 the lease and (iii)the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less(short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the 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 ROU 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. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option

**i) Cost recognition**

Costs and expenses are recognized as and when incurred and have been classified according to their nature.

The costs of the Company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, cost of running its facilities, travel expenses, cost of equipment and software licenses, communication costs, allowances for delinquent receivables and advances and other expenses. Other expenses are an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment etc.

**j) Foreign currency transactions**

**i. Functional and Presentation Currency:**

The Company's functional and presentation currency is Indian National Rupee.

**ii. Initial Recognition:**

Foreign currency transactions are recorded in the presentation currency, by applying to the foreign currency amounts the exchange rate between the Presentation currency and the foreign currency at the date of the transaction.

**iii. Conversion on reporting date:**

Foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**iv. Exchange Differences:**

Exchange difference arising on the settlement of monetary items or on Presenting monetary items of Company at rates different from those at which they were initially recorded during the year or presented in previous financial statements are recognized as income or as expenses in the year in which they arise.

**k) Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

**Current income taxes**

The current income tax expense includes income taxes payable by the Company, its branches in India and overseas. The current tax payable by the Company in India is Indian income tax payable on worldwide income.

The Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the Indian income tax liability of the Company's worldwide income.

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

**Deferred income taxes**

Deferred income tax is recognized using the Balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising



## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

### 1) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **1. Financial Assets.**

##### **i) Initial recognition and measurement:**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.



**ii) Subsequent measurement:**

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

**Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**iii. Derecognition:**

A financial asset or where applicable, a part of a financial asset is primarily derecognised when: a. The rights to receive cash flows from the asset have expired, or b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

**iv. Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables.

Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet, it is shown as reduction from the specific financial asset.

## **2. Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

### **Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

#### **i) Initial recognition and measurement:**

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

#### **ii) Subsequent measurement:**

##### **a. Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognised in the profit or loss.

##### **b. Financial liabilities at amortised cost:**

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate.

The effective interest rate amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liability with maturity of less than one year is shown at transaction value.

**iii. Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

**m) Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**n) Financial Guarantee Contracts:**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with original or modified terms of a debt instrument.

The Company measures any financial guarantee on initial recognition at their fair value.

Subsequently these contracts are measured at the higher of:

- a. the amount of the loss allowance determined as per impairment requirements of Ind AS 109, and
- b. the amount initially recognised, less where appropriate, cumulative amount of income recognized in accordance with the principles of Ind AS 18.

**o) Fair Value Measurement:**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for such asset or liability, or in the absence of a principal market, in the most advantageous market which is accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a. Level 1 - Quoted (unadjusted market prices) in active markets for identical assets or liabilities.
- b. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.
- c. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### p) **Investment in subsidiaries**

Investment in subsidiaries are measured at cost less impairment.

### q) **Property, plant and equipment**

Property, plant and equipment are stated at cost net of input tax credits, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and all attributable cost, to bring the asset to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

The Company adopted cost model as its accounting policy, in recognition of the property, plant and equipment and recognises transaction value as the cost.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from property, plant and equipment and the carrying amount net of scrap value, if any is charged to Statement of Profit and Loss.

The improvements/modifications carried on the lease hold land/property are recognised as lease hold improvements and are written off over the primary lease period or the life of such improvement whichever is lower.

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful lives
Computer equipment	Straight line	3 years
Office equipments	Straight line	5 years
Furniture and fixtures	Straight line	10 years
Electrical installations	Straight line	10 years
Vehicles	Straight line	8 years

### r) Intangible assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 5-6 years on a straight line basis.

### s) Impairment of Non-financial assets

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- ii. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer existing or have decreased.

### t) Employee benefits

#### i. Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

The retirement benefit obligations recognised in the Balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and deductions in future contributions to the scheme.

### ii. Defined contribution plans

Employer's contribution to provident fund/ employee state insurance which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

### iii. Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date.

### u) Earnings per share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years' presented.

### v) Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### w) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker ("CODM").

The board of directors of the company has identified the Chairman and Managing Director as the CODM.

## Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31<sup>st</sup> March 2024

### x) Provisions:

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

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

### y) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statement of balance sheet and is disclosed as a contingent asset or contingent liability. Possible outcomes on obligations / rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities.

### z) Prior period items:

In case prior period adjustments are material in nature the Company prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". Immaterial items pertaining to prior periods are shown under respective items in the Statement of Profit and Loss.



# **CONSOLIDATED FINANCIAL STATEMENTS**



# INDEPENDENT AUDITOR'S REPORT

To  
the Members of  
**BRIGHTCOM GROUP LIMITED**

## Report on the Consolidated Ind AS Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of BRIGHTCOM GROUP LIMITED ("the Holding Company"), its subsidiaries (the Company, its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in the Basis for Qualified opinion the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IndAS") and other accounting principles generally accepted in India, of the consolidated state of affairs of "the Group" as at March 31, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of "the Consolidated Financial Statements" section of our report. We are independent of "the Group" in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of "the consolidated financial statements" under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

1) We cannot confirm the opening and closing balances as they are subject to change. SEBI vide its letter dated 13.04.2023 has ordered company to undertake examination of its financial statements for the period 2014-15 to 2021-22 by a peer-reviewed Chartered Accountant, to ensure that the same are in compliance with all the applicable accounting standards and submit the statement of impact of all the non-compliances. To this extent the current year's opening balances and consequent effect on the closing balances thereof are subject to the verification and confirmation by the peer review auditor.

2) The company's revenue is predominantly derived from its foreign branch in the USA, which represents a significant part of its financial performance. To ensure this accuracy we have relied on the financial statements of the foreign branch in the USA which have been confirmed by their Certified Public Accountant (CPA).

3) The Consolidated Financial Results includes 14 foreign subsidiaries financial statements which are not audited by us, whose Financial Statements reflect Group's share of total assets of Rs. 6,80,382 lakhs as at 31-03-2024 and total revenues of Rs. 70,415 lakhs and Rs 4,66,027 lakhs, total net profit/ (loss) after tax of Rs.3,808 lakhs and Rs.68,750 lakhs, and total comprehensive income loss of Rs 5,698 lakhs and Rs. 78,372 lakhs for the quarter ended 31-03-2024 and for the period from 01-04-2023 to 31-03-2024 respectively, and cash flows (net) of Rs (20,254) lakhs for the period from 01-04-2023-to31-03-2024 which are considered in preparation of the consolidated financial statement. These audited financial statements of subsidiaries (including the report from peer reviewed chartered accountant) are not furnished to us. The management of "the Holding company" after converting the financial information into reporting currency & consolidating as per Ind AS, submitted the consolidated financial statements to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such financial statements/financial information/financial results.

4) Considering the SEBI's Interim order cum show-cause notice dated 13th April, 2023 we have made the following observations:

a) As referred in Point No. 72, the company's investment in Ybrant Media Acquisition Inc, one of the subsidiaries of the company has negative equity/net worth indicating the existence of an indicator of impairment. But the company has neither impaired nor created any provision against the value of Investments in Ybrant Media Acquisition Inc.

b) As referred in Point No. 177[d], "the company" has to appoint at least one independent director on its board of directors as a director on the board of directors of each of its material subsidiaries within fifteen days of the date of its order.

c) As referred in Point No. 177[e] "the company" has to disseminate the standalone financial statements of each of its subsidiaries on its website, for the period between FY 2014-15 and FY 2021-22.

d) The opening balances of Investments, receivables and payables with related to subsidiaries in standalone financial statements are subject to the confirmation of peer review auditor and due to its consequent effect, the closing balances thereof are also subject to variation.

e) "The company" has still not made any provision for impairment of investments of Rs.16,886.81 lakhs made in M/s Vuchi Media Private Limited despite the fact that the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into. And also 1,40,70,000 equity

shares allotted to M/s Vuchi Media Private Limited are pending for cancellation subject to the legal process completion.

f) The promoters shareholding is based on available information and may change, as the company has appealed against SEBI's interim order dated 22nd August 2023 and subsequent confirmatory order dated 28th February 2024. The proceedings are ongoing.

5) In the process of acquiring M/s Vuchi Media Private Limited BCG has paid consideration to the tune of 29.83% by allotting 1,40,70,000 equity shares at a price of Rs.120.02. But later on, the proposed acquisition transaction was revoked by both the parties and have cancelled the definitive share purchase agreement that was entered into. In view of the above cancellation of deal, the company has not considered M/s Vuchi Media Private Limited as an associate company in the consolidated financial statements.

6) SEBI has issued a show-cause notice and an interim order dated 13-04-2023, observing certain irregularities, followed by interim order dated 22-08-2023 and confirmatory order dated 28-02-2024. The company preferred appeals against the show-cause notice dated 13-04-2023 and interim order dated 22-08-2023, vide appeal nos. 941 of 2023, 942 of 2023 this appeal has been withdrawn subsequent to the issuance of Confirmatory Order on 28-02-2024 and appeal No. 474 of 2024 has been filed before the Hon'ble Securities Appellate Tribunal and the proceedings are ongoing with respect to Appeal No.'s 941 of 2023 and 474 of 2024. We are not able to express an opinion on the issues covered by the said show-cause notice and interim orders, due to lis-pendency. The management of the company is yet to report the status of the compliance of the directions issued by SEBI in the confirmatory orders dated 29-02-2024.

### **Emphasis of Matter Paragraph**

1. With respect to Income Tax the company has certain appeals pending with the authorities, the outcome of which is not ascertained as on the date of Balance Sheet.
2. The standalone Ind AS financial statements of the company for the previous financial year i.e., for the year ended 31.03.2023 have been audited by predecessor auditor. The figures as at 31.03.2023 are subject to variation in view of the SEBI's observations/directions and consequent effect on the closing balances thereof as at 31.03.2024.
3. Bank balances were verified to the extent of bank statements and balances confirmations provided to us.

***Our opinion is not modified in respect of above emphasis of matter paragraph.***

### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon:**

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated IND AS Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group

and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated IND AS Financial Statements by the Directors of "the Holding Company", as aforesaid.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated IND AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud

or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in : (i) planning the scope of our audit work and in evaluating the results of

our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and except for the matters described in the Basis for Qualified Opinion, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) Except for the possible effects of the matter described in the Basis for Qualified Opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) Except for the possible effects of the matter described in the Basis for Qualified Opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors of the company and its subsidiaries, none of the directors of the Indian companies included in group is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses Qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statement has disclosed pending litigations which would have impact on its consolidated financial position of the group.
    - ii. "The Group" did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March, 2024.

iii. Based on our examination, we have identified the following non-compliances with the relevant laws and regulations:

- “The Holding Company” has not declared any dividend during the year.
- “The Holding Company” has not transferred the unclaimed dividend amount to the Investor Education and Protection Fund even after seven years.

iv. “The Holding company’s” management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v. “The Holding company’s” management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations in sub-clause (iv) and (v) above contain any material misstatement.

Total dividend of Rs. 3,402.28 lakhs is pending for payment which pertains to various financial years.

vi. The Holding company does not maintain an audit trail and edit-log system as per MCA Guidelines.

**Other Matters:**

The consolidated financial statements of the company for the previous financial year i.e., for the year March 31, 2023 were audited by the predecessor auditors, P Murali & Co, Chartered Accountants, have expressed a qualified opinion vide audit report dated May 20, 2023.

**For P R Chandra & Co**  
**Chartered Accountants**  
**Firm Registration No: 018985S**

Place: Hyderabad

Date: 09-01-2025

**CA Bandi Poorna Sai Kumar**  
**Partner, Membership No. 244881**  
**UDIN: 25244881BMKZMX1582**



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of BRIGHTCOM GROUP LIMITED of even date

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of BRIGHTCOM GROUP LIMITED (herein after referred to as “the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of “the Holding Company” and the respective Board of Directors of its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued

by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its Subsidiary Companies.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting:**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Qualified Opinion**

In our opinion, "the Holding company" does not have adequate Internal Financial Control Systems over financial reporting and such systems were not operating effectively as at March 31st, 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P R Chandra & Co**  
**Chartered Accountants**  
**Firm Registration No: 018985S**

Place: Hyderabad

Date: 09-01-2025

**CA Bandi Poorna Sai Kumar**  
**Partner, Membership No. 244881**  
**UDIN: 25244881BMKZMX1582**

**Brightcom Group Limited**  
**Consolidated Balance Sheet as at 31st March 2024**

Amount in Inr Lakhs except No. of Shares And EPS

Particulars	Note	As at 31st March 2024	As at 31st March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3,223.42	3,699.06
Capital work in Progress	3	19,766.69	13,669.35
Investment property	4	21.95	21.95
Other intangible assets	3	81,815.93	81,911.93
Intangible assets under development	3	20,248.95	11,849.55
<b>Financial assets</b>			
- Investments	5	57,225.65	56,669.22
- Loans	6	11,064.34	10,911.25
- Others financial assets	7	1,839.59	1,816.49
Deferred tax assets (net)	8	1,174.51	482.75
Non- Current tax assets (net)	9	68.37	51.93
Other non-current assets	10	3,399.60	3,249.21
<b>Total Non-current assets</b>		<b>1,99,849.00</b>	<b>1,84,332.68</b>
<b>Current assets</b>			
<b>Financial assets</b>			
- Trade receivables	11	3,65,982.91	2,99,171.96
- Cash and cash equivalents	12	1,20,782.17	1,41,113.20
- Other bank balances	13	52.85	59.46
- Loans	14	1,53,779.74	1,45,919.48
- Other Financial Assets	15	67.23	57.36
Other current assets	16	35,929.39	18,971.77
<b>Total Current assets</b>		<b>6,76,594.29</b>	<b>6,05,293.23</b>
<b>Total assets</b>		<b>8,76,443.29</b>	<b>7,89,625.91</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	17	40,370.44	40,370.44
Other equity	18	7,38,087.29	6,59,720.97
<b>Total Equity</b>		<b>7,78,457.73</b>	<b>7,00,091.41</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings		-	-
Provisions	19	1,070.27	1,093.94
Deferred tax liabilities (net)	20	269.03	314.96
<b>Total Non-current liabilities</b>		<b>1,339.30</b>	<b>1,408.90</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings		-	-
- Trade payables	21	30,593.26	26,578.33
(A) Total outstanding dues of Micro enterprises and Small Enterprises			
(B) Total outstanding dues of creditors other than micro and small enterprises.			
(iii) Other financial liabilities (other than those specified in item (c) below)			
(C) Others financial liabilities	22	104.25	109.37
Other current liabilities	23	41,871.67	36,213.19
Provisions	24	24,077.07	25,224.71
<b>Total Current liabilities</b>		<b>96,646.26</b>	<b>88,125.60</b>
<b>Total equity and liabilities</b>		<b>8,76,443.29</b>	<b>7,89,625.91</b>

Notes forming part of consolidated financial statements

The accompanying notes from 1 to 58 form an integral part of the Consolidated financial statements.

AS PER OUR REPORT OF EVEN DATE

For P R Chandra & Co.,  
Chartered Accountants  
FRN:018985S

For and on behalf of the Board  
Brightcom Group Limited

Bandi Poorna Sai Kumar  
Partner  
M.No.244881  
UDIN:

Raghunath A  
Executive Director  
DIN: 00060018

PV Subba Rao  
Director  
DIN: 10844145

Place : Hyderabad  
Date : 09-01-2025

**Brightcom Group Limited**

**Statement of Consolidated Profit and Loss for the year ended 31st March 2024**

(Amount in Inr Lakhs except No. of Shares And EPS)

Particulars	Note	Year Ending 31-03-2024	Year Ending 31-03-2023
<b>INCOME</b>			
I. Revenue from operations	25	4,66,223.89	7,39,676.73
II. Other income	26	1.39	(646.19)
<b>III. Total Income (I+II)</b>		<b>4,66,225.28</b>	<b>7,39,030.54</b>
<b>IV. EXPENSES</b>			
Cost of Revenue	27	2,72,541.56	4,34,479.73
Employee Benefit expenses	28	33,790.65	40,012.89
Other Expenses	29	35,962.65	47,930.10
Financial costs	30	29.91	40.98
Depreciation and amortization expense	3	28,467.99	26,554.87
<b>Total expenses (IV)</b>		<b>3,70,792.76</b>	<b>5,49,018.57</b>
<b>V. Profit/(loss) before tax (III-IV)</b>		<b>95,432.52</b>	<b>1,90,011.97</b>
<b>VI. Tax expense</b>			
Current tax		27,414.70	53,055.25
Deferred tax		(734.66)	(142.64)
<b>VII. Profit/(loss) for the period (V-VI)</b>		<b>68,752.48</b>	<b>1,37,099.35</b>
<b>VIII. Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan (net of tax)		331.10	(371.93)
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		9,282.74	39,922.52
		-	-
<b>IX. Total comprehensive income for the period (VII+VIII)</b>		<b>78,366.32</b>	<b>1,76,649.94</b>
<b>Earnings per share</b>			
(1) Basic (in Rs.)		3.41	6.79
(2) Diluted (in Rs.)		3.41	6.79

**Notes forming part of consolidated financial statements**

The accompanying notes from 1 to 58 form an integral part of the Consolidated financial statements.

**AS PER OUR REPORT OF EVEN DATE**

For P R Chandra & Co.,  
Chartered Accountants  
FRN:018985S

For and on behalf of the Board  
**Brightcom Group Limited**

Bandi Poorna Sai Kumar  
Partner  
M.No.244881  
UDIN:

Raghunath A  
Executive Director  
DIN: 00060018

PV Subba Rao  
Director  
DIN: 10844145

Place : Hyderabad  
Date : 09-01-2025

<b>Brightcom Group Limited</b>			
<b>Consolidated Cash flow Statement for the year ended 31st March 2024</b>			
Amount in Inr Lakhs except No. of Shares And EPS			
	Particulars	Year ended	Year ended
		31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Profit Before Tax	95,432.52	1,90,011.97
	<b>Adjustment for :</b>		
	Add: Depreciation and amortisation expense	28,467.99	26,554.87
	Allowance for doubtful trade receivables	2,404.35	(3.06)
	Operating Profit before Working Capital Changes	<b>1,26,304.86</b>	<b>2,16,563.78</b>
	<u>Adjustment for Working Capital Changes:</u>		
	Increase/(Decrease) in Short term Borrowings	-	-
	Increase/(Decrease) in Trade Payables	4,014.93	8,766.95
	Increase/(Decrease) in other Current Liabilities	5,665.09	5,843.14
	Increase/(Decrease) in Others financial liabilities	(5.12)	(1.36)
	Increase/(Decrease) in Short-Term Provisions	(474.00)	504.49
	Decrease/(Increase) in Trade Receivables	(69,215.30)	(1,11,030.99)
	Decrease/(Increase) in Short-Term Loans and Advances	(7,860.26)	(3,520.30)
	(Increase)/Decrease in Other Financial Assets	(9.87)	4.42
	(Increase)/Decrease in other Current Assets	(16,957.62)	(1,517.03)
	<b>Cash Flow from Operating Activities</b>	<b>41,462.71</b>	<b>1,15,613.11</b>
	Less: Taxes paid	28,088.34	45,358.14
	<b>Net Cash Flow from Operating Activities (A)</b>	<b>13,374.37</b>	<b>70,254.97</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase/(Increase) of Fixed Assets	(1,016.79)	(1,060.29)
	(Increase)/Decrease in Non-Current Investments	-	-
	(Increase)/Decrease in Intangibles under development	(20,248.95)	(11,849.55)
	(Increase)/Decrease in Capital Work in Progress	(19,766.69)	(13,669.35)
	<b>Net cash Flow from investing activities (B)</b>	<b>(41,032.43)</b>	<b>(26,579.18)</b>
<b>C.</b>	<b>Cash Flows from Financing Activities</b>		
	Dividend Paid	(6.61)	(3,945.96)
	Increase/(Decrease) in Foreign Currency Fluctuation Reserve	7,365.28	28,622.48
	Increase/(Decrease) in Share capital	-	12.00
	Increase/(Decrease) in Share premium	-	34.20
	Increase/(Decrease) in long term provision	307.43	(332.13)
	(Increase)/Decrease in Deferred tax Asset(Net)	42.90	(212.13)
	Increase/(Decrease) in Deferred tax Liabilities(Net)	(45.92)	(20.64)
	(Increase)/Decrease in Long term loans and advances	(153.09)	(858.65)
	(Increase)/Decrease in advances	-	-
	(Increase)/Decrease in other financial assets	(23.10)	(148.11)
	(Increase)/Decrease in Non-Current tax assets (net)	(16.44)	5.12
	(Increase)/Decrease in Other Non-Current Assets	(150.39)	(157.89)
	<b>Net cash Flow from financing activities (C)</b>	<b>7,320.06</b>	<b>22,998.29</b>
	<b>Cash and cash equivalents at beginning of year</b>	<b>1,41,172.67</b>	<b>74,498.60</b>
	<b>Net change in cash (A+B+C)</b>	<b>(20,338.00)</b>	<b>66,674.07</b>
	<b>Cash and cash equivalents at year ended 31st Mar 2024</b>	<b>1,20,834.67</b>	<b>1,41,172.67</b>
<b>Notes forming part of consolidated financial statements</b>			
<b>AS PER OUR REPORT OF EVEN DATE</b>			
For P R Chandra & Co., Chartered Accountants FRN:0189855		For and on behalf of the Board Brightcom Group Limited	
Bandi Poorna Sai Kumar Partner M.No.244881 UDIN:	Raghunath A Executive Director DIN: 00060018	PV Subba Rao Director DIN: 10844145	
Place : Hyderabad Date : 09-01-2025			



Notes forming part of consolidated financial statements																
NOTE NO 3 : PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS AS AT 31-03-2024																
Sl.No.	Particulars	Gross Block						Depreciation/Amortisation				Net Block as on 31st March, 2023				
		As on 2023	1st April, 2023	Additions during the year	Foreign currency translation reserve	Sale / Deletions during the year	As on March, 2024	Dep. As on 2023	1st April, 2023	Depreciation/Amortisation for the year	Foreign currency translation reserve		Sale / Deletions during the year	Transferred to Retained Earnings	Total Depreciation	Net Block as on 31st March 2024
I	PROPERTY, PLANT AND EQUIPMENT															
1	Electrical Equipment	24322	24322	-	-	-	-	24322	0.32	24205	-	-	24205	144	24237	177
2	Office Equipment	157219	157219	11654	14,916	0.37	170632	106239	15698	106239	848	-	127685	47647	129885	50980
3	Air Conditioners	7628	7628	-	-	-	7628	6838	459	6838	-	-	7297	332	7297	791
4	Computers	13,41,400	8,61,900	13,003	13,003	-	14,396,593	11,630,700	10,4215	11,630,700	107,860	-	12,790,700	1,61,632	12,790,700	1,763,300
5	Furniture	2,061,333	1,427,147	-	14,270	-	2,075,600	1,473,500	98,020	1,473,500	6,850	-	1,578,370	49,623	1,578,370	597,263
6	Property & Equipment	4,124,550	4,124,550	41,668	41,668	-	4,211,544	3,916,050	234,407	3,916,050	3,169	-	3,598,181	629,714	3,598,181	608,477
7	Vehicles	10,718	10,718	-	-	-	10,718	3,916,050	-	3,916,050	10,718	-	10,718	0.00	10,718	0.00
	<b>Total</b>	<b>21,802,811</b>	<b>21,802,811</b>	<b>1,016,729</b>	<b>201,840</b>	<b>0.37</b>	<b>22,721,288</b>	<b>17,803,855</b>	<b>1,539,113</b>	<b>17,803,855</b>	<b>154,888</b>	<b>-</b>	<b>19,477,866</b>	<b>3,233,422</b>	<b>19,477,866</b>	<b>3,869,016</b>
II	Intangible Fixed Assets															
1	Intangible Assets	222,892,186	222,892,186	257,733,227	3,120,700	-	257,733,227	1,40,980,526	26,929,886	1,40,980,526	2,072,120	-	1,69,830,223	81,615,933	1,69,830,223	81,615,933
2	Computer Products / Rights	263,070	263,070	-	-	-	263,070	263,070	-	263,070	-	-	263,070	0.00	263,070	0.00
	<b>Total</b>	<b>2,23,155,256</b>	<b>2,23,155,256</b>	<b>257,733,227</b>	<b>3,120,700</b>	<b>-</b>	<b>2,52,000,223</b>	<b>1,41,243,633</b>	<b>26,929,886</b>	<b>1,41,243,633</b>	<b>2,072,120</b>	<b>-</b>	<b>1,70,893,300</b>	<b>81,615,933</b>	<b>1,70,893,300</b>	<b>81,615,933</b>
III	Capital Work In Progress	13,666,636	13,666,636	19,766,689	11,483	-	19,766,689	-	-	-	-	-	-	19,766,689	13,666,636	13,666,636
	<b>Total</b>	<b>11,644,668</b>	<b>11,644,668</b>	<b>20,248,966</b>	<b>98,550</b>	<b>-</b>	<b>20,248,966</b>	<b>20,248,966</b>	<b>-</b>	<b>20,248,966</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,248,966</b>	<b>11,644,668</b>	<b>11,644,668</b>
	<b>TOTAL</b>	<b>2,70,177,016</b>	<b>2,70,177,016</b>	<b>6,67,951,711</b>	<b>3,537,020</b>	<b>-</b>	<b>3,14,748,115</b>	<b>1,59,042,118</b>	<b>28,487,989</b>	<b>1,59,042,118</b>	<b>2,175,988</b>	<b>-</b>	<b>1,89,896,118</b>	<b>1,25,014,939</b>	<b>1,89,896,118</b>	<b>1,11,293,888</b>

NOTE NO 3 : PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS AS AT 31-03-2023																
Sl.No.	Particulars	Gross Block						Depreciation/Amortisation				Net Block as on 31st March, 2022				
		As on 2022	1st April, 2022	Additions during the year	Foreign currency translation reserve	Sale / Deletions during the year	As on March, 2023	Dep. As on 2022	1st April, 2022	Depreciation/Amortisation for the year	Foreign currency translation reserve		Sale / Deletions during the year	Transferred to Retained Earnings	Total Depreciation	Net Block as on 31st March 2023
I	PROPERTY, PLANT AND EQUIPMENT															
1	Electrical Equipment	24322	24322	-	-	-	24322	24172	0.22	24172	-	-	24205	177	24205	2,000
2	Office Equipment	1,80,034	1,80,034	19,709	75,160	0.40	1,57,219	89,011	139,068	33,200	3,640	-	1,092,338	509,800	1,092,338	41,022
3	Air Conditioners	7,628	7,628	-	-	-	7,628	6,474	3,640	6,474	-	-	68,338	7,910	68,338	11,222
4	Computers	12,085,222	6,992,698	6,992,698	6,992,698	-	18,403,990	10,253,339	6,69,698	5,77,700	-	-	11,630,700	1,793,200	11,630,700	1,929,822
5	Furniture	1,977,088	4,018	4,018	76,150	-	2,001,333	1,348,088	95,950	28,880	-	-	1,473,500	597,263	1,473,500	629,688
6	Property & Equipment	3,677,400	3,677,400	220,700	220,700	-	4,124,500	2,886,177	265,270	15,200	-	-	3,381,605	808,477	3,381,605	778,633
7	Vehicles	10,718	10,718	-	-	-	10,718	10,718	-	10,718	-	-	10,718	0.00	10,718	0.00
	<b>Total</b>	<b>19,386,139</b>	<b>1,073,822</b>	<b>1,060,229</b>	<b>1,073,822</b>	<b>0.40</b>	<b>21,602,811</b>	<b>16,706,121</b>	<b>1,382,726</b>	<b>16,706,121</b>	<b>731,886</b>	<b>-</b>	<b>17,803,855</b>	<b>3,690,006</b>	<b>17,803,855</b>	<b>3,690,006</b>
II	Intangible Fixed Assets															
1	Intangible Assets	1,88,357,511	1,88,357,511	179,94,271	18,599,096	-	2,22,892,186	1,07,945,278	25,15,109	1,07,945,278	8,743,398	-	1,40,980,223	81,615,933	1,40,980,223	81,615,933
2	Computer Products / Rights	263,070	263,070	-	-	-	263,070	263,070	-	263,070	-	-	263,070	0.00	263,070	0.00
	<b>Total</b>	<b>1,88,620,581</b>	<b>1,88,620,581</b>	<b>179,94,271</b>	<b>18,599,096</b>	<b>-</b>	<b>2,23,155,256</b>	<b>1,07,208,348</b>	<b>25,15,109</b>	<b>1,07,208,348</b>	<b>8,743,398</b>	<b>-</b>	<b>1,41,243,322</b>	<b>81,615,933</b>	<b>1,41,243,322</b>	<b>81,615,933</b>
III	Capital Work In Progress	13,666,636	13,666,636	19,766,689	11,483	-	19,766,689	-	-	-	-	-	-	13,666,636	13,666,636	13,666,636
	<b>Total</b>	<b>9,738,442</b>	<b>9,738,442</b>	<b>11,846,686</b>	<b>97,384,420</b>	<b>-</b>	<b>11,846,686</b>	<b>11,846,686</b>	<b>-</b>	<b>11,846,686</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,846,686</b>	<b>9,738,442</b>	<b>9,738,442</b>
	<b>TOTAL</b>	<b>2,25,924,448</b>	<b>2,25,924,448</b>	<b>44,513,957</b>	<b>17,972,729</b>	<b>-</b>	<b>2,70,177,016</b>	<b>1,23,017,016</b>	<b>28,554,877</b>	<b>1,23,017,016</b>	<b>9,475,244</b>	<b>-</b>	<b>1,59,042,118</b>	<b>1,11,293,888</b>	<b>1,59,042,118</b>	<b>1,02,907,432</b>

Brightcom Group Limited

Notes forming part of consolidated financial statements

<b>NOTE NO. 4 : INVESTMENT PROPERTY</b>			
<b>S.No.</b>	<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
<b>I</b>	Land at cost	21,95	21,95
	<b>Total Investment Property</b>	<b>21,95</b>	<b>21,95</b>

<b>NOTE NO. 5 : INVESTMENTS - NON CURRENT</b>			
<b>S.No.</b>	<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
	<b>Investments - Non Current</b>		
	<b>Investment in Equity Instruements at cost</b>		
	<b>Equity Shares - Unquoted</b>		
<b>I</b>	Affiliates	40,338.84	39,782.40
	Vuchi Media Pvt Ltd	16,886.81	16,886.81
	<b>Total Investments-Non - Current</b>	<b>57,225.65</b>	<b>56,669.22</b>

<b>NOTE NO. 6 : LOANS - NON CURRENT</b>			
<b>S.No.</b>	<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
	<b>Loans - Non- Current</b>	-	-
<b>I</b>	<b>Unsecured, Considered Good</b>	-	-
	(a) Security deposits	20.66	19.91
	(b) Other Advances	11,043.67	10,891.34
	<b>Total Loans - Non current</b>	<b>11,064.34</b>	<b>10,911.25</b>

<b>NOTE NO. 7 : OTHER FINANCIAL ASSETS - NON CURRENT</b>			
<b>S.No.</b>	<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
	<b>Other financial assets - Non- Current</b>		
	<b>Unsecured, Considered Good</b>		
	<b>Advances other than Capital advances</b>		
<b>I</b>	(a) Other advances	1,675.15	1,652.04
	(b) Advances to related parties	-	-
	- Ybrant Employees Welfare Trust	107.50	107.50
	- LGSJ Foundation Trust	56.95	56.95
	<b>Total Other financial assets - Non Current</b>	<b>1,839.59</b>	<b>1,816.49</b>



**NOTE NO. 8 : DEFERRED TAXES ASSET (NET)**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Deferred tax assets (net)</b>		
I	Deferred tax liability	495.34	516.35
	Allowances for bad and doubtful debts	-	2.49
	Acturail gain or loss of gratuity	-	(23.51)
	<b>Deferred Tax Liability Net</b>	<b>495.34</b>	<b>495.34</b>
	Deferred tax assets	-	-
	Opening Deferred tax assets	978.08	643.92
	- Fixed Assets	0.43	(16.95)
	- Provision for gratuity and compensated absences	682.29	108.64
	Allowances for bad and doubtful debts	-	-
	Gratuity Expenses	2.40	2.91
	Foreign currency difference	6.65	239.57
	MAT credit		
	<b>Deferred Tax Asset Net</b>	<b>1,669.85</b>	<b>978.08</b>
	<b>Deferred Tax Asset (Net)</b>	<b>1,174.51</b>	<b>482.75</b>

**NOTE NO. 9 : NON- CURRENT TAX ASSETS (NET)**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Non- Current tax assets (net)</b>		
I	-TDS Receivables	68.37	51.93
	<b>Total Non- Current tax assets (net)</b>	<b>68.37</b>	<b>51.93</b>

**NOTE NO. 10 : OTHER NON CURRENT ASSETS**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Other non-current assets</b>		
I	Others	3,399.60	3,249.21
	<b>Total Other Non Current Assets</b>	<b>3,399.60</b>	<b>3,249.21</b>

**NOTE NO. 11 : TRADE RECEIVABLES**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Trade receivables</b>		
	(a)Unsecured Considered good	3,69,117.73	2,99,885.09
		-	-
	Less: Allowances for bad and doubtful debts	3,134.82	713.13
		-	-
	<u>Notes</u>	-	-
	<i>In determining the allowances for doubtful trade receivables the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.</i>	-	-
	<b>Total Trade Receivables</b>	<b>3,65,982.91</b>	<b>2,99,171.96</b>
	<b>Please refer note no- 44</b>		

**NOTE NO. 12 : CASH AND CASH EQUIVALENTS**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Cash and cash equivalents</b>		
	Balances with banks		
	- Current Accounts	1,20,782.13	1,41,113.19
	- Cash on hand	0.04	0.01
		-	-
	<b>Total Cash and cash equivalents</b>	<b>1,20,782.17</b>	<b>1,41,113.20</b>

**NOTE NO. 13 : OTHER BANK BALANCES - CURRENT**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Other bank balances - Current</b>	-	-
	(i) Earmarked balances with Banks	-	-
	- Unpaid Dividend	49.91	56.52
	(ii) Balances with bank held as Margin Money	2.94	2.94
		-	-
	<b>Total Other bank balances - Current</b>	<b>52.85</b>	<b>59.46</b>

**NOTE NO.14 : LOANS – CURRENT**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Loans – Current</b>		
	Unsecured Considered Good		
	<b>(a) Loans to related parties</b>	0.00	-
	<b>(b) Others</b>	-	-
	Advances to Employees	1,046.77	1,042.68
<b>I</b>	Other Advances	1,52,732.97	1,44,876.80
	<b>Total Loans – Current</b>	<b>1,53,779.74</b>	<b>1,45,919.48</b>

**NOTE NO.15 : OTHER FINANCIAL ASSETS – CURRENT**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Other financial asset – Current</b>		
	(a) Security deposits		
	- Rental deposits	42.44	32.57
	- Other deposits	24.79	24.79
	<b>Total Other financial assets – Current</b>	<b>67.23</b>	<b>57.36</b>

**NOTE NO.16 : OTHER CURRENT ASSETS**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Other Current Assets</b>		
	Other current assets	35,929.39	18,971.77
	<b>Total Other Current Assets</b>	<b>35,929.39</b>	<b>18,971.77</b>

**Note No: 17 Equity share capital**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Equity share capital</b>		
	<b>(i) Authorized</b>		
	2,250,000,000 Equity Shares of Rs.2/- each )	45,000.00	45,000.00
		-	-
	<b>(ii) Issued, Subscribed and Paid Up</b>	-	-
	(2,018,521,873 Equity Shares Rs.2/- each)	40,370.44	40,370.44
		-	-
	<b>(iii) Reconciliation of the shares outstanding at the beginning and at the end of the rep</b>	-	-
	<b>Number of Shares</b>	-	-
	Shares outstanding at the beginning of the year	2,01,85,21,873	2,01,79,21,873
	Add: Issued and allotted during the year		6,00,000
	Shares outstanding at the end of the year	2,01,85,21,873	2,01,85,21,873
	(iv) Rights, Preferences and restrictions attached to the equity shares:		
	(a) The Company has only one class of equity shares having par value of ₹2 each. Each shareholder is eligible for one vote per share held.		
	(b) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by equity shareholders.		
	(v) Shares held by holding Company		
	(vi) The details of shareholders holding more than 5% shares in the Company		
	(a) Equity Shares		
	ARADHANA COMMOSALES LLP		
	Number of equity shares	10,41,66,666	10,41,66,666
	% of holding	5.16%	5.16%
	SARITA COMMOSALES LLP		
	Number of equity shares	10,36,76,916	10,30,76,916
	% of holding	5.14%	5.11%

**Note No: 18 Other equity**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Other equity consist of the following</b>		
	(a) Capital reserve		
	Opening balance	41,678.12	41,678.12
	Add: During the year	-	-
		<b>41,678.12</b>	<b>41,678.12</b>
	<b>b).Securities Premium</b>		
	Opening balance	72,865.43	72,831.23
	Add: During the year		34.20
	Less: Bouns shares issued	-	-
		<b>72,865.43</b>	<b>72,865.43</b>
	<b>c).General reserve</b>		
	<b>Opening balance</b>	398.17	398.17
	Add: During the year	-	-
		<b>398.17</b>	<b>398.17</b>
	<b>d).Surplus</b>		
	<b>Opening balance</b>	<b>4,88,804.47</b>	<b>3,58,130.82</b>
	Add: Profit for the year	68,752.48	1,37,099.35
	Add: Remeasurement of the defined benefit plan	331.10	(371.93)
	Less: Dividend issued	(0.00)	6,053.77
		<b>5,57,888.05</b>	<b>4,88,804.47</b>
	<b>e).Foreign currency translation reserve</b>		
	<b>Opening balance</b>	55,974.78	16,052.36
	Add: During the year	9,282.74	39,922.42
		<b>65,257.52</b>	<b>55,974.78</b>
	<b>Total Reserve &amp; Surplus</b>	<b>7,38,087.29</b>	<b>6,59,720.97</b>

**NOTE NO. 19 : PROVISIONS - NON CURRENT**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Provisions - Non current</b>		
	Provision for employee benefits		
	(a) Gratuity	41.60	53.59
	(b) Leave encashment	16.91	16.91
	Accrued Severance Pay	992.17	1,001.66
	Other Provisions	19.59	21.77
	<b>Total Provisions - Non Current</b>	<b>1,070.27</b>	<b>1,093.94</b>

**NOTE NO. 20 : DEFERRED TAX LIABILITIES (NET)**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>DEFERRED TAX LIABILITIES (NET)</b>		
I	Opening Deferred tax liability	334.96	334.96
	ADD:	(66.82)	-
	Deferred Tax Liability for the year ( Due to SLM and WDV Difference )	6.46	-
	Deferred Tax Liability due to others	-	-
	<b>Gross Deferred tax liability</b>	274.61	334.96
	<b>Deferred tax assets</b>		-
	Opening Deferred tax	20.00	(0.65)
	ADD: During th year	(14.73)	-
	Deferred Tax Asset for the year ( Due to SLM and WDV Difference )	3.92	-
	Provision for Gratuity and Compensated Absences	-	23.71
	Foreign currency difference	(3.61)	(3.06)
	<b>Gross Deferred tax Asset</b>	5.58	20.00
	<b>Deferred Tax Liability - Net</b>	<b>269.03</b>	<b>314.96</b>

**NOTE NO. 21 : TRADE PAYABLES - CURRENT**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
		Rupees	Rupees
I	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	0.24	0.21
	Total outstanding dues of creditors other than micro enterprises and small enterprises	30,593.02	26,578.12
	<b>Total Trade Payables - Current</b>	<b>30,593.26</b>	<b>26,578.33</b>
	<b>Please refer note no - 45</b>		

**NOTE NO. 22 : OTHER FINANCIAL LIABILITIES – CURRENT**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Other financial liabilities – Current</b>		
	Others	104.25	109.37
	<b>Total Other financial liabilities – Current</b>	<b>104.25</b>	<b>109.37</b>

**NOTE NO. 23 : OTHER CURRENT LIABILITIES**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Other current liabilities</b>		
I	Unpaid dividend	3,402.28	3,408.88
	Other Current Liabilities	20,160.63	19,649.10
	Acquisition Payables – Lycos Inc	18,308.77	13,155.20
	<b>Total Other current liabilities</b>	<b>41,871.67</b>	<b>36,213.19</b>

**NOTE NO. 24 : PROVISIONS – CURRENT**

S.No.	Particulars	As at 31st March 2024	As at 31st March 2023
	<b>Provisions – Current</b>		
I	<b>(i) Provision for employee benefits</b>		
	Employee benefit payable	686.96	680.20
	<b>(ii) Others</b>	-	-
	(a) Provisions for expenses	44.77	13.22
	(b) Other Provisions	1,380.93	1,225.21
	(c) Tax	21,964.41	23,306.08
	<b>Total Provisions – Current</b>	<b>24,077.07</b>	<b>25,224.71</b>

## Brightcom Group Limited

### Notes forming part of consolidated financial statements

#### NOTE NO. 25 : REVENUE FROM OPERATIONS

S.No.	Particulars	Year Ending	Year Ending
		31-03-2024	31-03-2023
I	(a) Sale of Services Domestic	-	152,93
	(b) Sale of Services Exports	4,19,620.87	6,96,132.53
	(c) Sale of Software Exports	46,603.02	43,391.27
	<b>Total Revenue from Operations</b>	<b>4,66,223.89</b>	<b>7,39,676.73</b>

#### NOTE NO. 26 : OTHER INCOME

S.No.	Particulars	Year Ending	Year Ending
		31-03-2024	31-03-2023
I	(a) Interest income	-	3,67
	(b) Net gain/(loss) on foreign currency translation and transaction	1,39	(649,86)
	Other Income	-	-
	<b>Total Other Income</b>	<b>1,39</b>	<b>(646,19)</b>

#### NOTE NO. 27 : COST OF REVENUE

S.No.	Particulars	Year Ending	Year Ending
		31-03-2024	31-03-2023
I	(a) Media Cost	1,74,043.36	3,33,048.51
	(b) Internet, cloud and Infrastructure	44,880.09	53,141.13
	(c) Syndication Cost	16,367.11	14,635.01
	(d) Software Purchase & Sub Contractors Cost	37,250.99	33,655.07
	<b>Total Cost of Revenue</b>	<b>2,72,541.56</b>	<b>4,34,479.73</b>

#### NOTE NO. 28 : EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	Year Ending	Year Ending
		31-03-2024	31-03-2023
I	(a) Salaries, wages and allowances	33,760.51	39,986.98
	(b) Contribution to provident and other fund	24,94	22,53
	(c) Staff Welfare Expenses	5,19	3,38
	<b>Total Employee Benefit Expenses</b>	<b>33,790.65</b>	<b>40,012.89</b>



**NOTE NO. 29 : OTHER EXPENSES**

S.No.	Particulars	Year Ending	Year Ending
		31-03-2024	31-03-2023
I	Power & Fuel	502.24	718.32
	Rent	5,255.27	5,539.72
	Repairs & Maintenance	672.86	1,180.92
	Insurance	370.43	787.60
	Rates & Taxes (excluding Income Tax)	439.42	1,091.22
	Miscellaneous Expenses	363.27	825.61
	Payment to Auditors:	-	-
	(i) As Auditor fee	382.27	507.57
	(ii) For Tax Audit fee	9.91	12.34
	(iii) For Other Audit related Services	24.47	49.64
	Ins Fee	-	-
	Telephone, Postage and Others	624.63	919.61
	Business Promotion Expenses	9,621.30	15,624.16
	Travelling and Conveyance	491.47	500.45
	Office Maintenance	1,803.68	2,296.61
	Printing & Stationery Expenses	45.35	67.85
	Security Charges	88.99	117.72
	Consultancy Charges	1,601.44	2,285.53
	Event Sponsorship & Seminar Fee	-	30.00
	Web Development Expenses	2,265.92	2,718.51
	Professional Charges	3,247.40	4,601.13
	Sales and Marketing Expenses	3,685.54	5,707.32
	Books & Subscriptions	33.83	33.55
	Provision for Impairment of Debtors	2,404.35	(3.06)
(w)Bad debts written off	-	-	
Other Expenses	2,015.47	2,297.62	
CSR Expenditure	13.13	20.12	
	<b>Total Other Expenses</b>	<b>35,962.65</b>	<b>47,930.10</b>

**NOTE NO. 30 : FINANCE COSTS**

S.No.	Particulars	Year Ending	Year Ending
		31-03-2024	31-03-2023
		Rupees	Rupees
I	(a) Interest on Working capital Loans	-	-
	Interest on Term Loan	-	-
	Interest on Unsecured Loan	27.54	-
	Loan processing Charges & Bank Charges	2.37	40.98
	<b>Total Finance Costs</b>	<b>29.91</b>	<b>40.98</b>

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### 31. Auditor's Remuneration:

Particulars	(Amount in Rs.)	
	Year ended 31 <sup>st</sup> March,	
	2024	2023
Statutory Audit Fees	382.27	507.57
Tax Audit Fee	9.91	12.34
Other Audit related Services	24.47	49.64
<b>Total</b>	<b>416.65</b>	<b>569.55</b>

### 32. Quantitative Details:

The Group is engaged in providing digital marketing services, development of Computer Software and services. The production and sale of such digital marketing services and software development services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under **Paragraphs 5 (viii)(c) of general instructions for preparation of the Statement of Profit and Loss as per Schedule III to the companies Act, 2013.**

### 33. Related Party Transactions:

During the financial year 2023-24 the Company has entered into some transactions, which can be deemed as related party transactions. All these matters have been approved by the Board, wherever necessary.

#### (a) Related Parties:

S.No.	Particulars	Nature of Relationship
1	M. Suresh Kumar Reddy	Chairman and Managing Director
2	Vijay Kancharla	Executive Director
3	K. Jaya Lakshmi kumari	Independent Director
4	Nilendu Narayan Chakraborty	Independent Director
5	Surabhi Sinha	Independent Director
6	Raghunath Allamsetty	Executive Director
7	Peshwa Acharya	Non-Independent & Non-Executive Director
8	Kallol Sen	Executive Director
9	Radhakishore Pandrangi	Independent Director
10	Meghana Musunuri	Independent Director
11	Paladugu Venkata Subba Rao	Independent Director
12	Deepika Daliya	Independent Director
13	Ram Sharma	Independent Director
14	Ravi Chandran	Independent Director
15	Shambhavi Vedantam Murthy	Independent Director
16	Pleo Ganeshan	Independent Director
17	Dr. Chandrika Setu Sharma	Independent Director
18	Mr. Satyanarayana Yadavally	Independent Director
19	Yreach Media Private Limited, India	99% Owned Subsidiary
20	LIL Projects Private Limited, India	Wholly Owned Subsidiary
21	Frontier Data Management Inc, USA	Wholly Owned Subsidiary
22	International Expressions Inc, USA	Wholly Owned Subsidiary
23	Online Media Solutions Limited, Israel	Wholly Owned Subsidiary
24	Ybrant Media Acquisition Inc, USA	Wholly Owned Subsidiary
25	Dyomo Corporation, USA	Wholly Owned Subsidiary
26	Max Interactive Pty, Ltd., Australia	Wholly Owned Subsidiary

## Brightcom Group Limited

### Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

27	DreamAd, Argentina	Wholly Owned Subsidiary
28	DreamAd, Chile	Wholly Owned Subsidiary
29	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	Wholly Owned Subsidiary
30	DreamAd, Panama	Wholly Owned Subsidiary
31	DreamAd, Uruguay	Wholly Owned Subsidiary
32	Ybrant Digital Servicios De Publiciade Ltda, Brasil	Wholly Owned Subsidiary
33	Ybrant Digital (Brasil) Ltd., Singapore	Wholly Owned Subsidiary
34	LGS Global FZE, UAE	Wholly Owned Subsidiary
35	Ybrant Employees welfare Trust	Directors acting as Trustees
36	LGSL Foundation Trust	Directors acting as Trustees
37	Vuchi Media Pvt Ltd	Associate company

#### Balances with related parties at the year-end:

##### (i) Unsecured loans from Related Parties:

(in lakhs.)

Particulars	Year ended 31 <sup>st</sup> March	
	2024	2023
DreamAd, Panama	917.07	904.42
Frontier Data Management Inc, USA	1,084.30	1069.34
International Expressions Inc, USA	876.82	864.72
Online Media Solutions Limited, Israel	1,314.74	1,296.61
Ybrant Media Acquisition Inc, USA	6,796.45	6702.70

##### (ii) Investment in Subsidiaries and Associates:

Particulars	Year ended 31 <sup>st</sup> March	
	2024	2023
DreamAd Group	5,432.40	5,432.40
Frontier Data Management Inc., USA	12,984.77	12,984.77
International Expressions Inc., USA	10,453.63	10,453.63
Online Media Solutions Limited, Israel	5,178.81	5,178.81
Ybrant Media Acquisition Inc., USA	12,652.40	12,652.40
Max Interactive Pty Ltd, Australia	4,174.90	4,174.90
Dyomo Corporation, USA	4.67	4.67
Ybrant Digital Servicios De Publiciade Ltda, Brasil	2.66	2.66
Ybrant Digital (Brasil) Ltd., Singapore	0.00	0.00
LGS Global FZE, UAE	2.44	2.44
Yreach Media Pvt Ltd.	0.99	0.99
LIL Projects private limited.	1.00	1.00
Vuchi Media Pvt Ltd	16,886.81	16,886.81

##### (iii) Unsecured loans to related parties:

Particulars	year ended 31 <sup>st</sup> March	
	2024	2023
Ybrant Employees welfare Trust	107.50	107.50
LGSL Foundation Trust	56.95	56.95
LIL Projects Pvt Ltd	11,953.46	12,996.92
Yreach Media Pvt Ltd	28,199.17	28,249.87

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### (iii) Unsecured loans to related parties:

Particulars	year ended 31 <sup>st</sup> March	
	2024	2023
Ybrant Employees welfare Trust	107.50	107.50
LGSL Foundation Trust	56.95	56.95
LIL Projects Pvt Ltd	11,953.46	12,996.92
Yreach Media Pvt Ltd	28,199.17	28,249.87

### 34. Lease:

The company's lease asset classes primarily consist of leases for land and buildings. Effective April 1, 2019, the company adopted Ind AS 116, Leases and applied the standard to applicable lease contracts. On the adoption of the new standard resulted in the recognition of ROU asset of Rs. NIL, and a lease liabilities of Rs. NIL at a standalone level. The effect of this adoption is insignificant on the operating profit, net profit for the period and earnings per share.

### 35. Foreign Currency Outflows:

Foreign Exchange outflows as reported by the Company to Government of India and as certified by Management.

Particulars	(Amount in Rs lakhs.)	
	Year Ended 31 <sup>st</sup> March,	
	2024	2023
Foreign Travelling	0.00	7.10
<b>Total</b>	<b>0.00</b>	<b>7.10</b>

### 36. Foreign Currency Inflows:

Foreign Exchange inflows as reported by the Company to Government of India and as certified by Management.

Particulars	(in lakhs)	
	Year Ended 31 <sup>st</sup> March,	
	2024	2023
Sales & Services	NIL	NIL
Realization from Trade Receivables out of Opening Balance	NIL	NIL
Investment in Equity	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 37. Employee Benefits (Gratuity)

The details of the Company's post – retirement benefit plans for its employees including whole-time directors are given below which are certified by an Independent Actuary.

#### a) Changes in the Present Value of Obligation

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
<b>Present Value of Obligation as at beginning</b>	54.02	52.91
Current Service Cost	6.11	6.08
Interest Expense or Cost	3.84	3.68
Re-measurement (or Actuarial) (gain) / loss		

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

arising from: others		
- change in demographic assumptions		
- change in financial assumptions	-18.50	-7.16
- experience variance (Actual v assumptions)		
Past Service Cost		
Effect of change in foreign exchange rates		
Benefits Paid	-3.87	-1.48
Acquisition Adjustment		
Effect of business combinations or disposals		
<b>Present Value of Obligation as at the end</b>	<b>41.60</b>	<b>54.02</b>

### b) Bifurcation of Net Liability

Particulars	As on	
	31-Mar-24	31-Mar-23
Current Liability (Short term)	22.16	20.74
Non-Current Liability (Long term)	19.44	33.28
<b>Total Liability</b>	<b>41.60</b>	<b>54.02</b>

### c) Changes in the Fair Value of Plan Assets

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
<b>Fair Value of Plan Assets as at the beginning</b>	0.43	0.43
<b>OB difference</b>		
Actuarial gain/(loss)	.11	0.03
Employer's Contribution		
Expenses		
Employee's Contribution		
Benefits Paid	-3.87	
Return on plan assets, excluding amount recognized in net interest expense	-0.11	-0.03
Acquisition Adjustment	4.01	-
<b>Fair Value of Plan Assets as at the end</b>	<b>0.57</b>	<b>0.43</b>

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### d) Change in the Effect of Asset Ceiling

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
<b>Effect of Asset Ceiling at the beginning</b>	-	-
Interest Expense or Cost (to the extent not recognized in net interest expense)	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
<b>Effect of Asset Ceiling at the end</b>	-	-

### e) Expenses Recognized in the Income Statement

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
Current Service Cost	6.11	6.07
Past Service Cost		
Loss / (Gain) on settlement		
Expected return on Asset	.11	
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	3.84	3.64
Actuarial Gain/Loss		
<b>Expenses Recognized in the Income Statement</b>	<b>10.06</b>	<b>9.72</b>

### f) Other Comprehensive Income

Particulars	For the period ending	
	31-Mar-24	31-Mar-23
Actuarial (gains) / losses		
- change in demographic assumptions		
- change in financial assumptions	(18.50)	7.16
- experience variance (i.e. Actual experience vs assumptions)		
- others obd difference		
Return on plan assets, excluding amount recognized in net interest expense	0.11	(0.03)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>(18.39)</b>	<b>7.13</b>

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### g) Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-24	31-Mar-23
Government of India securities	-	-
State Government securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	-	-
Bank balance	-	-
Other Investments	-	-
<b>Total</b>	-	-

### h) Actuarial Assumptions:

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As on	
	31-Mar-24	31-Mar-23
Discount rate (per annum)	<b>7.08%</b>	<b>7.35%</b>
Salary growth rate (per annum)	<b>6.00%</b>	<b>6.00%</b>

### (ii) Leave Encashment

The provision for Leave Encashment is calculated as per accrual method and included in current liability & provision.

### 38. Earnings Per Share:

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March	Year Ended 31 <sup>st</sup> March,
	2024	2023
Profits Attributable to Equity Share Holders	68,752.48	137,099.35
Weighted Average No. of Shares Outstanding for the Year ended		
Basic	2018,521,873	2018,521,873
Diluted	2018,521,873	2018,521,873
Earnings per Share – Basic	3.41	6.79
Earnings per Share – Diluted	3.41	6.79

The EPS of Rs.3.41 on a PAT of Rs. 68,752.48 lakhs for the year ended 31 March 2024 for an Equity Capital i.e. Rs. 40,370.44 lakhs consisting of 2018,521,873 Equity Shares of Rs.2/- each fully paid up and whereas the EPS of Rs. 6.79 on a PAT of Rs. 137,099.35 lakhs for the year ended 31 March 2023 for an Equity Capital i.e. Rs. 40,370.44 lakhs consisting of of 2,018,521,873.

39. As per Ind AS 21, the Foreign exchange fluctuation gain / (loss) on monetary items is recognized in statement of P & L a/c. The receivables have been considered at the actual rate at which the amount is realized.

## Brightcom Group Limited

### Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

#### 40. Segment Reporting:

The group is mainly engaged in the area of Digital Marketing (& related) services and Software Development Services. The segment report is given in Annexure A.

#### 41. Intra branch Transactions:

The Intra Branch transactions have been eliminated while preparing the financial statements.

42. The subsidiary (Ybrant Media Acquisition Inc.,USA) has failed to pay part consideration due to Daum Global Holding Corporation in respect of acquisition of Lycos Inc., considering which the district court of New York has granted receivership of 56% shares of the Lycos Inc. back to Daum Global Holding Corporation.[Announcement under Regulation 30 (LODR) dated 9th May, 2018 on BSE].

#### 43. Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2024.

#### 44. Confirmation of Closing Balances:

The Group has sought for confirmations in respect of Trade receivables, Trade Payables, loans and advances given and received. However, the confirmations from few parties are yet to be received in respect of the said items.

#### 45. Trade receivables ageing schedule Ageing as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	1,04,199.89	2,64,917.84	-	-	-	3,69,117.73
Disputed Trade Receivables - considered good						
<b>Less: Expected credit loss</b>		(3,134.82)				(3,134.82)
<b>Total</b>	<b>1,04,199.89</b>	<b>2,61,783.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,65,982.91</b>

#### Ageing as at 31 March 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	2,25,472.34	74,414.25	-	-	-	2,99,886.59
Disputed Trade Receivables - considered good						
<b>Less: Expected credit loss</b>		(714.63)				(714.63)
<b>Total</b>	<b>2,25,472.34</b>	<b>73,699.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,99,171.96</b>



## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### 46. Trade payables ageing schedule:

Ageing as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	0.24	-	-	-	-	0.24
Others	30,444.77	148.24	-	-	-	30,593.02
<b>Total</b>	<b>30,445.01</b>	<b>148.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,593.26</b>

Ageing as at 31 March 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Micro and Small Enterprises	0.21	-	-	-	-	0.21
Others	26,568.95	9.17	-	-	-	26,578.12
<b>Total</b>	<b>26,569.16</b>	<b>9.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,578.33</b>

### 47. Capital work-in-progress

Ageing for capital work-in-progress as at March 31, 2024 is as follows:

Capital work-in-progress	Amount in Capital work-in-progress of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	19,766.69	-	-	-	19,766.69
<b>Total</b>	<b>19,766.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,766.69</b>

Ageing for capital work-in-progress as at March 31, 2023 is as follows:

Capital work-in-progress	Amount in Capital work-in-progress of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	13,669.35	-	-	-	13,669.35
<b>Total</b>	<b>13,669.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,669.35</b>

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### 48. Intangible assets under development:

Ageing for Intangible assets under development as at March 31, 2024 is as follows:

Intangible assets under development	Amount in Intangible assets under development of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	20,248.95				20,248.95
<b>Total</b>	<b>20,248.95</b>	-	-	-	<b>20,248.95</b>

Ageing for Intangible assets under development as at March 31, 2023 is as follows:

Intangible assets under development	Amount in Intangible assets under development of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	11,849.55				11,849.55
<b>Total</b>	<b>11,849.55</b>	-	-	-	<b>11,849.55</b>

### 49. Financial risk management objectives and policies

The Group's principal financial liabilities comprise, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's management oversees the management of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and makes policies for managing each of these risks, which are summarized below.

#### A Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Group considers a counterparty who fails to pay according to the contractual terms or obligations as a defaulted party. This is based on considering the market and economic forces in which the entities in the Group are operating and considering the impact of COVID – 19. The Group creates provision for the amount if the credit risk of counter-party increases significantly due to its poor financial position and failure to make payment within the due date. In calculating expected credit loss, the Group has also considered historical pattern of credit loss, the likelihood of increased credit risk and consequential default considering emerging situations due to COVID –19.

#### Trade receivables as contract asset:

The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. Outstanding customer receivables are regularly monitored. The Group's receivables turnover is quick and historically, there were no significant defaults. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired.

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### B. Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

### C. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other market changes. Financial instruments affected by market risk include loans and borrowings and deposits.

#### - Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of changes in market interest rates is negligible.

#### - Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective entities.

### 50. Contingent Liabilities & Guarantees:

Particulars	Name of the Bank / Party	(in lakhs.)
		Year ending 31st March, 2024
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	1,460.05
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	413.23
Disputed Service tax Liability for the period April 2014 to June 2017.	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	6,487.35
Disputed GST Liability for the period July 2017 to March 2021.	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	3,287.09
Disputed Income Tax Liability for the A.Y.2006-07 to A.Y. 2009-10.	CIT(Appeals) / ITAT	835.02
Disputed Income Tax Liability for the A.Y.2010-11 to A.Y. 2013-14.	CIT(Appeals)/ ITAT	3,889.14
Disputed Income Tax Liability for the A.Y.2014-2015 to A.Y. 2020-21.	CIT(Appeals)/ ITAT	8,687.92
Corporate Guarantee for Acquiring Lycos Inc (USD 4 Mn) *	Daum Global Holdings Corp, Republic of Korea	3,334.80

\* Assumption: 1 USD = Rs.83.37 (Closing rate as on 31<sup>st</sup> March 2024)

51. Dividend Payable is pending for various financial years amounting to Rs.3,402.28/-lakhs.

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### 52. Additional Regulatory Information

Ratios					
Ratio	Numerator	Denominator	Current year	Previous year	Change in ratio
<b>Current ratio (in times)</b>	Total current assets	Total current liabilities	7.00	6.87	2%
<b>Debt-Equity ratio (in times)</b>	Debt consists of borrowings and long term liabilities	Total equity	0.0017	0.0020	-15%
<b>Debt service coverage ratio (in times)</b>	Earning for Debt Service = Net Profit after taxes+ Non-cash operating expenses + Interest +Other non-cash adjustments	Debt service = Interest + finance charges	3,251.39	3,978.66	-18%
<b>Return on equity ratio (in %)</b>	Profit for the year	total equity	8.83%	19.58%	-55%
<b>Trade receivables turnover ratio (in times)</b>	Revenue from operations	Average trade receivables	1.40	3.04	-54%
<b>Trade payables turnover ratio (in times)</b>	Cost of equipment and software licences	Average trade payables	9.53	19.58	-51%
<b>Net capital turnover ratio (in times)</b>	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	0.80	1.43	-44%
<b>Net profit ratio (in %)</b>	Profit for the year	Revenue from operations	14.75%	18.54%	-20%
<b>Return on capital employed (in %)</b>	Profit before tax and finance costs	Capital employed = Net worth + Long term liabilities	12.24%	27.09%	-55%
<b>Return on investment (in %)</b>	Total Comprehensive Income	Total Assets	8.94%	22.37%	-60%

53. The Company has spent Rs. 13.13 Lakhs on CSR activities in the areas of Education and Environmental Protection. A detailed report on CSR forms part of this annual report.

## Brightcom Group Limited

### Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

54. SEBI has issued a show-cause notice and an interim order dated 13-04-2023, observing certain irregularities, followed by interim order dated 22-08-2023 and confirmatory order dated 28-02-2024. The company preferred appeals against the show-cause notice dated 13-04-2023 and interim order dated 22-08-2023, vide appeal nos. 941 of 2023, 942 of 2023 and 474 of 2024 respectively before the Hon'ble Securities Appellate Tribunal and the proceeding are going on. We are not able to express an opinion on the issues covered by the said show-cause notice and interim orders, due to its-pendency.
55. As referred in point no 177(g)(ii) of SEBI's interim order cum show cause notice dated 13th April 2023, the internal team of the company conducts and ensures the adequacy of internal audit function of the company.
56. The figures of previous year have been regrouped wherever necessary.
57. The figures have been rounded off to the nearest lakhs and decimals thereof.
58. Statement of Net assets and profit or loss attributable to Owners and Minority Interest is attached in Annexure B.

**As per our report of even date**  
**For P Ravi Chandra,**  
**CHARTED ACCOUNTANTS**  
**FRN: 018985S**

**For and on behalf of the Board of**  
**BRIGHTCOM GROUP LIMITED**

**Bandi Poorna Sai Kumar**  
**Partner**  
**Membership Number: 244881**

**Raghunath A**  
**Executive Director**  
**DIN: 00060018**

**PV Subba Rao**  
**Director**  
**DIN: 10844145**

**PLACE: HYDERABAD**  
**DATE: 09-01-2025**

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

### 1. Corporate Information:

Brightcom Group Limited, offers digital marketing solutions to businesses, agencies and online publishers worldwide. Brightcom Group Limited connects Advertisers with their Audience across any form of Digital Media, using its massive local presence to deliver appropriate messages to the right audience, through the most relevant Digital channels. Brightcom Group Limited has a global presence, with offices in over 24 countries.

Brightcom Group Limited is also a Global Information Technology Implementation and Outsourcing Services Provider with an exceptional track record of providing high quality, on-budget, and on-time solutions to demanding clients specifically in the areas of Digital Media advertising and in the fields of AI, ML, IOT to name a few. Our business knowledge in key verticals helps us provide solutions that are customized to address the specific needs while focusing on maximizing value of Information Technology investments such that clients can achieve their business objectives. We believe in fostering long-term relationships, and partner with our clients in their success. BCG Provides End-to-end Enterprise Solution Offerings and Specializing in ERP Solutions, Microsoft and Open Source Systems development.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### a) Statement of compliance

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 read with rule 3 of companies (Indian accounting standards) Rules, 2015 ("the rules") (as amended from time to time).

#### b) Company information

The consolidated financial statements of the Company includes subsidiaries listed in the table below:

Name of Investee	Principal activities	Country of incorporation	Percentage of ownership/ voting rights	
			31/Mar/24	31/Mar/23
Ybrant Media Acquisition Inc	Digital Marketing	USA	100	100
Online Media Solutions Limited	Digital Marketing	Israel	100	100
International Expressions Inc	Digital Marketing	USA	100	100
Dream AD SA Panama	Digital Marketing	Panama	100	100
Ybrant Digital Servicos De Publicidade Ltd	Digital Marketing	Brazil	100	100
LGS Global FZE	Digital Marketing	UAE	100	100
Ybrant Digital (Brasil) Limited	Digital Marketing	Singapore	100	100
Frontier Data Management Inc	Digital Marketing	USA	100	100
Dream AD SA Argentina	Digital Marketing	Argentina	100	100

## Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024

Dyomo Corporation	<i>Digital Marketing</i>	<i>USA</i>	<i>100</i>	<i>100</i>
Get Media Mexico Socidadanonima De Capital Variable, Mexico	<i>Digital Marketing</i>	<i>Mexico</i>	<i>100</i>	<i>100</i>
Dream AD SA Chile	<i>Digital Marketing</i>	<i>Chile</i>	<i>100</i>	<i>100</i>
Dream AD SA Uruguay	<i>Digital Marketing</i>	<i>Uruguay</i>	<i>100</i>	<i>100</i>
Max Interactive Pty Ltd	<i>Digital Marketing</i>	<i>Australia</i>	<i>100</i>	<i>100</i>
LIL Projects Private Limited	<i>Digital Marketing/ Software Development</i>	<i>India</i>	<i>100</i>	<i>100</i>
YReach Media Private Limited	<i>Digital Marketing/ Software Development</i>	<i>India</i>	<i>99</i>	<i>99</i>

### c) Basis of preparation

These Consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### d) Basis of consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

**e) Business Combinations**

The Company accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognized as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

**f) Use of estimates and judgements**

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of 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 goodwill, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

**Impairment of Goodwill**

The Group estimate the value in use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the



## **Brightcom Group Limited**

### **Notes forming part of Consolidated financial statements for the year ended 31<sup>st</sup> March 2024**

CGU's represent the weighted- average cost of capital based on the historical market returns of comparable companies.

#### **Impairment of investments**

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

#### **Useful lives of property, plant and equipment**

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

#### **Valuation of deferred tax assets**

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period.

#### **Contingencies**

Management judgement is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/ claims/litigations against the Group/by the Group as it is not possible to predict the outcome of pending matters with accuracy.

#### **Defined Benefit Plans**

The present value of the gratuity obligation is determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, rate of increment in salaries and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All the assumptions are reviewed at each reporting date.

#### **Fair Value measurement of financial instruments**

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

#### **Intangibles**

Internal technical or user team assess the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

**g) Current Vs Non-current classifications**

The Group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it satisfies the below mentioned criteria:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current assets.

A liability is classified as current when it satisfies the below mentioned criteria:

- i. Expected to settle the liability in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as noncurrent. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**h) Dividends**

Annual dividend distribution to the shareholders is recognized as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognized on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognized directly in equity.

**i) Revenue recognition**

**1) Digital Marketing Services:**

- i) The Contracts between the Group and its Customers are either time or material contracts or fixed price contracts.
- ii) Revenue from fixed price contracts is recognized according to the milestones achieved as specified in the contracts on the proportionate-completion method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the period in which such changes are identified. Deferred revenue represents amounts billed in excess of revenue earned for which related services are expected to be performed in the next operating cycle.

- iii) In respect of time and material contract, revenue is recognized in the period in which the services are provided and related costs are incurred.
- iv) Revenue from product sale and licensing arrangements are recognized on delivery and installation.
- v) Revenue is reported net of discounts, indirect and service taxes.

**2) Software Development:**

- i) Income from software development is accounted for on the basis of Software developed and billed to clients on acceptance and/or on the basis of man days/man hours as per the terms of contract.
- ii) Revenue from professional services consist primarily of revenue earned from services performed on a 'time and material' basis. The related revenue is recognized as and when the services are performed and related costs are incurred.
- iii) Revenue from software development services includes revenue from time and material and fixed price contracts are recognized as related services are performed.
- iv) Revenue from fixed price contracts is recognized according to the milestones achieved as specified in the contracts on the proportionate-completion method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the period in which such changes are identified. Deferred revenue represents amounts billed in excess of revenue earned for which related services are expected to be performed in the next operating cycle.
- v) Revenue is not recognized on the grounds of prudence, until realized in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.
- vi) Revenue is reported net of discounts, indirect and service taxes
- j) Dividend income is recorded when the right to receive payment is established. Interest income is recorded using the effective interest method.

**k) Leases**

The Group as a lessee The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease at the 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 for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether : (i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a

corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The ROU 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. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

#### **l) Cost recognition**

Costs and expenses are recognized as and when incurred and have been classified according to their nature.

The costs of the Group are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses mainly include fees to external consultants, cost of running its facilities, travel expenses, cost of equipment and software licenses, communication costs, allowances for delinquent receivables and advances and other expenses. Other expenses are an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainment etc.

#### **m) Foreign currency transactions**

##### **i. Functional and Presentation Currency:**

The functional currency of the Company and its Indian subsidiaries is the Indian National Rupee whereas the functional currency of foreign subsidiaries is the currency of their countries of domicile.

**ii. Initial Recognition:**

Foreign currency transactions are recorded in the Presentation currency, by applying to the foreign currency amounts the exchange rate between the Presentation currency and the foreign currency at the date of the transaction.

**iii. Conversion on reporting date:**

Foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**iv. Exchange Differences:**

Exchange difference arising on the settlement of monetary items or on Presenting monetary items of Company at rates different from those at which they were initially recorded during the year or presented in previous financial statements are recognized as income or as expenses in the year in which they arise.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively.

**V.Group companies**

On consolidation, the assets and liabilities of foreign operations are translated into Indian rupees at the rate of exchange prevailing at the reporting date and their Statements of Profit and Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the Statement of Profit and Loss.

**n) Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

### **Current income taxes**

The current income tax expense includes income taxes payable by the Group, its overseas branches and its subsidiaries in India and overseas. The current tax payable by the Company and its subsidiaries in India is Indian income tax payable on worldwide income.

The Current income tax payable by overseas branches of the Company is computed in accordance with the tax laws applicable in the jurisdiction in which the respective branch operates. The taxes paid are generally available for set off against the Indian income tax liability of the Company's worldwide income.

The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the Balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

### **Deferred income taxes**

Deferred income tax is recognized using the Balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.



Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

**o) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one Entity and a financial liability or equity instrument of another Entity.

**1. Financial Assets.**

**i) Initial recognition and measurement:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

**ii) Subsequent measurement:**

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

**Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of

## Brightcom Group Limited

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financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

### iii. Derecognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognised when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement.

### iv. Impairment of financial assets:

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables.

Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the group expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet, it is shown as reduction from the specific financial asset.



## **2. Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

### **Equity instruments**

An equity instrument is a contract that evidences residual interest in the assets of the Entity after deducting all of its liabilities. Equity instruments recognised by the Group are recognised at the proceeds received net off direct issue cost.

#### **i) Initial recognition and measurement:**

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

#### **ii) Subsequent measurement:**

##### **a. Financial liabilities at fair value through profit or loss:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognised in the profit or loss.

##### **b. Financial liabilities at amortised cost:**

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate.

The effective interest rate amortisation is included as finance costs in the Statement of Profit and Loss.

Financial liability with maturity of less than one year is shown at transaction value.

#### **iii. Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

#### **p) Cash and cash equivalents**

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of

purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**q) Financial Guarantee Contracts:**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with original or modified terms of a debt instrument.

The Group measures any financial guarantee on initial recognition at their fair value.

Subsequently these contracts are measured at the higher of:

- a. the amount of the loss allowance determined as per impairment requirements of Ind AS 109, and
- b. the amount initially recognised, less where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 18.

**r) Fair Value Measurement:**

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for such asset or liability, or in the absence of a principal market, in the most advantageous market which is accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a. Level 1 – Quoted (unadjusted market prices) in active markets for identical assets or liabilities.
- b. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.
- c. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**s) Investment in subsidiaries**

Investment in subsidiaries are measured at cost less impairment.

**t) Property, plant and equipment**

Property, plant and equipment are stated at cost net of input tax credits, less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and all attributable cost, to bring the asset to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to put to use.

The Group adopted cost model as its accounting policy, in recognition of the property, plant and equipment and recognises transaction value as the cost.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from property, plant and equipment and the carrying amount net of scrap value, if any is charged to Statement of Profit and Loss.

The improvements/modifications carried on the lease hold land/property are recognised as lease hold improvements and are written off over the primary lease period or the life of such improvement whichever is lower.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful lives
Computer equipment	Straight line	3 years
Office equipments	Straight line	5 years
Furniture and fixtures	Straight line	10 years
Electrical installations	Straight line	10 years
Vehicles	Straight line	8 years

**u) Intangible assets**

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirers interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets consist of rights under licensing agreement and software licences which are amortised over license period which equates the useful life ranging between 5-6 years on a straight line basis.

**v) Impairment of Non-financial assets**

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- ii. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset are no longer existing or have decreased.

**w) Employee benefits**

**i. Defined benefit plans**

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance sheet date. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the Balance sheet represents the present value of the defined benefit obligations reduced by the fair value of

scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and deductions in future contributions to the scheme.

**ii. Defined contribution plans**

Employer's contribution to provident fund/ employee state insurance which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

**iii. Compensated absences**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date.

**x) Earnings per share**

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Holding Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years' presented.

**y) Borrowing Costs:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**z) Segment Reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker ("CODM").

The board of directors of the company has identified the Chairman and Managing Director as the CODM.

**aa) Provisions:**

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an

## Brightcom Group Limited

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outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

### **bb) Contingencies:**

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statement of balance sheet and is disclosed as a contingent asset or contingent liability. Possible outcomes on obligations / rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities.

### **cc) Prior period items:**

In case prior period adjustments are material in nature the Group prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". Immaterial items pertaining to prior periods are shown under respective items in the Statement of Profit and Loss.

## Annexure A

## REPORTING OF SEGMENT WISE REVENUE, RESULTS , SEGMENT ASSETS &amp; SEGMENT LIABILITIES(CONSOLIDATED)

All amounts in Indian Rupees Lakhs			
Sl.No.	Particulars	Year Ended	
		31-Mar-2024 (Unaudited)	31-Mar-2023 (audited)
<b>1</b>	<b>Segment Revenue</b>		
	(a) Digital Marketing Segment	4,25,637.20	6,96,756.69
	(b) Software Development Segment	40,586.69	42,920.04
	<b>Total Sales/ Income from Operations</b>	<b>4,66,223.89</b>	<b>7,39,676.73</b>
	Less: Inter Segment Revenue		
	<b>Net Sales/ Income from Operations</b>	<b>4,66,223.89</b>	<b>7,39,676.73</b>
<b>2</b>	<b>Segment Results - Profit (+) / Loss (-) before tax and interest</b>		
	(a) Digital Marketing Segment	95,352.52	1,89,721.16
	(b) Software Development Segment	109.91	331.79
	<b>Total</b>	<b>95,462.43</b>	<b>1,90,052.95</b>
	Less: Interest	29.91	40.98
	<b>Total Profit (+) / Loss (-) before tax</b>	<b>95,432.52</b>	<b>1,90,011.97</b>
<b>3</b>	<b>Segment Assets</b>		
	(a) Digital Marketing Segment	8,44,124.86	7,57,359.61
	(b) Software Development Segment	32,318.43	32,266.30
	<b>Total segment assets</b>	<b>8,76,443.29</b>	<b>7,89,625.91</b>
	<b>Segment liabilities</b>		
	(a) Digital Marketing Segment	85,653.29	77,330.60
	(b) Software Development Segment	12,332.26	12,203.90
	<b>Total segment liabilities</b>	<b>97,985.55</b>	<b>89,534.50</b>

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in comprehensive income		total Amount	% of Shareholding	Country
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income				
<b>Parent</b>	20.24%	1,57,592.86	0.17%	114.72	0.40%	36.85	0.20%	153.58			India
<b>Parent Subsidiaries</b>											
<b>Indian</b>											
Yreach Media Pvt Ltd	0.00%	2.20	0.00%	(0.17)	0.00%	-	0.00%	(0.17)		100%	India
LIL Projects PVT LTD	0.00%	(5.13)	0.00%	3.04	-0.09%	(8.49)	-0.01%	(5.44)		100%	India
<b>Foreign</b>											
Dream Ad-Argentina	6.48%	50,438.92	5.58%	3,837.01	7.69%	739.36	5.84%	4,576.37		100%	Argentina
Dream Ad-Chile	3.15%	24,527.64	3.60%	2,474.94	3.60%	346.56	3.60%	2,821.50		100%	Chile
Dream Ad-Mexico	1.72%	13,367.45	1.60%	1,100.83	2.18%	209.46	1.67%	1,310.29		100%	Mexico
Dream Ad-Panama	2.28%	17,721.60	1.75%	1,202.85	2.85%	273.57	1.88%	1,476.42		100%	Panama
Dream Ad-Uruguay	0.28%	2,173.93	0.43%	298.54	0.40%	36.70	0.43%	337.24		100%	Uruguay
Dyomo Corporation, USA	9.36%	72,878.95	19.10%	13,128.99	10.97%	1,054.58	18.10%	14,183.58		100%	USA
Frontier Data Management Inc. USA	17.58%	1,36,862.57	28.01%	19,260.71	19.81%	1,904.67	27.01%	21,165.38		100%	USA
International Expressions Inc. USA	8.26%	64,327.36	10.68%	7,342.44	9.18%	911.34	10.53%	8,253.78		100%	USA
Max Interactive Pty Ltd., Australia	2.61%	20,291.74	3.54%	2,435.85	3.10%	298.49	3.49%	2,734.34		100%	Australia
Online Media Solutions Limited, Israel	33.50%	2,60,789.71	22.52%	15,481.62	38.33%	3,684.55	24.46%	19,166.17		100%	Israel
Ybrant Digital Services De Publicidade Ltda, Brasil	2.55%	19,886.51	3.61%	2,483.57	2.99%	287.68	3.54%	2,771.25		100%	Brazil
Ybrant Digital (Brasil) Ltd., Singapore	0.00%	0.0045	0.00%	-	0.00%	-	0.00%	-		100%	Singapore
Ybrant Media Acquisition Inc. USA	-1.48%	(11,512.33)	0.00%	-	-1.65%	(158.80)	-0.20%	(158.80)		100%	USA
LGS Global FZE, UAE	0.00%	2.44	0.00%	-	0.00%	-	0.00%	-		100%	Dubai
<b>Indian</b>											
<b>Total</b>	<b>106.54%</b>	<b>8,29,346.41</b>	<b>100.60%</b>	<b>69,164.93</b>	<b>100.07%</b>	<b>9,620.53</b>	<b>100.53%</b>	<b>78,785</b>			
<b>Less:</b>											
<b>Adjustments arising on account of Consolidation</b>	6.54%	50,888.68	0.60%	412.44	0.07%	6.69	0.53%	419.13			
<b>Total</b>	<b>100.00%</b>	<b>7,78,457.74</b>	<b>100.00%</b>	<b>68,752.49</b>	<b>100.00%</b>	<b>9,613.84</b>	<b>100.00%</b>	<b>78,366.33</b>			

Note: All figures are in 00,000.



**Dream Ad-Argentina**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	1.70	85.59
b)	Reserves and Surplus	603.30	50,353.33
c)	Total Assets	660.27	55,046.72
d)	Total Liabilities	660.27	55,046.72
e)	Details of Investments	14.62	1,219.16
f)	Turnover	388.46	32,160.99
g)	Profit before tax	66.81	5,530.79
h)	Provision for tax	20.32	1,693.78
i)	Profit After Tax	46.49	3,837.01
	Other comprehensive income	0.35	739.36
	Total comprehensive income for the period	46.84	4,576.37
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Dream Ad-Chile**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	0.03	1.42
b)	Reserves and Surplus	294.17	24,526.21
c)	Total Assets	321.99	26,844.46
d)	Total Liabilities	321.99	26,844.46
e)	Details of Investments	-	-
f)	Turnover	177.75	14,716.33
g)	Profit before tax	40.99	3,393.89
h)	Provision for tax	11.02	918.95
i)	Profit After Tax	29.97	2,474.94
	Other comprehensive income	0.12	346.56
	Total comprehensive income for the period	30.10	2,821.50
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Get Media, Mexico Sociedad Anonima de Capital Variable, Mexico**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	0.30	15.18
b)	Reserves and Surplus	160.04	13,352.27
c)	Total Assets	173.58	14,471.24
d)	Total Liabilities	173.58	14,471.24
e)	Details of Investments		
f)	Turnover	85.20	7,053.36
g)	Profit before tax	18.94	1,568.11
h)	Provision for tax	5.60	467.29
i)	Profit After Tax	13.34	1,100.83
	Other comprehensive income	0.18	209.46
	Total comprehensive income for the period	13.52	1,310.29
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Dream Ad-Panama**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	2.50	125.75
b)	Reserves and Surplus	210.07	17,595.85
c)	Total Assets	230.83	19,244.17
d)	Total Liabilities	230.83	19,244.17
e)	Details of Investments		
f)	Turnover	116.90	9,678.06
g)	Profit before tax	19.32	1,599.52
h)	Provision for tax	4.76	396.67
i)	Profit After Tax	14.56	1,202.85
	Other comprehensive income for the period	0.22	273.57
	Total comprehensive income for the period	14.78	1,476.42

Note: All figures are in 00,000.

**Dream Ad.-Uruguay**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	0.33	16.74
b)	Reserves and Surplus	25.74	2,157.19
c)	Total Assets	32.56	2,714.19
d)	Total Liabilities	32.56	2,714.19
e)	Details of Investments		-
f)	Turnover	38.53	3,189.91
g)	Profit before tax	4.79	396.62
h)	Provision for tax	1.18	98.08
i)	Profit After Tax	3.61	298.54
	Other comprehensive income for the period	0.06	38.70
	Total comprehensive income for the period	3.68	337.24
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Dyomo Corporation, USA**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	0.01	4.67
b)	Reserves and Surplus	874.06	72,874.27
c)	Total Assets	972.45	81,073.18
d)	Total Liabilities	972.45	81,073.18
e)	Details of Investments	38.82	3,236.67
f)	Turnover	698.37	57,817.78
g)	Profit before tax	225.00	18,627.41
h)	Provision for tax	65.95	5,498.42
i)	Profit After Tax	159.04	13,128.99
	Other comprehensive income for the period	0.64	1,054.58
	Total comprehensive income for the period	159.68	14,183.58
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Frontier Data Management Inc., USA**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	289.19	12,980.71
b)	Reserves and Surplus	1,352.43	1,23,881.86
c)	Total Assets	1,797.54	1,49,860.83
d)	Total Liabilities	1,797.54	1,49,860.83
e)	Details of Investments	100.49	8,378.10
f)	Turnover	1,052.96	87,174.64
g)	Profit before tax	329.76	27,300.84
h)	Provision for tax	96.44	8,040.13
i)	Profit After Tax	233.32	19,260.71
	Other comprehensive income for the period	0.65	1,904.67
	Total comprehensive income for the period	233.97	21,165.38
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**International Expressions Inc. USA**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	201.87	10,648.18
b)	Reserves and Surplus	569.72	53,679.18
c)	Total Assets	829.82	69,181.76
d)	Total Liabilities	829.82	69,181.76
e)	Details of Investments	78.90	6,577.77
f)	Turnover	426.98	35,349.42
g)	Profit before tax	126.16	10,444.62
h)	Provision for tax	37.21	3,102.18
i)	Profit After Tax	88.95	7,342.44
	Other comprehensive income for the period	0.37	911.34
	Total comprehensive income for the period	89.31	8,253.78
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Max Interactive Pty Ltd., Australia**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	0.00	0.00
b)	Reserves and Surplus	243.39	20,291.74
c)	Total Assets	269.61	22,477.22
d)	Total Liabilities	269.61	22,477.22
e)	Details of Investments		
f)	Turnover	168.64	13,961.94
g)	Profit before tax	42.05	3,481.02
h)	Provision for tax	12.54	3,102.18
i)	Profit After Tax	29.51	2,435.85
	Other comprehensive income for the period	0.18	298.49
	Total comprehensive income for the period	29.69	2,734.34
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Ybrant Media Acquisition Inc USA**

b)	Reserves and Surplus	(408.09)	(23,702.73)
c)	Total Assets	81.52	6,796.44
d)	Total Liabilities	81.52	6,796.44
e)	Details of Investments		
f)	Turnover		
g)	Profit before tax		
h)	Provision for tax		
i)	Profit After Tax		
	Other comprehensive income for the period		(158.80)
	Total comprehensive income for the period		(158.80)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Online Media Solutions Ltd, Israel**

S.No	Description	Amount In	
		USD	INR
a)	Share Capital	63.69	2,874.97
b)	Reserves and Surplus	3,064.41	2,57,914.74
c)	Total Assets	3,371.51	2,81,082.70
d)	Total Liabilities	3,371.51	2,81,082.70
e)	Details of Investments	251.02	20,927.14
f)	Turnover	1,752.43	1,45,084.03
g)	Profit before tax	237.09	19,628.48
h)	Provision for tax	49.74	4,146.86
i)	Profit After Tax	187.35	15,481.62
	Other comprehensive income for the period	1.05	3,684.55
	Total comprehensive income for the period	188.39	19,166.17
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Ybrant Digital Servicos De Publicidade Ltda, Brasil**

S.No	Description	Amount In	
		USD	INR
a)	Share Capital	0.06	2.94
b)	Reserves and Surplus	238.47	19,883.57
c)	Total Assets	264.95	22,088.64
d)	Total Liabilities	264.95	22,088.64
e)	Details of Investments		
f)	Turnover	160.58	13,294.66
g)	Profit before tax	45.58	3,773.70
h)	Provision for tax	15.47	1,290.13
i)	Profit After Tax	30.11	2,483.57
	Other comprehensive income for the period	0.14	287.68
	Total comprehensive income for the period	30.25	2,771.25
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Note: All figures are in 00,000.

**Ybrant Digital (Brasil) Limited,Singapore**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	0.00001	0.00045
b)	Reserves and Surplus	-	-
c)	Total Assets	0.00001	0.00045
d)	Total Liabilities	0.00001	0.00045
e)	Details of Investments	NIL	NIL
f)	Turnover	-	-
g)	Profit before tax	-	-
h)	Provision for tax	-	-
i)	Profit After Tax	-	-
	Other comprehensive income for the period		
	Total comprehensive income for the period		
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding		100%

Note: All figures are in 00,000.

**LGS Global FZE, UAE**

S.No	Description	Amount In	Amount In
		USD	INR
a)	Share Capital	0.05	2.44
b)	Reserves and Surplus	-	-
c)	Total Assets	0.05	2.44
d)	Total Liabilities	0.05	2.44
e)	Details of Investments	NIL	NIL
f)	Turnover	-	-
g)	Profit before tax	-	-
h)	Provision for tax	-	-
i)	Profit After Tax	-	-
	Other comprehensive income for the period		
	Total comprehensive income for the period		
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding		100%

Note: All figures are in 00,000.

**LIL projects PVT LTD,Hyderabad, India**

S.No	Description	Amount In
		INR
a)	Share Capital	1.00
b)	Reserves and Surplus	(6.13)
c)	Total Assets	26,433.88
d)	Total Liabilities	26,433.88
e)	Details of Investments	
f)	Turnover	151.24
g)	Profit before tax	0.15
h)	Provision for tax	(2.89)
i)	Profit After Tax	3.04
	Other comprehensive income for the period	(8.49)
	Total comprehensive income for the period	(5.44)
j)	Proposed Dividend	NIL
k)	% of Share Holding	100%

Note: All figures are in 00,000.

**Yreach Media Pvt Ltd, Hyderabad, India**

<b>S.No</b>	<b>Description</b>	<b>Amount In INR</b>
a)	Share Capital	1.00
b)	Reserves and Surplus	1.20
c)	Total Assets	29,120.40
d)	Total Liabilities	29,120.40
e)	Details of Investments	
f)	Turnover	47.48
g)	Profit before tax	(0.37)
h)	Provision for tax	(0.19)
i)	Profit After Tax	(0.17)
	Other comprehensive income for the period	
	Total comprehensive income for the period	(0.17)
j)	Proposed Dividend	NIL
k)	% of Share Holding	100%

Note: All figures are in 00,000.



# **MANAGEMENT DISCUSSION & ANALYSIS**

# MANAGEMENT DISCUSSION AND ANALYSIS

## **The Main Drivers of the Company's Revenue were:**

### ***Expanding Client Reach Across Geographies:***

- Brightcom Group has focused on widening its footprint across global markets, creating stronger client networks and tapping into opportunities in both established and emerging regions. This geographic diversification has been key to ensuring resilience and sustained growth.

### ***Capitalizing on the Growth of the AdTech Industry:***

- The booming AdTech sector has provided fertile ground for innovation and expansion. Brightcom has positioned itself as a leader in this fast-growing field by staying ahead of industry trends and offering cutting-edge solutions.

### ***Strategic Initiatives Amid Challenges:***

- The Israel conflict presented significant operational challenges. However, the company successfully implemented strategies to ensure business continuity, adapt to disruptions, and safeguard its interests in affected regions, demonstrating agility and resilience.

### ***Strengthening Global Teams:***

- Recognizing the importance of talent, we have focused on building robust global teams across our service offerings.

## **Additional Achievements:**

### ***Deepening Agency Relationships:***

- Brightcom continues to cultivate strong relationships with global ad agencies, enabling broader access to markets and driving collaborations that benefit both partners and clients.

### ***Growing Partnerships With Newspapers and Media Outlets:***

- Significant strides have been made in forming partnerships with newspapers to support our innovative 'B-Local' exchange. This initiative aligns local media with cutting-edge advertising solutions, ensuring mutual growth and sustainability.

### ***Adapting to Evolving Ad Trends:***

- As the mix of performance-driven advertising and CPM-based campaigns evolves, Brightcom has embraced this shift, ensuring our strategies and tools align with current industry demands.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Opportunities in High-Growth Sectors:

- Digital Out-of-Home (DOOH): We have made great progress in expanding into advanced, location-based advertising formats.
- Audio, OTT, and Podcasts: Capturing new audiences and aligning with changing media consumption patterns.
- Data Monetization: Unlocking value from insights while ensuring data privacy and compliance.
- AI-Driven Predictive Models: Enabling precision targeting and operational efficiency with cutting-edge technology.

We have integrated tools and features to align with the above sectors for scalability and market leadership.

**TRENOVA:** Our newest brand, Trenova, is at the forefront of this revolution. Trenova's AI-driven solutions are designed for Europe and Asia—regions that are not just markets but engines of global growth.

- Synergistic collaborations through TRENOVA Political, targeting political organizations and public sector bodies for new client acquisitions.
- In the process of expanding Trenova's presence in regions like Europe, Middle East, and APAC.

## Two main segments under TRENOVA:

**Programmatic Advertising:** Leveraging cutting-edge technology to offer advanced digital advertising solutions, driving stronger client outcomes.

**Political Campaigns:** A data-driven platform designed to support political strategies, enabling campaigns to reach target audiences with precision.

**Mitigation Plan** for the War in Israel: We have assessed the risks and identified potential disruptions. This has helped us identify alternate channels for operations, ensuring continuity of business operations despite regional conflicts.

**London office:** Ongoing efforts to establish operations in London, with office setup currently in progress.

# MANAGEMENT DISCUSSION AND ANALYSIS

## UPDATES:

- Team attended the **DMEXCO event** and gathered inputs from interesting discussions on Addressable TV, Connected TV, advertising impact, and sustainability.
- Team attended '**The DIGIDAY SUMMIT, Miami, FL**' for networking and connecting with industry peers, brainstorm with vendors, and came back with actionable solutions to implement into our business. The focus was on the convergence of marketing, media, culture, and technology.
- **IAB Europe Event – Berlin** : Focused on networking opportunities and gathering strategic insights to drive business growth. Our Vice President was part of a panel discussion, sharing insights on trends in the Made-for-Advertising (MFA) world.
- **GITEX, DUBAI**: The team attended the event with focus on building key partnerships in the middle-east.

## FUTURE:

EMEA and Europe Focus. EMEA market presents Brightcom with a wealth of opportunities due to the region's rapid digital adoption and diverse consumer preferences. The company is evaluating the opportunity to expand in the dynamic EMEA region.

Our tech team is placing renewed emphasis on advancing its Connected TV (CTV) technology to stay at the forefront of innovation.

Our participation in events like Digiday and the launch of Trenova are just the beginning. The future demands agility, creativity, and a relentless drive to innovate. Well, Brightcom embodies all three.

## CORPORATE INFORMATION

### REGISTERED OFFICE

Floor 5, Fairfield by Marriott  
Road No: 2, Nanakramguda, Gachibowli,  
Hyderabad, Telangana, India - 500032  
Phone: +91(40)67449910  
CIN: L64203TG1999PLC030996  
Email: ir@brightcomgroup.com  
www.brightcomgroup.com

### REGISTRARS AND TRANSFER AGENT

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1-2-285, Domalguda,  
Hyderabad - 500029  
Phones: +91 40-2763 8111 / 2763 4445 / 2764 2217;  
Fax: +91 40-27632184

### BOARD OF DIRECTORS

Mr. Raghunath Allamsetty  
Mr. Paladugu Venkata Subba Rao  
Ms. Deepika Daliya  
Mr. PLEO Ganesan  
Mr. Ali Akber Bakir Bhoy Mamuwala

### STATUTORY AUDITORS

M/s P R Chandra & Co.,  
Chartered Accountants  
Hyderabad, Telangana

### BANKERS

Axis Bank Limited  
ICICI Bank Limited

## SUBSIDIARIES

### ONLINE MEDIA SOLUTIONS

Sapir 3 Herzlia 46733, PO Box 12637, Israel.

### YBRANT MEDIA ACQUISITION INC.

1201, Orange St, Suite 600, Wilmington,  
New Castle County, Delaware, 19801, USA.

### DREAM AD S.A, ARGENTINA

Av. Corrientes, 327 Piso 11, Buenos Aires, Argentina.

### DREAM AD S.A, CHILE

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Providencia Santiago de Chile, Chile.

### Dream ad S.A, Uruguay

Ellauti 357, Of. 50, 2Piso, Montevideo,  
Uruguay CP. 11300.

### DREAM AD S.A, PANAMA

Av. Samuel Lewis y Calle 50, Panama City, Panama.

### LIL PROJECTS PRIVATE LIMITED

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Hyderabad, Telangana, India - 500032.

### DYOMO CORPORATION

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### YBRANT DIGITAL SERVICOS DE PUBLICIDADE LTDA

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### LGS GLOBAL FZE

Ras Al Khaimah Free Trade Zone, Ras Al  
Khaimah, UAE.

### INTERNATIONAL EXPRESSIONS INC. (VOLOMP)

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### GET MEDIA MEXICO S.A. DE CV

Presidente Masaryk No. 111, 1er.Pisco, Col.  
Chapultepec. Morales, Mexico D.F.

### YBRANT DIGITAL (BRASIL) LIMITED

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KH KHEA Building, Singapore.

### MAX INTERACTIVE PTY.LTD.

5 Kings Lane, Darlinghurst, NSW 2010, Australia.

### FRONTIER DATA MANAGEMENT INC. (MEDIOSONE)

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brightcom  
group

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