



May 30, 2022

BSE Limited

P. J. Towers, 25th Floor,
Dalal Street, Mumbai - 400001.
Scrip Code: **532368**

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400051.
Symbol: **BCG**

Dear Madam / Sir,

Sub: Outcome of Board Meeting - Audited Financial Results for the quarter and year ended March 31, 2022 and recommendation of a Final Dividend.

Further to our notice of Board Meeting dated May 09, 2022 and May 24, 2022, we would like to inform you that the Board of Directors of the Company at their meeting held on May 30, 2022 have *inter-alia* discussed and resolved the following:

1. Approved the annual Audited standalone and consolidated financial statements for the quarter and financial year ended March 31, 2022.
2. Noted the Statutory Auditors Report forming part of the audited standalone and consolidated financial statements for the quarter & financial year ended March 31, 2022.
3. The Board has decided to payout a significant amount of Rs.60.54 crores as dividend, to reward its shareholders. This represents a dividend payout ratio of around 7%, which compares extremely favorably with global tech companies, such as Nvidia (dividend payout ratio of around 4.5%) to Apple, which has a dividend payout ratio of around 14%.
4. Declaration by Mr. M. Suresh Kumar Reddy, Chairman and Managing Director pertaining to unmodified opinion on the statutory auditors' report issued by the statutory auditors.
5. Appointment of Statutory Auditors: Based on the recommendations of the Audit Committee, the Board has approved the appointment of M/s. P. Murali & Co., Chartered Accountants, Hyderabad (Firm Registration No. 007257S) as Statutory Auditors of the Company for a period of 5 consecutive years, subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.

We are sharing a Management Discussion and Analysis to this Outcome of the Board Meeting as **Annexure-I**.

brightcom group limited (Formerly Lycos Internet Limited)





The meeting commenced at 08:30 P.M. and concluded at 11:45 P.M.

Request you to take the same on record and oblige.

Thanking you.

Yours faithfully,

for **BRIGHTCOM GROUP LIMITED**

M Suresh Kumar Reddy
Chairman & Managing Director
DIN: 00140515

Encl.: as above



BRIGHTCOM GROUP LIMITED (NSE&BSE - BCG)

(Formerly Lycos Internet Limited)

Regd. Office: Floor: 5, Fairfield By Marriott, Road No: 2, Nanakramguda, Gachibowli, Hyderabad – 500032, India.

CIN:L64203TG1999PLC030996

Tel: +91 40 6744 9910, Fax: +91 22 6645 9677, www.brightcomgroup.com, email:ir@brightcomgroup.com

Statement of audited Standalone & Consolidated Financial Results for the Quarter and Year Ended 31st March 2022

All amounts in Indian Rupees Lakhs, except share data

Sl.No.	Particulars	Standalone					Consolidated				
		Quarter ended			Year ended		Quarter ended			Year ended	
		31-Mar-2022	31-Dec-2021	31-Mar-2021	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Dec-2021	31-Mar-2021	31-Mar-2022	31-Mar-2021
	(Refer Notes below)	(audited)	(Unaudited)	(audited)	(audited)	(audited)	(Unaudited)	(audited)	(audited)	(audited)	
1	a) Income from operations	9,399.97	9,391.70	8,383.26	36,681.09	36,598.06	1,24,042.89	2,02,133.32	69,936.48	5,01,958.77	2,85,579.82
	b) Other income	(135.74)	(3.67)	1,898.87	(226.08)	2,094.20	(132.91)	(4.21)	1,898.62	(222.42)	2,081.86
	Total Income	9,264.23	9,388.03	10,282.13	36,455.01	38,692.26	1,23,909.98	2,02,129.11	71,835.10	5,01,736.35	2,87,661.68
2	Expenses										
	a) Cost of sales/services	6,969.81	7,558.30	7,750.57	28,517.19	29,929.08	71,058.59	1,21,612.55	38,218.04	2,91,411.22	1,60,683.89
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade										
	c) Employee benefits expense	988.11	934.25	979.83	3,834.47	3,859.31	5,401.66	11,330.92	3,323.66	27,251.15	16,573.62
	d) Depreciation and amortization expense	4.63	4.60	5.34	18.87	23.15	6,569.27	6,305.46	5,897.07	24,623.70	22,609.24
	e) Finance costs	11.07	10.01	(485.77)	31.27	9.54	11.23	10.01	(485.31)	31.43	10.61
	f) Other expenses	1,239.14	838.95	1,004.69	3,676.15	3,652.98	9,218.32	12,299.05	5,773.46	32,608.57	21,783.82
	Total expenses	9,212.76	9,346.11	9,254.66	36,077.95	37,474.06	92,259.07	1,51,557.99	52,726.92	3,75,926.07	2,21,661.18
3	Profit/(loss) before exceptional items (1-2)	51.47	41.92	1,027.47	377.06	1,218.20	31,650.91	50,571.12	19,108.18	1,25,810.28	66,000.50
4	Exceptional items										
5	Profit/(loss) before tax (3+4)	51.47	41.92	1,027.47	377.06	1,218.20	31,650.91	50,571.12	19,108.18	1,25,810.28	66,000.50
6	Tax Expenses										
	a) Current Tax	17.19	13.99	343.01	125.88	406.68	9,333.53	13,499.08	5,157.58	34,627.45	17,754.19
	b) Deferred tax	20.76	1.67	(68.43)	79.61	(10.80)	11.49	(72.55)	(51.87)	(37.22)	(54.49)
	Total Tax Expenses	37.95	15.66	274.58	205.49	395.88	9,345.02	13,426.53	5,105.71	34,590.23	17,699.70
7	Net profit/(loss) after tax (5-6)	13.52	26.26	752.89	171.57	822.32	22,305.89	37,144.59	14,002.47	91,220.05	48,300.80
8	Other comprehensive income/(loss) (net of tax)	106.11	7.93	60.09	171.20	(160.07)	9,021.13	(248.07)	(1,562.41)	12,264.41	(7,872.25)
9	Total comprehensive income for the period (7+8)	119.63	34.19	812.98	342.77	662.25	31,327.02	36,896.52	12,440.06	1,03,484.46	40,428.55
10	Paid-up equity share capital (Face Value of Rs.2/-each)	40,358.44	20,832.66	10,153.03	40,358.44	10,153.03	40,358.44	20,832.66	10,153.03	40,358.44	10,153.03
11	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year					51,476.27					3,15,807.85
12	Earnings per share (Face value of Rs.2/-each) (not annualized)										
	a) Basic (in Rs.)	0.001	0.003	0.15	0.01	0.16	1.11	3.57	2.76	4.52	9.51
	b) Diluted (in Rs.)	0.001	0.003	0.15	0.01	0.16	1.11	3.55	2.76	4.52	9.51

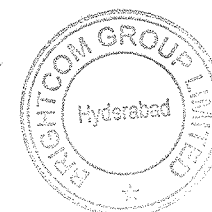
Notes:

- The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 30th May 2022.
- The above financial results have been prepared in accordance with Ind AS notified under the companies (Indian accounting standards) rules, 2015.
- The Company operates in two segments i.e, Digital Marketing and Software Development.
- The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year
- The figures for the previous period/year have been regrouped/reclassified, wherever necessary.
- The Board of Directors have recommended a Final Dividend of Rs. 0.30 /- per equity share of Rs. 2/- each for the Financial Year 2021-22, subject to the approval of Shareholders in their ensuing Annual General Meeting.
- The Company has issued & allotted 20,83,26,625 equity shares of Rs.2/- each as fully paid bonus shares in the ratio of one equity share of Rs.2/- each for every four equity shares held on record date of August 20, 2021. The Company also issued & allotted 80,71,68,749 equity shares of Rs.2/- each as fully paid bonus shares in the ratio of two equity shares of Rs.2/- each for every three equity shares held on record date of March 16, 2022.
- During the year, the Company has issued & allotted 34,06,55,000 equity shares by conversion of preferential warrants into equity and 14,00,50,000 equity shares through Preferential Issue as per the provisions of Chapter V of SEBI (ICDR) Regulations, 2018.
- The Company has issued & allotted 1,40,70,000 equity shares towards part consideration of other than cash against the takeover of Vuchi Media Private Limited. However, the entire acquisition is yet to be completed and hence, the Company did not consider its financials in the Consolidated Financial Statements of the Company for the financial year ended March 31, 2022.

For BRIGHTCOM GROUP LIMITED

M. Suresh Kumar Reddy

M.SURESH KUMAR REDDY
Chairman and Managing Director
DIN: 00140515

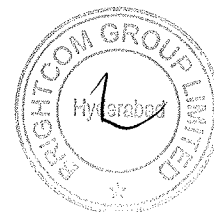


Place : HYDERABAD
Date : 30/05/2022

Statement of Assets & Liabilities

(Rs. In Lakhs)

Sl.No.	Particulars	Standalone		Consolidated	
		As at	As at	As at	As at
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
		(Audited)	(Audited)	(Audited)	(Audited)
	ASSETS				
1	Non-current assets				
	Property, plant and equipment	50.66	67.10	3,660.98	1,923.11
	Capital work in Progress		-	8,196.29	17,530.88
	Investment property	21.95	21.95	21.95	21.95
	Goodwill on consolidation		-		
	Other intangible assets	-	0.52	81,311.73	69,966.39
	Intangible assets under development			9,738.42	14,657.33
	Financial assets				
	- Investments	67,775.49	50,888.68	53,567.72	35,563.21
	- Loans	10.37	19.91	10,052.60	9,756.15
	- Other financial assets	164.45	164.45	1,668.38	1,450.19
	Deferred tax assets (net)	-	212.84	127.57	419.37
	Non-current tax assets (net)	57.05	52.04	57.05	52.04
	Other non-current assets	-	-	3,091.32	3,169.50
	Total non-current assets	68,079.97	51,427.49	1,71,494.01	1,54,510.12
2	Current assets				
	Financial assets				
	- Trade receivables	17,977.71	18,266.39	1,88,137.91	1,11,912.99
	- Cash and cash equivalents	571.12	19.80	74,493.21	12,646.22
	- Other bank balances	5.39	5.57	5.39	5.57
	- Loans	87,884.27	11,519.99	1,42,399.18	72,893.42
	- Other financial assets	61.78	57.36	61.78	57.36
	Other current assets	4,326.17	2,600.62	17,454.74	17,052.21
	Total current assets	1,10,826.44	32,469.73	4,22,552.21	2,14,567.77
	Total assets	1,78,906.41	83,897.22	5,94,046.22	3,69,077.89
	EQUITY AND LIABILITIES				
	Equity				
	Equity share capital	40,358.44	10,153.03	40,358.44	10,153.03
	Other equity	1,21,617.44	51,476.27	4,89,090.59	3,15,807.85
	Total equity	1,61,975.88	61,629.30	5,29,449.03	3,25,960.88
	LIABILITIES				
1	Non-current liabilities				
	Financial liabilities				
	- Borrowings	9,992.86	9,688.36	-	-
	Other Long - Term liabilities		-		-
	Deferred tax liabilities (net)	505.59	-	1,054.14	271.20
	Provisions	66.90	445.51	335.61	974.36
	Total non-current liabilities	10,565.35	10,133.87	1,389.75	1,245.56
2	Current liabilities				
	Financial liabilities				
	- Borrowings	-	-	-	-
	- Trade payables	2,362.48	2,848.08	17,811.38	11,656.39
	- Other financial liabilities	110.73	171.04	110.73	171.04
	Other current liabilities	3,044.04	7,974.02	28,262.24	22,778.92
	Provisions	847.94	1,140.91	17,023.11	7,265.10
	Total current liabilities	6,365.19	12,134.05	63,207.46	41,871.45
	Total equity and liabilities	1,78,906.41	83,897.22	5,94,046.22	3,69,077.89



Brightcom Group Limited

(Rs. In lakhs)

Statement of Cash flows(audited)

	Particulars	Standalone		Consolidated	
		Year ended Mar 31,		Year ended Mar 31,	
		2022 Rupees	2021 Rupees	2022 Rupees	2021 Rupees
A.	Cash Flow from Operating Activities				
	Profit Before Tax	377.06	1,218.19	1,25,810.27	66,000.50
	Adjustment for :				
	Add: Depreciation and amortisation expense	18.87	23.15	24,623.70	22,609.24
	Interest Expense			-	-
	Allowance for doubtful trade receivables	(199.02)	74.44	45.14	(34.65)
	Investments-written off			-	-
	Bad debts -written off			-	-
	Operating Profit before Working Capital Changes	196.91	1,315.78	1,50,479.11	88,575.09
	Adjustment for Working Capital Changes:				
	Increase/(Decrease) in Short term Borrowings	-	(3,602.05)	-	(3,602.05)
	Increase/(Decrease) in Trade Payables	(485.60)	(800.97)	6,154.99	1,502.35
	Increase/(Decrease) in other Current Liabilities	(5,450.79)	152.59	4,962.38	(250.47)
	Increase/(Decrease) in Others financial liabilities	(60.31)	(719.65)	(60.31)	(719.65)
	Increase/(Decrease) in Short-Term Provisions	(41.91)	389.05	(498.37)	733.98
	Decrease/(Increase) in Trade Receivables	487.71	3,263.24	(76,270.07)	(14,407.19)
	Decrease/(Increase) in Short-Term Loans and Advances	(38,114.28)	(966.20)	(31,253.67)	(7,633.48)
	(Increase)/Decrease in Other Financial Assets	(4.42)	(24.79)	(4.42)	(24.79)
	(Increase)/Decrease in other Current Assets	(1,725.55)	(1,260.17)	(404.61)	(1,311.76)
	Cash Flow from Operating Activities	(45,198.24)	(2,253.17)	53,105.03	62,862.03
	Less: Taxes paid	376.94	72.17	24,371.08	16,865.90
	Net Cash Flow from Operating Activities(A)	(45,575.18)	(2,325.34)	28,733.95	45,996.13
B	Cash Flow from Investing Activities				
	Assets Written off	-	-	-	-
	Purchase/(Increase) of Fixed Assets	(1.91)	(2.27)	(2,638.84)	(443.22)
	Investment in Subsidiary /Joint Venture	-	-	-	-
	(Increase)/Decrease in Non-Current Investments	-	-	(1,117.70)	(10,448.56)
	(Increase)/Decrease in Capital Work in Progress	-	-	(9,738.42)	(17,530.88)
	(Increase)/Decrease in Intangibles under development	-	-	(8,196.29)	(14,657.33)
	Net cash flow from investing activities(B)	(1.91)	(2.27)	(21,691.25)	(43,079.99)
C.	Cash Flows from Financing Activities				
	Interest Paid				
	Increase/(Decrease) in share capital	9,614.10	2,512.00	9,614.10	2,512.00
	Increase/(Decrease) in Share premium	74,023.72	628.00	74,023.72	628.00
	Increase/(Decrease) in Reserves	-	-	-	-
	Increase /(Decrease) in Foreign Currency Fluctuation Reserve	477.81	(411.85)	9,131.42	(5,466.22)
	Increase/(Decrease) in long term provision	57.95	(10.65)	332.90	(218.49)
	(Increase)/Decrease in Deffered tax Asset(Net)	133.22	1.33	329.02	18.28
	Increase/(Decrease) in Deffered tax Liabilities(Net)	66.90	-	64.40	(19.75)
	Decrease/(Increase) in Advances	(38,250.00)	-	(38,250.00)	-
	(Increase)/Decrease in Long term loans and advances	9.54	0.75	(296.45)	251.11
	(Increase)/Decrease in Non current Other Financial Assets			(218.19)	209.86
	(Increase)/Decrease in Other Non - Current tax Assets(Net)	(5.01)	(390.36)	(5.01)	16.32
	(Increase)/Decrease in Other Non - Current Assets			78.17	(95.30)
	Net cash flow from financing activities C	46,128.23	2,329.22	54,804.08	(2,164.19)
	Cash and cash equivalents at beginning of year	25.37	23.76	12,651.79	11,899.84
	Net change in cash (A+B+C)	551.14	1.61	61,846.81	751.95
	Cash and cash equivalents at period ended 31st March 2022	576.51	25.37	74,498.60	12,651.79

BRIGHTCOM GROUP LIMITED (NSE&BSE - BCG)

(Formerly Lycos Internet Limited)

Regd. Office: Floor: 5, Fairfield By Marriott ,Road No: 2, Nanakramguda,Gachibowli, Hyderabad – 500032,India.

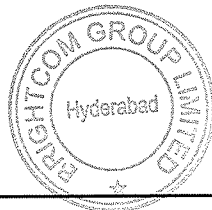
CIN:L64203TG1999PLC030996

Tel: +91 40 6744 9910, Fax: +91 22 6645 9677, www.brightcomgroup.com, email:ir@brightcomgroup.com

REPORTING OF SEGMENT WISE REVENUE, RESULTS , SEGMENT ASSETS & SEGMENT LIABILITIES(CONSOLIDATED)

All amounts in Indian Rupees Lakhs

Sl.No.	Particulars	Consolidated				
		Quarter Ended	Quarter Ended	Quarter Ended	Year Ended	
		31-Mar-2022 (audited)	31-Dec-2021 (Unaudited)	31-Mar-2021 (audited)	31-Mar-2022 (audited)	31-Mar-2021 (audited)
1	Segment Revenue					
	(a) Digital Marketing Segment	1,14,763.17	1,92,843.73	61,678.46	4,65,713.17	2,49,484.18
	(b) Software Development Segment	9,279.72	9,289.59	8,258.02	36,245.60	36,095.64
	Total Sales/ Income from Operations	1,24,042.89	2,02,133.32	69,936.48	5,01,958.77	2,85,579.82
	Less: Inter Segment Revenue					
	Net Sales/ Income from Operations	1,24,042.89	2,02,133.32	69,936.48	5,01,958.77	2,85,579.82
2	Segment Results - Profit (+) / Loss (-) before tax and interest					
	(a) Digital Marketing Segment	31,634.34	50,532.72	18,038.21	1,25,373.31	64,843.25
	(b) Software Development Segment	27.80	48.41	584.65	468.40	1,167.86
	Total	31,662.14	50,581.13	18,622.87	1,25,841.71	66,011.11
	Less: Interest	11.23	10.01	(485.31)	31.43	10.61
	Total Profit (+) / Loss (-) before tax	31,650.91	50,571.12	19,108.18	1,25,810.28	66,000.50
3	Segment Assets					
	(a) Digital Marketing Segment	5,63,767.58	4,73,750.71	3,40,445.34	5,63,767.58	3,40,445.34
	(b) Software Development Segment	30,278.64	32,164.21	28,632.55	30,278.64	28,632.55
	Total segment assets	5,94,046.22	5,05,914.92	3,69,077.89	5,94,046.22	3,69,077.89
	Segment liabilities					
	(a) Digital Marketing Segment	54,193.69	70,957.80	27,741.06	54,193.69	27,741.06
	(b) Software Development Segment	10,403.54	12,284.31	15,375.96	10,403.54	15,375.96
	Total segment liabilities	64,597.22	83,242.11	43,117.01	64,597.22	43,117.01



For BRIGHTCOM GROUP LIMITED

M.SURESH KUMAR REDDY
Chairman and Managing Director

DIN: 00140515

Place: HYDERABAD

Date: May 30, 2022



P C N & ASSOCIATES
CHARTERED ACCOUNTANTS
Plot No. "N Heights"
Ground Floor, Software Layout Unit
Cyberabad, Hyderabad - 500 081.

Tel. : (91-40) 2311 9499
E-mail : pcnassociates@yahoo.com

Auditor's Report on audited standalone quarterly financial results and year to date results of the company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
M/s. Brightcom Group Limited

Opinion:

We have audited the accompanying standalone quarterly financial results of M/s. **Brightcom Group Limited** for the quarter ended 31st March, 2022 and the year to date results for the period from 1st April 2021 to 31st March, 2022 ("the Statement"/"Standalone Financial Results") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("The Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the three months and year ended March 31, 2021.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013, and

Srinivas Reddy



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the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

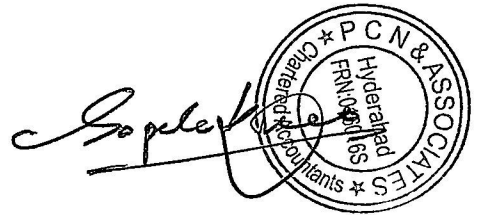
Emphasis of Matter Paragraph:

1. The Company has branch operations at USA having total asset of Rs.350,36,21,175/- and total turnover of Rs.334,72,71,593/- for the financial year 2021-2022.
2. With respect to income tax the company has certain appeals pending with the appropriate authorities.
3. SEBI ordered Forensic Audit vide Ref No – SEBI/HO/ CFID/ CFID_4/P/OW/ 2021/24343/1 dated 16/09/2021 as per the provisions and Regulation 5 of SEBI (PFUTP) Regulations 2003 read with section 11C of SEBI Act, 1992 and Deloitte Touche Tohmatsu India LLP has been appointed as forensic auditor w.r.t the financial statements for the Financial years FY 2014-15 to FY 2019-20. The said Forensic Audit is under progress and the final outcome of the investigation is yet to come by the time of our Certification.

Our opinion is not modified in respect of above emphasis of matter paragraph.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial result have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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





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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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

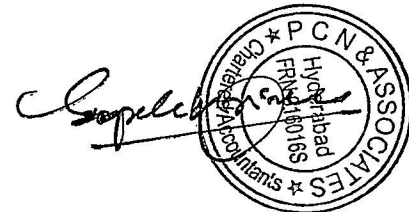
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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 results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.





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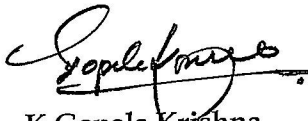
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- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

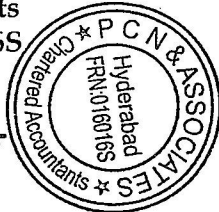
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

For P C N & Associates
Chartered Accountants
Firm Regn No. 016016S



K Gopala Krishna
Partner
Membership No. 203605
UDIN: 22203605AJYAXM4020



Place: Hyderabad

Date: 30-05-2022



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Auditor's Report on consolidated audited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors of
M/s. Brightcom Group Limited**

Opinion



We have audited the accompanying Statement of Consolidated Financial Results of M/s. Brightcom Group Limited ("Holding company") and its subsidiary (holding company and its subsidiary together referred to as "the Group"), for the quarter ended 31st March, 2022 and for the period from 1st April, 2021 To 31st March, 2022 ("the Statement"), being submitted by the "Holding company" pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations")

In our opinion and to the best of our information and according to the explanations given to us, the statement:

Includes the results of the following entities:

- a. Ybrant Media Acquisition Inc
- b. Online Media Solutions Limited
- c. International Expressions Inc
- d. Dream AD SA Panama
- e. Ybrant Digital Servicos De Publicidade Ltd
- f. LGS Global FZE
- g. Ybrant Digital (Brasil) Limited
- h. Frontier Data Management Inc
- i. Dream AD SA Argentina
- j. Dyomo Corporation
- k. Get Media Mexico Socidadanonima De Capital Variable, Mexico
- l. Dream AD SA Chile
- m. Dream AD SA Uruguay
- n. Max Interactive Pty Ltd
- o. LIL Projects Private Limited
- p. YReach Media Private Limited

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and



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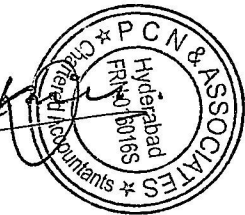
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the three months and year ended 31st March, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and interim Financial Statements furnished to us by the Board of Directors referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter Paragraph:

1. The Company has branch operations at USA having total asset of Rs.350,36,21,175/- and total turnover of Rs.334,72,71,593/- for the financial year 2021-2022.
2. With respect to income tax the company has a certain appeals pending with the appropriate authorities.
3. SEBI ordered Forensic Audit vide Ref No - SEBI/HO/ CFID/ CFID_4/P/OW/ 2021/24343/1 dated 16/09/2021 as per the provisions and Regulation 5 of SEBI (PFUTP) Regulations 2003 read with section 11C of SEBI Act, 1992 and Deloitte Touche Tohmatsu India LLP has been appointed as forensic auditor w.r.t the financial statements for the Financial years FY 2014-15 to FY 2019-20. The said Forensic Audit is under progress and the final outcome of the investigation is yet to come by the time of our Certification.



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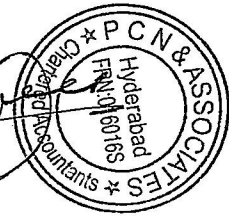
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4. The subsidiary company M/s. Ybrant Media Acquisition Inc has acquired M/s. Lycos Inc.,

M/s. Ybrant Media Acquisition Inc has dispute in respect of consideration of USD 16 Million for acquisition of M/s. Lycos Inc., to Daum Global Holdings Corporation and the district court of New York has given judgment to handover back 56 % equity in M/s. Lycos Inc to M/s. Daum Global Holdings Corporation and the concern matter is pending as on date.

Board of Directors' Responsibilities for the Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and jointly controlled entities 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 consolidated financial results 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 financial results by the Directors of the Holding Company, as aforesaid.



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In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.


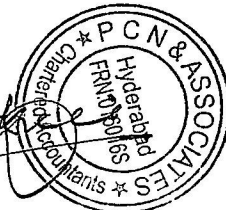
The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.

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 results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 and its associates and jointly controlled entities 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 results 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 and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors 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



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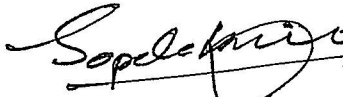
relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

The Consolidated Financial Results includes 14 subsidiaries financial statements which are not audited by us, whose Financial Statements reflect Group's share of total assets of Rs.47,39,39,86,436/- before the eliminations as at 31st March 2022, Group's share of total revenue of Rs.11,45,79,73,776/- and Rs.46,68,54,61,959/- before the eliminations and Group's share of total net profit after tax of Rs.222,91,41,580 and Rs.910,46,93,373/- for the quarter ended 31st March, 2022 and for the period from 1st April, 2021 to 31st March, 2022 respectively, as considered in the consolidated Financial Results. These financial statements and other financial information have been received from the respective subsidiaries. The management of the company has converted them into reporting currency and consolidated as per the Ind AS and furnished to us, and our opinion on the quarterly financial results and year to date results, to the extent they have been derived from such interim financial statements is based solely on them.

Our opinion on the Consolidated Financial Results is not modified in respect of the above other matters.

For P C N & Associates
Chartered Accountants
Firm Regn No. 016016S



K Gopala Krishna
Partner
Membership No. 203605
UDIN: 22203605AJYAZK9172



Place: Hyderabad
Date: 30-05-2022



May 30, 2022

BSE Limited

P. J. Towers, 25th Floor,
Dalal Street, Mumbai - 400001.
Scrip Code: **532368**

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400051.
Symbol: **BCG**

Dear Madam / Sir,

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015.

DECLARATION

I, M. Suresh Kumar Reddy, Chairman & Managing Director of Brightcom Group Limited (CIN: L64203TG1999PLC030996) having its registered office at Floor No.5, Fairfield by Marriott, Road No. 2, Nanakramguda, Gachibowli, Hyderabad - 500 032, Telangana, India, hereby declare that P C N & Associates, Chartered Accountants (FRN: 016016S) Statutory Auditors of the Company have issued an Audit Report with "unmodified opinion" on the audited financial results of the Company (Standalone & Consolidated) for the quarter & year ended on March 31, 2022.

This declaration is given in compliance to Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015 as amended by the SEBI (LODR), 2016, vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Request you to take the same on record and oblige.

Thanking you.

Yours faithfully,

for **BRIGHTCOM GROUP LIMITED**

M Suresh Kumar Reddy
Chairman & Managing Director
DIN: 00140515



Management Discussion and Analysis

The company reported a strong year, with Consolidated revenues of Rs. 5019 crores and PAT of Rs. 912.2 crores for FY22. Fourth quarter revenues were Rs. 1240 crores and PAT of Rs. 223 crores.

Consolidated revenues rising 75.8% YOY and PAT rising 88.86% YOY. Notably, EBITDA also rose to 69.78% YOY.

Company's Return on Equity (ROE), on an annualized basis has reached 17.23 % approximately. We are focussed on improving this key ratio substantially.

We achieved an operating Free Cashflow of Rs 287 crores for the year FY22. We are looking to meet the 500 crores FCF mark by the end of the June quarter.

The Board has decided to payout a significant amount of Rs.60.54 crores as dividend, to reward its shareholders. This represents a dividend payout ratio of around 7%, which compares extremely favorably with global tech companies, such as Nvidia (dividend payout ratio of around 4.5%) to Apple, which has a dividend payout ratio of around 14%.*

- Improving Free Cash generation is a critical financial target for management.
- This quarter, the company added: - 28 new publishers - 7 new Ad agencies - 12 new direct advertisers - 10 new newspaper relationships for our local news platform 'Blocal' exchange.
- **The main drivers of revenue were:**
 - Overall growth of the digital marketing spend across the globe
 - Agencies saw 54% year-over-year growth from 2020 to 2021. Moreover, agencies project a whopping 68% average growth in 2022 as well.
 - Improved eCPMs continue to contribute to increasing the budgets.
 - Client acquisition and retention were better in 2021 than in 2020.
- We signed a letter of Intent to acquire Digital Audio company to improve our Audio advertising footprint in the US. The Due Diligence of the same on finances and Legal side just got completed. Legal agreement work is in progress.

Updates:

- In January , we launched Blocal Exchange: Our Blocal news audience exchange incorporates brands into a local, familiar community that users recognize and trust: <https://blocal.news> This matters, considering that in the US market, local news media was still seen as a top source for local politics and Coronavirus info.
- In January, Brightcom became a pre-bid member: As part of the initiative, we want to share why Prebid is considered as a unifying, open-source solution for Publishers and SSPs.
- In February, 2022, we launched Brightcom Video Player: Our custom engagement-based instream and outstream video player provides you with a smart & innovative solution to boost publishers' site Revenue.
- In February, B-Finance was launched: Brightcom's financial news portfolio that provides buyers with direct access to high-income, attentive audiences.
- In April, Compass platform was relaunched with newer features: Compass is an in-house video and display platform designed and developed to offer an end-to-end solution that enables our publishers to maximize yield by monetizing their media across all their devices.
- In April, we announced partnership with Intent IQ: We signed up with Intent IQ's bid enhancement service to better identify IDs in a cookieless climate will leverage and maximize monetization for the company's publishers' portfolio. We are expecting significant increases in targeted revenues in such environments by up to 30%.
- In April, our new office was opened in Berlin: We opened an office in Berlin, in line with its focused growth strategy for the EU region. With this, the company now has 25 offices worldwide. This office will be led by Daria Oshry, VP of Publisher Solutions for Brightcom.

Outlook:

- We predict strong growth for the foreseeable future.
- The top two services for digital marketing companies are:
 - 34% Social media marketing
 - 29% Full service digital
- We feel confident, we have positioned ourselves well in the market and established our value to clients.

- Top challenges facing agencies in 2022 all focus on driving growth.
- 82% client acquisition
- 81% hiring
- 80% client retention