



December 06, 2020

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: Annual Report of Brightcom Group Limited for FY 2019-20

Pursuant to the provisions of Regulation 34 of the SEBI (LODR) Regulations, 2015 we are enclosing herewith a copy of Annual Report of the Company for financial year 2019-20.

The Annual Report is also available on the Company's website at www.brightcomgroup.com

Request you to take the same on record and oblige.

Thanking you,

Yours faithfully,

For BRIGHTCOM GROUP LIMITED

Manohar Mollama
Company Secretary & Compliance Officer
ACS - 39254

Encl.: A/a



ANNUAL REPORT

2019 – 2020

LEADING THROUGH

TECHNOLOGY

WINNING THROUGH

PEOPLE

INSIDE

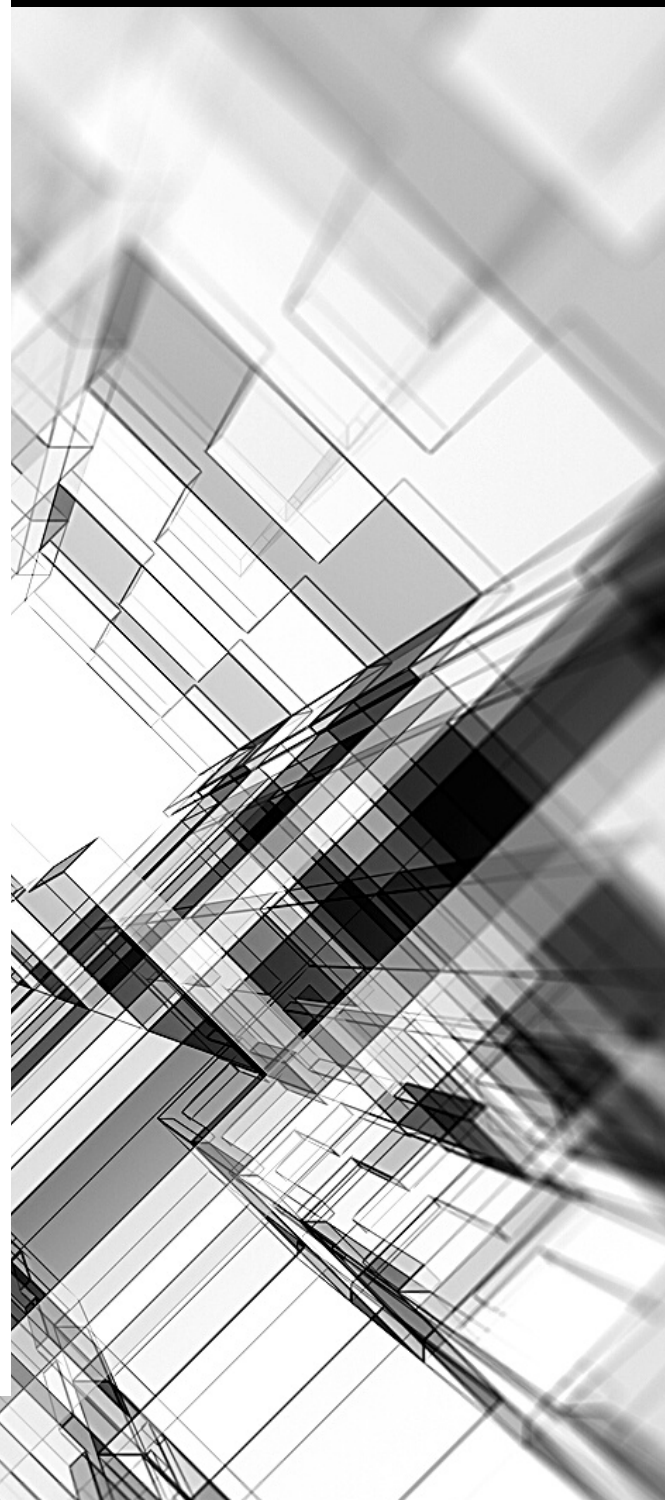
What's next?

Products that clients loved

A Fortune 500 INDIA Company



brightcom
group





Brightcom Group is a leading global provider of comprehensive online or digital marketing services to: direct marketers, brand advertisers, and marketing agencies.

We offer them access to the billions of Internet consumers that visit our network of name brand publishers spread across the world.

The Company is divided into three major divisions: (i) media (Ad-Tech and digital marketing), (ii) software services, and (iii) future technologies. The Company's primary clients are end advertisers, agencies and publishers, but also include ad exchanges & networks.

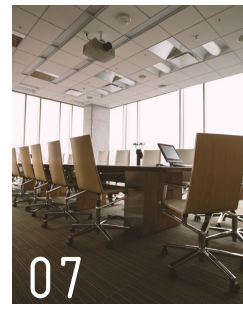
The Company has fourteen operating technology companies which provide services that harness the complexity, interactivity and dynamic nature of the internet with the objective of delivering technology solutions and the most successful advertising campaigns for its clients.

The Company achieves this by selling targeted and measurable online advertising campaigns and programs for advertisers and advertising agency clients, generating client leads, online sales and increased brand recognition on their behalf with online consumers.

The Company's digital marketing services involve marketing through various methods, including: (i) video ads, (ii) display ads, (iii) search marketing, (iv) email marketing, (v) lead generation, (vi) affiliate marketing, (vii) social media marketing, and (viii) mobile marketing. The Company has 22 office locations and has 463 employees and consultants worldwide. Brightcom Group ranks at 442 among Fortune 500 India companies.

INDEX

- 03 Corporate Information
- 04 Letter from the Chairman's desk
- 05 Board of Directors
- 07 Business structure & Management Team
- 10 Market
- 16 Our Business & History
- 26 Recognitions
- 30 Notice
- 57 Board's Report
- 78 Management Discussion & Analysis
- 82 Report on Corporate Governance
- 98 Standalone financial statements
- 149 Consolidated financial statements



FORWARD LOOKING STATEMENT

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 forwardlooking 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.

CORPORATE INFORMATION

REGISTERED OFFICE

Floor 5, Fairfield by Marriott
Road No 2, Nanakramguda, Gachibowli,
Hyderabad, Telangana, India - 500032.
Phone: + 91 40 6744 9910
CIN: L64203TG1999PLC030996
Email: ir@brightcomgroup.com
www.brightcomgroup.com

CHIEF FINANCIAL OFFICER

CA Y Srinivasa Rao

COMPANY SECRETARY

CS Manohar Mollama

AUDITORS

P C N & ASSOCIATES CHARTERED ACCOUNTANTS
Plot No.12, "N Heights" Ground Floor,
Software Layout Unit, Cyberabad,
Hyderabad - 500081.

SUBSIDIARIES

Online Media Solutions Limited (Oridian)
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
Padre tMariano 103 Of. 207,
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
Road No 2, Nanakramguda, Gachibowli,
Hyderabad, Telangana, India - 500032.

Yreach Media Private Limited
Road No 2, Nanakramguda, Gachibowli,
Hyderabad, Telangana, India - 500032.

BOARD OF DIRECTORS

Mr. M Suresh Kumar Reddy
Mr. Vijay Kancharla
Mr. Allam Raghunath
Dr. K. Jayalakshmi Kumari
Dr. Surabhi Sinha
Mr. Peshwa Acharya

BANKERS

Axis Bank Limited
ICICI Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

Aarthi Consultants Private Limited,
1-2-285, Domalguda, Hyderabad-500 029,
Telangana, India
Phone: +91(40)2763 8111, +91 (40) 2763 4445, +91
(40) 2764 2217
Email: info@arthiconsultants.com Fax:+91 (40)
2763 2184

Dyomo Corporation
16192, Coastal Highway, Lewes,
Delaware 19958-9776, County of Sussex, USA

Ybrant Digital Servicos De Publicidade LTDA
12995, Andar 18 Sala 36, 04.578-000,
Brooklin Novo, Sao Paulo, SP.

LGS Global FZE
Ras Al Khaimah Free Trade Zone, Ras Al Khaimah,
UAE

International Expressions Inc (VoloMP)
108 West, 13th Street, Wilmington,
Delaware 19801, USA.

Get Media Mexico S.A. DE CV
Presidente Masaryk No. 111, 1er. Piso, Col.
Chapultepec, Morales, Mexico D.F.

Ybrant Digital (Brasil) Limited
188721, 333, North Bridge Road, #08-00,
KH KHEA Building, Singapore.

Max Interactive Pty Ltd
5 Kings Lane, Darlinghurst, NSW 2010,
Australia

Frontier Data Management Inc (MediosOne)
108 West, 13th Street, Wilmington, Delaware
19801, USA.

LETTER FROM THE

CHAIRMAN'S DESK

When we founded the Company in 1998 in California Bay Area as USA Greetings.com, only 300 million people used to be online. Almost all of them, logging from their desktop computer and browsing the web. Compared to that today, we have over 3 billion users online across the world, through a myriad of devices, working through the web to communicate, seek information, to get entertained and to get educated. Some of the things we do online were unimaginable even a few years ago.

The world is again at a very similar juncture today as Artificial Intelligence (AI) based applications are quickly proliferating into almost all aspects of our daily lives. Brightcom Group is just trying out the initial taste of it yet. AI or the learning algorithms have already started to prompt you as you type into your phones, to help farmers better their yield, to solve many new problems for all of us. They have gone from helping translate from one language to another seamlessly, to help cars drive themselves taking away the human errors and accidents. And trust me, this is just the beginning.

You can expect to witness a magical transformation to the way we live and perceive the world over the next two decades. On one side, we can see new and innovative ideas taking shape and the other side, we will see massive digital transformation of how existing products and services are offered. BCG will watch the developments closely to pick and chose opportunities which will strengthen our offering and leverage our core competence.

From its early days to now, content on the web, be it games, videos, music, books or just plain and simple pictures or commerce online have all mushroomed to a point wherein certain parts of the world, life may never return to the brick and mortar way of doing things.

Compelling content creation requires the right framework, excellent publishers and creators. Over the years, we found our niche in helping these companies make great ad revenue. On the other side, we have also helped advertisers and their marketing partners find the right customers for their products. We will continue to bring value to the table by developing and deploying platforms that always connect the right product to the consumer, who really needs it.

Looking at your Company's progress for the year 2019-20. I am happy with the overall performance of the Company for the year. During the year, your Company achieved a consolidated turnover of Rs. 2,706.47 Crores as against Rs. 2,577.72 Crores in the previous year with a net profit of Rs. 440.10 Crores as against Rs. 443.97 Crores in the last year.

One thing we did notice is how screens have gone from desktops, laptops, tablets to mobiles, wrists or the car screens. We have always maintained that the screen or form factor is never as important as the consumer behind it. Some of the larger market players are getting behind the bandwagon of the argument that the device eventually will fade away.

Smart internet will offer assistance in your daily life where the system will learn you and not the other way around. Of course, without hampering the privacy and security of the user.

The world will soon see the transformation from mobile-first to an AI-first world—only a matter of a few years from now. Advertising online has remained our bread and butter because it allows the services offered by the best in the business to be free. The debate on paid services vs free ad-supported services had surely gone the advertising way. Paving a clear way for companies like ours to evolve and grow in this new digital world.

BOARD OF DIRECTORS



SURESH REDDY

Chairman and CEO

Suresh is the Chairman & CEO of Brightcom Group. An entrepreneur with a commitment to building high value businesses, Suresh is responsible for promoting the success of the group and its worldwide functions and sustainability.

Suresh founded two successful companies USAGreetings and Ybrant Technologies. He has consummated, completed and integrated 10 major acquisitions for Ybrant Digital, coupled with fund raising. The group under his leadership has raised \$100 million in equity and debt over a period of 7 years.

Prior to co-founding two successful companies USAGreetings and Ybrant Technologies, he worked in various roles across different industries in Fortune 500 companies, such as Caterpillar, Chrysler, SBC(PacBell) and Charles Schwab. Suresh holds an M. S. in Engineering from the Iowa State University and a B. Tech. in Mechanical Engineering from the Indian Institute of Technology, Kharagpur, India



VIJAY KANCHARLA

Chief Innovation Officer

Vijay leads the innovations at Brightcom Group. He is responsible for the company's worldwide technology enhancements and innovations. Vijay has been at the forefront of the internet revolution and has vast experience in building innovative solutions for the online market.

Prior to co-founding USAGreetings and Ybrant Technologies, he worked with some of the Fortune 500 companies, such as Hewlett Packard and Pacific Bell.

Vijay holds an M. S. in Computer Science from the University of Louisville and a B. Tech. from the Jawaharlal Nehru Technological University, Hyderabad, India.



PESHWA ACHARYA

Independent Director

Peshwa brings Deep & Diverse Consumer Marketing expertise and P&L leadership experience, built over the last 29 years across FMCG, Retail, Telecom, Technology, E-commerce and Hospitality domains. This Marketing Maestro is an alumnus of IIM Calcutta & IIT Kharagpur and has worked in various cities in India and across Asia and Africa. He currently plays the role of Chief Marketing Officer (Responsible for Marketing, Revenue, Admissions) at the Ampersand Group.

Peshwa's corporate journey includes working at P&G, Reckitt, Pepsi, Dabur, Reliance Retail, Globacom (Africa) and Sterling Holidays (A Fairfax company). Some of the brands launched / Relaunched & built by him are Reliance Digital, Hutch, Ariel, Dettol, Promise, Harpic, Mortein, Babool, Apps Daily, Housing.com. Later in 2015, he was handpicked as the first CEO of IIT Bombay Research & Innovation Park (ASPIRE). He also founded entrepreneurial ventures: Think as Consumer (www.thinkasconsumer.com) and Leven Healthcare.

BOARD OF DIRECTORS



ALLAM RAGHUNATH

Independent Director

Raghunath Allamsetty, is one of the veteran IT professionals in the country, who co-founded many US-based technology start-ups in India.

Raghu is the co-founder of Platys Communications in India, which is one of the first Fab-less digital high speed ASIC (Chip) design house in Hyderabad that was acquired by Adaptec Inc., CA USA. His expertise extends into the areas of Management, Operations, R&D, Hardware Engineering, and Software Design & Development. His skill in working with remote locations across international locations with expertise in operations and people management with diverse cultures, has led to the unmatched success of his teams.

Raghu has been involved with many NGOs and holds a respectable position in ROTARY, Task Force Member of SOS (save our Schools) of Rotary Initiatives and has served in many more capacities.



DR. SURABHI SINHA

Independent Director

With a PhD in Mathematics from the Indian Institute of Technology, Kharagpur, and several academic publications to her credit, Dr. Surabhi Sinha started off as a Research Assistant at the Council for Scientific & Industrial Research, India, and way back in 1992. She served as Project Associate in the Department of Mathematics - IIT, Kharagpur for around 7 years.

Dr. Surabhi has published several academic papers in the field of Fuzzy Programming, Multi-level Nonlinear Systems, Linear Programming Approaches, and Integer Solutions via Goal Programming. Dr. Surabhi also holds an M.Sc in Mathematics from IIT - Kharagpur, B.Sc (Honors) in Mathematics from IIT Kharagpur, and a Diploma in Information Technology from the National Institute of Information Technology, Delhi.



DR. JAYALAKSHMI KUMARI

Independent Director

Dr. Jayalakshmi Kumari has a Ph.D. in social sciences, an M.A in Economics, M.A in Political Science, M.Phil and M.Ed., with years of experience in teaching. With proven ability to constantly challenge and improve existing processes and systems, she has been participating and rendering voluntary services to many social organizations. With a deep passion for teaching, She brings in 15 years of experience from the educational sector having worked for leading schools and colleges in Hyderabad.

Presently, she is working with the Nalanda Educational Society as a faculty in the field of social sciences. In addition to this, she regularly conducts awareness programs for women's development, entrepreneurship, health camps, and does community services towards encouragement of economically weaker women. She is also an Independent director in the listed company M/s Cambridge Technology Enterprises Ltd., Hyderabad.

MANAGEMENT TEAM

SURESH REDDY

Mr. Reddy serves as the Chairman & Managing Director of Brightcom Group. An entrepreneur with a commitment to building high value businesses, Suresh is responsible for promoting the success of the group and its worldwide functions and sustainability. With over a decade of online marketing and advertising experience, he has a strong understanding of building effective cross-country and cross-cultural business operations. He directs and supervises the group's strategy and its implementation globally.

Prior to joining the Company, Mr. Reddy founded two successful companies; USA Greetings and Ybrant Technologies. He has also worked in various roles across different industries at Fortune 500 companies such as Caterpillar, Chrysler, SBC (PacBell) and Charles Schwab.

VIJAY KANCHARLA

Mr. Kancharla leads the innovations at Brightcom Group. He is responsible for the company's worldwide technology enhancements and innovations. Mr. Kancharla has been at the forefront of the internet revolution and has vast experience in building innovative solutions for the online market. Prior to co-founding USAGreetings and Ybrant Technologies, he worked with some of the Fortune 500 companies, such as Hewlett Packard and Pacific Bell.

Mr. Kancharla holds an M. S. in Computer Science from the University of Louisville and a B. Tech. from the Jawaharlal Nehru Technological University, Hyderabad, India.

SRINIVASA RAO YEPURI

Mr. Yepuri joined the Company in 2001 and is responsible for the overall financial management.

Previously, Mr. Yepuri has 32 years of diversified business experience, including 21 years in senior management positions.

Before joining the Company, Mr. Yepuri held several top financial positions in the capacity of GM, VP and CFO. His overseeing and implementation of growth strategies have resulted in many corporate success stories that include rightsizing the organization, increasing and diversifying revenue streams.

He is a fellow member of Institute of Chartered Accountants of India (ICAI) and holds a master's degree in Commerce.

JACOB NIZRI

Mr. Nizri joined the Company in 2007 and directs the consolidated core advertising & media division of the Company.

Previously, he was overseeing Oridian, AdDynamix and MediosOne. After being promoted to Director of European Sales in 2003, Mr. Nizri was then appointed VP of Oridian in 2005. In 2006, Mr. Nizri was promoted to be the CEO of Oridian.

Mr. Nizri holds two Bachelor degrees in Management & Information Technologies and Computer Education

BRADLEY N. COHEN

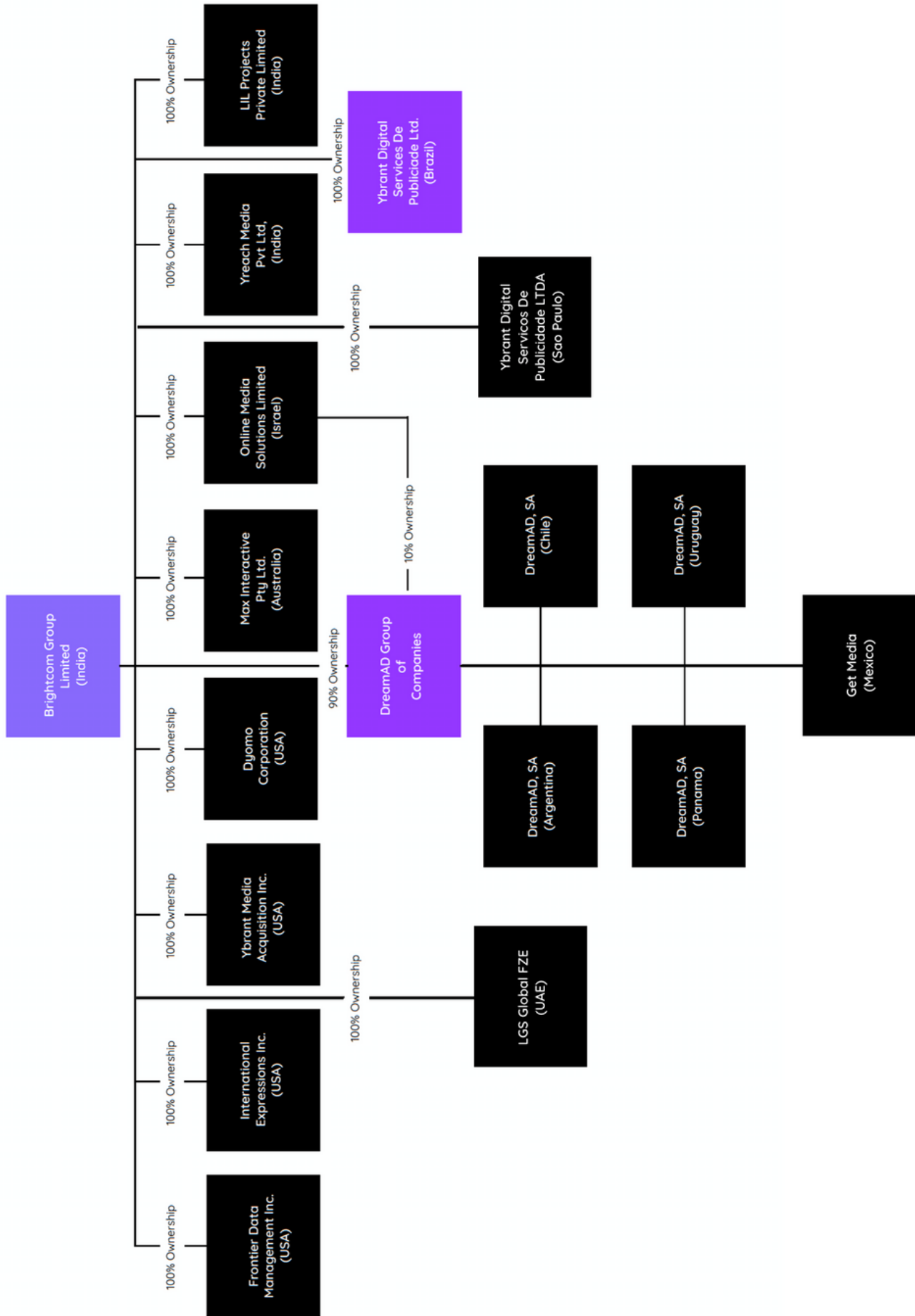
Mr. Cohen started at the Company in 2006 and is responsible for defining and driving the strategic initiatives, along with all M&A activities of the Company.

Prior to joining the Company, he was President of Business Integration & Strategic Initiatives at Ybrant. In 2002, Mr. Cohen co-founded what is now known as MediosOne. In 1998, he cofounded Cohen Capital, and Cohen Capital Technologies founded Neural Technologies, LLC.

Mr. Cohen has managed more than ten successful business ventures since 1993 and started Trident Industries, before moving on to be co-founder and President of eCollege.com.

Brad received a BA from the University of Missouri in Marketing and Political Science.

BUSINESS STRUCTURE



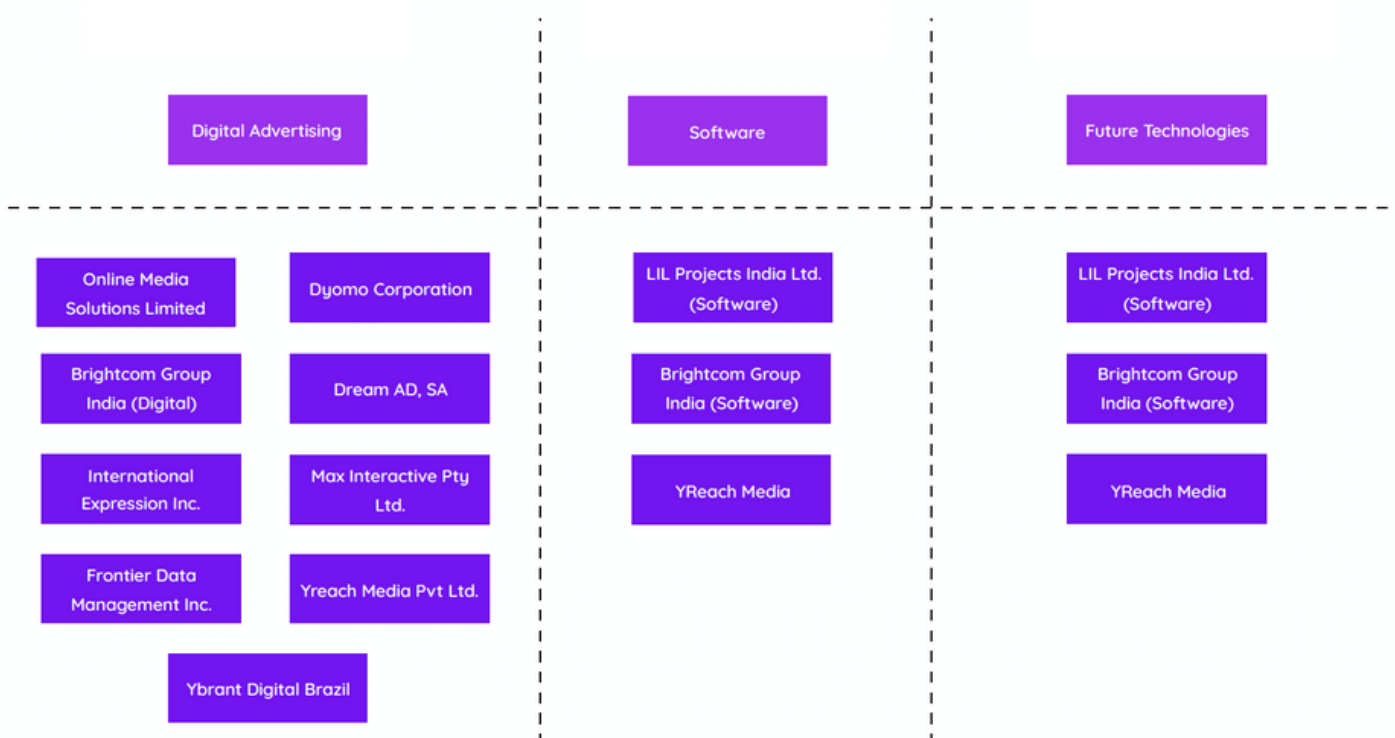
SERVICES

The Company's services can be categorized into three primary divisions: (i) Ad-Tech (digital/ advertising), (ii) software development services / IT services, and (iii) future technologies.

The Company's software development services are based in India, while all other subsidiaries provide digital/ advertising services. The Ad-Tech and software development services divisions had revenues of \$315.16 million and \$64.68 million, respectively, representing 82.96% and 17.04%, respectively of FY2019 revenue.

The Company's future technologies division consists primarily of the Company's LIFE product and developments in artificial intelligence, machine learning and Digital Out of Home ("DOOH") advertising.

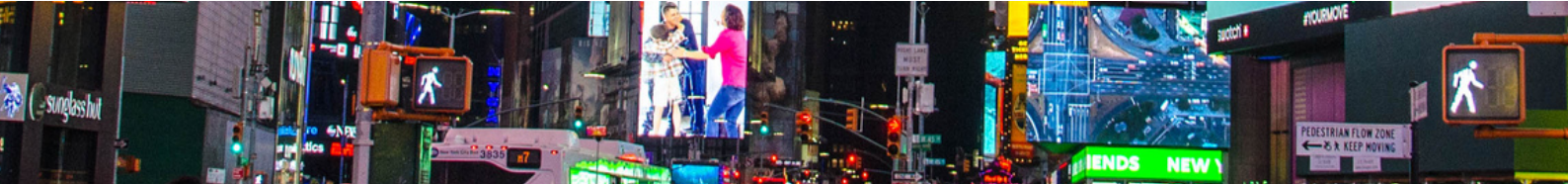
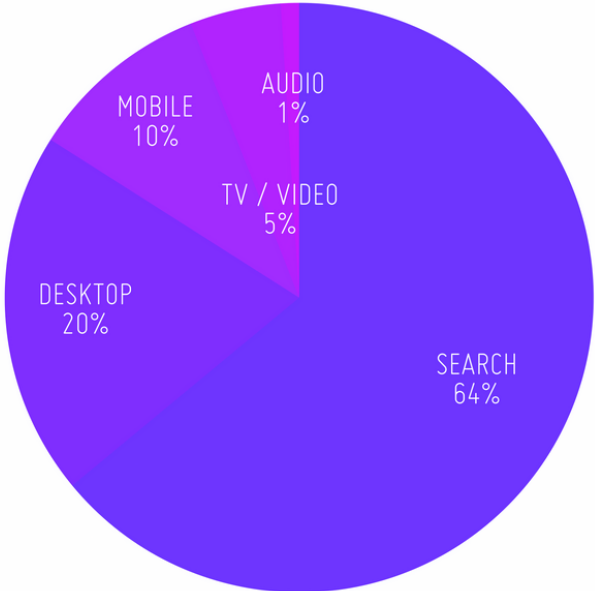
SERVICES BREAKDOWN BY DIVISION





MARKET

THE ADVERTISING SPEND
ALWAYS FOLLOWS THE
CONSUMER USAGE



Global trends continue to demonstrate high growth rates for both interactive media and ad spend. This momentum in interactive media usage is resulting in digital ad spend gaining a larger share of all advertising. It is estimated that global spending on digital advertising was \$198.0 billion in 2016, growing to \$224.1 billion in 2017 and further increasing to \$248.6 billion in 2018. It is the fastest growing category of total global ad spend with a CAGR of 12.0% over the last 2 years. The Asia-Pacific region is the largest contributor of global ad spending with approximately \$700.0 billion or 34.8% share of global ad spending followed by North America at 29.5% or \$591.0 billion. This growth is expected to continue as marketers allocate more of their total marketing expenditure to interactive marketing efforts and the industry delivers even more effective and innovative platforms for connecting with consumers.

DIGITAL ADVERTISING STRUCTURE

The DA industry is categorized into three distinctive operators: (i) advertisers, (ii) publishers, and (iii) intermediaries.

Advertisers, refer to companies/ad agencies associated with brands, who spend money for marketing and branding their products and services.

Publishers, which focus in digital marketing, include: companies which provide content to websites in addition to companies which attract traffic due to the content provided by them, for the following platforms: mobile phones, IPTV, and podcasts among others.

Intermediaries, cover specialized marketing companies who connect advertisers and publishers, through their creative marketing campaigns and use of technology for delivering, monitoring and optimizing the ads. Intermediaries can be further classified into two types: (i) marketing and (ii) technology intermediaries. Marketing intermediaries use technology for delivering, managing and optimizing the digital campaigns of advertisers. Technology intermediaries provide technology, services and tools based on the domain inputs of the marketing companies.

Brightcom Group started as a technology intermediary and developed into a formidable force in marketing intermediary category. The Company utilizes its internally developed technology products, which include OneTag, Pangea, COREG, ProxyTool, and the Brightcom platform to provide digital marketing services to its clients across the globe. Brightcom delivers more than 65 billion impressions a month across a network of publishers and boasts a robust advertiser network with over 200 Ad agency relationships and campaigns from thousands of direct advertisers globally.

Advertisers, which includes brands and advertising agencies, provide Demand Side Platforms (“DSPs”). Publishers, such as web-sites that host content, provide Supply Side Platforms (“SSPs”). Ad exchange and networks, Private Market Places (“PMPs”) are built by intermediaries which connect DSPs to SSPs, through targeted advertising campaigns using specialized data provided by data aggregators.

INDUSTRY EVOLVING TRENDS

The profile of digital spend is changing as it evolves, with engaging online video formats and social (23.5% in 2018) growing rapidly whilst traditional display banner formats grow at more subdued single digit rates, a predicted 8.7% in 2018.

- Digital spending is becoming predominantly mobile rather than desktop, reflecting the shift in audience usage from desktop to smartphone. Mobile ad spend, overtook desktop in 2017, as previously predicted with a 57.0% share of total digital spend versus desktop at 43.0%

- Mobile spend is estimated to increase by a further 23.8% in 2018, to reach approximately \$121.1million, a significant 62.0% share of digital spend for 2018. Desktop ad spend has been declining/stagnating since 2016 and is forecast to continue along this trend in 2018, with a decline of 0.2%. In the UK – globally one of the most advanced digital media markets, mobile advertising is forecast to reach £8.7 billion, 70.0% share of digital spending in 2018.

- Much of this increased investment in mobile will be passively purchased by advertisers (as digital ad impressions are automatically served and consumed by audiences on mobile devices as opposed to on desktop). A growing proportion will be actively planned and purchased as advertisers seek to reach and engage mobile audiences.

- Marketers and advertisers are putting the majority of their budget into mobile ads. Digital marketing software revenues are projected to total more than \$32.0 billion in 2018, with expected revenue at \$65.9 billion for mobile ads alone. Mobile users are accessing approximately 69.0% of their annual media on their smartphones. Mobile ad spends exceeded \$143.0 billion in 2017 on a worldwide scale. It's projected to hit more than \$247.0 billion by the end of 2020..

HOW MANY ADS DOES ONE SEE IN A DAY?

 900 ON DESKTOP

 450 ON MOBILE

 200 ON FB

 30 VIDEO ADS

 7 AUDIO ADS

 ALMOST 0 PRINT ADS

DIGITAL ADVERTISING CHANNELS



DISPLAY ADS

Display ads include strategies/techniques/tools for optimally displaying the graphic and/or visual advertisement in various formats. Digital ads are deployed via standard web and wireless applications, email, static (e.g. html) and dynamic (e.g. asp) web pages, and may appear in ad formats such as banners, buttons, and interstitials.

VIDEO ADVERTISING

Advertising within existing video content and running video ads on a static page form the core of this format of advertising. Video on desktop, tablets and mobile are device dependent parts of this channel.

SEARCH MARKETING

Search marketing includes: (i) pay per click (PPC or CPC) on a search engine, (ii) paid inclusion, (iii) search engine optimization ("SEO").

EMAIL MARKETING

Email marketing includes: banner ads, links or advertiser sponsorships that appear in email newsletters, email marketing campaigns and other commercial email communications.

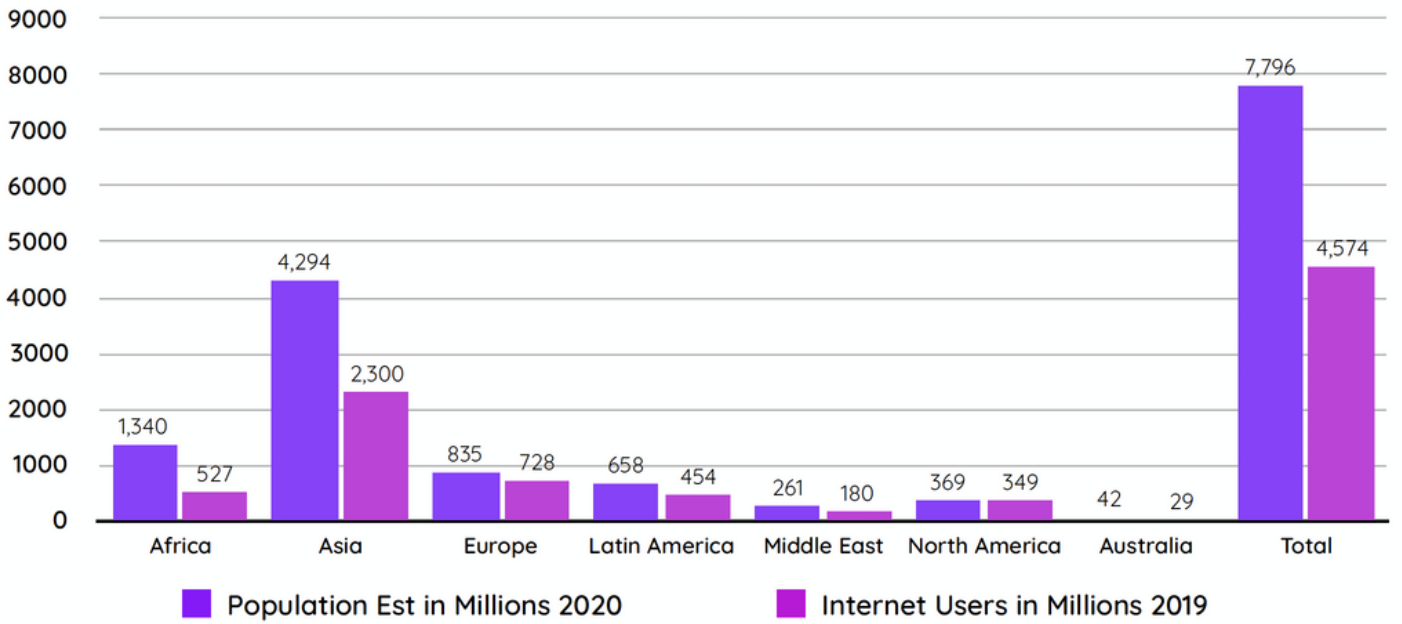
LEAD GENERATION

Lead generation includes advertisers paying fees to internet advertising companies that refer qualified purchase inquiries or provide consumer information (demographic, contact, and behavioral), where the consumer opts for being contacted by a marketer (email, postal, telephone, and or fax). These processes are priced on a performance basis (e.g. cost-per-action, -lead or inquiry), and can include user applications, surveys, contests or registrations.

CLASSIFIEDS AND AUCTIONS

Classified and auctions include advertisers paying fees to internet companies to list specific products or services (e.g. online job boards)

DIGITAL MARKETING GROWTH



Acceptance of mobile and wireless devices have enabled the growth of more digital marketing platforms. There has been a large-scale evolution of digital marketing with faster access through hi-speed broadband enabling potential customers to locate desired information, services and products precisely, securely, and instantaneously. The chart below shows the world population by regions that are internet users against the growth since 1998. Globally, there are over 4.1 billion internet users with a growth of 1,052% from 2000 - 2018.



IMPACT OF COVID19 ON DIGITAL ADVERTISING



When the restrictions are lifted the initial reaction of many will be to jump offline and do things that they couldn't before – visiting friends and family, visiting museums and theatres, returning to pubs, restaurants, sports grounds, places of worship, gyms and libraries. However, digital marketers should be aware that many economists expect the recovery to be gradual, rather than a strong rebound. However, it is likely that for many, using the internet more for shopping, gaming, keeping in touch and other activities will have become something of a habit. In addition, it could well be that consumers emerge from the crisis with some very different priorities, values and attitudes – all of which could impact how they want to spend their time and money.

- Gaming: a 25% jump with COVID-19
- Retail – one massive spike, but also a 34% jump in March
- Social media: 29% increase
- Travel marketing: down 38% so far
- Other categories: on-demand, news, marketplaces, etc are reacting in some unexpected ways.

OUR HISTORY

The founders, Suresh Reddy and Vijay Kancharla started USA Greetings in 1998 and renamed the business to Ybrant technologies in 2000. Over the period of next twenty years, the Company became a global player in digital marketing and related platforms by successfully acquiring and integrating 10 acquisitions.

Lycos Inc., formed in 1995, was spun out of Carnegie Mellon University and was a pioneer in internet search. It led the fastest IPO from inception to listing on NASDAQ in 1996. Lycos was acquired by Terra Networks for \$12.5 billion in 2000. Lycos was later sold to Daum Communications for \$95 million in 2004.

Lycos was acquired by Ybrant in 2010 for \$36 million and renamed the Company to Lycos Interned Limited.

In 2016, the Company launched, LYCOS LIFE, Brightcom programmatic video platform and Apollo LYCOS JV.

The Company ranked #4 in global ranking Video Seller Trust Index for programmatic advertising by Pixelate Inc. Brightcom was chosen as a Top Alternative Ad Network in MonetizeMore's 2016 roundup. In addition, the Company launched Compass to combine programmatic video and display advertising into yield optimization & ad management platform. The Compass platform was nominated as finalist for Best Ad Tech Tool at Cynopsis Model D Awards 2016. LYCOS Life band featured in '10 best fitness bands in India - 2016' by IOTIndiaMag.com.

In 2017, the Company topped Pixelate's Video Trust Index (International) as per March 2017 report. The Company launched post-bid.com landing page geared to potential demand side partners. The Company relocated to a large new space in Gachibowli, Hyderabad. In addition, LYCOS Media introduced LYCOS Sports app. The Company launched Israeli Ad-Tech Map and signed an agreement with Tinbu.com to expand its news content offerings in the areas of: Lottery, Horoscopes, Celebrity News, Sports, Gas Prices, Weather, Comics, and Today in History. The Company was ranked #345 in Business World Real 500 List.

In 2018, Lycos Internet Limited was renamed to Brightcom Group Limited. The Company was ready with changes required to the European General Data Protection Regulation ("GDPR").

The Company increased its service offerings in Artificial Intelligence and Machine Learning.

Brightcom Group was featured among Fortune India 500 for the year 2019



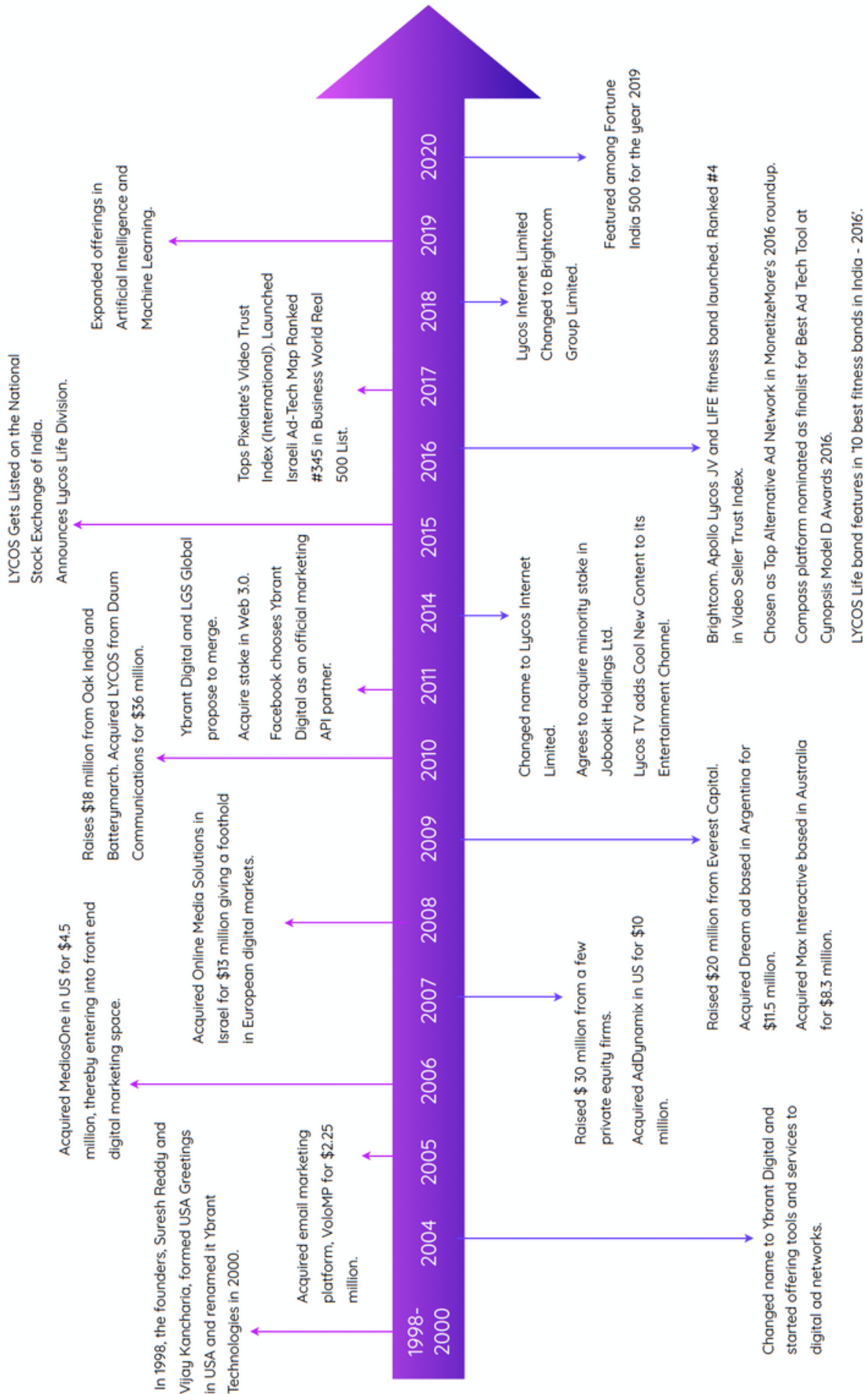
KEY ACQUISITIONS

COMPANY							
ACQUISITION DATE	2007	2007	2007	EARLY 2008	LATE 2008	2008	2010
ACQUISITION AMOUNT	\$10 MILLION	NON-DISCLOSURE	\$4.5 MILLION	\$16 MILLION	NON-DISCLOSURE	\$8.5 MILLION	\$36 MILLION
REVENUE ACQUIRED	\$8 MILLION	\$2.2 MILLION	\$6 MILLION	\$20 MILLION	\$5 MILLION	\$7 MILLION	\$30 MILLION
EBITDA ACQUIRED	\$1.25 MILLION	\$1 MILLION	\$1 MILLION	\$3.2 MILLION	\$1.2 MILLION	\$1.2 MILLION	\$6 MILLION
PURCHASE MULTIPLE	8.00	-	4.50	5.00	-	6.00	6.00
ADVERTISING CHANNEL	DISPLAY	EMAIL	SEARCH/DISPLAY	DISPLAY	DISPLAY, CONTEXTUAL	SOCIAL MEDIA, DISPLAY	SEARCH/PUBLISHER
LOCATION	LOS ANGELES, CA	BELGRADE, SERBIA	VAIL, CO, US	TEL AVIV, ISRAEL	AUSTRALIA	BEUNOS AIRES, ARGENTINA	BOSTON, US
INTERNATIONAL PRESENCE	US	US	SOUTH AMERICA, US	13 COUNTRIES (EUROPE AND AUSTRALIA)	AUSTRALIA, SINGAPORE, HONGKONG	LATIN AMERICA	GLOBAL
PAYMENT TERMS	2 PART	2 PART	2 PART	2 PART	2 PART	2 PART	2 PART
STATUS	COMPLETED	COMPLETED	COMPLETED	COMPLETED	COMPLETED	COMPLETED	UNDER SETTLEMENT

FUNDRAISING

ROUND	SERIES A	SERIES B	SERIES C	SERIES D	SERIES D	SERIES D	SERIES D
DATE	MID 2007	DEC 2017	LATE 2008	2010	2010	2010	2010
NAME	SANSAR CAPITAL	PASSPORT CAPITAL, EIGHT CAPITAL & VENUS CAPITAL	ASIA PACIFIC CAPITAL	OAK INVESTMENTS	ICICI BANK	BATTERY MARCH CAPITAL	ASIA PACIFIC CAPITAL
AMOUNT RAISED	\$20 MILLION	\$10 MILLION	\$22 MILLION	\$20 MILLION	\$10 MILLION	\$10 MILLION	\$10 MILLION
PERCENTAGE ACQUIRED	17% FULLY DILUTED	5.71% FULLY DILUTED	8.8% FULLY DILUTED	7%	NA	3.33%	3.33%
INVESTOR LOCATION	NEW YORK, US	CALIFORNIA, US	HONG KONG	GREENWICH, US	NEW YORK, US	BOSTON, US	HONG KONG
PRE-MONEY VALUATION	\$125 MILLION	\$175 MILLION	\$250 MILLION	\$300 MILLION	NA	\$300 MILLION	\$300 MILLION
INSTITUTION TYPE	PRIVATE EQUITY	PRIVATE EQUITY	PRIVATE EQUITY	PRIVATE EQUITY/ VC	BANK	PUBLIC FUND	PRIVATE EQUITY
INVESTMENT TYPE	EQUITY	EQUITY	EQUITY	EQUITY	DEBT	EQUITY	EQUITY
EXIT DATE	2014 - 2017	2013 - 2016	2018-2019	LINED UP BUYERS	PAID OFF IN FULL	2013-2016	2018-2019
USE OF PROCEEDS	ADDYNAMIX, MEDIOSONE & VOLOMP	ORIDIAN	MAX INTERACTIVE, DREAMAD GROUP	SECONDARY SALE, ORIDIAN	OTHER ACQUISITIONS	LYCOS	OTHER ACQUISITIONS

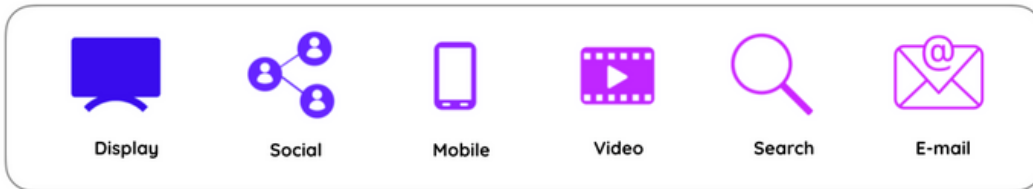
TIMELINES



HOW IT

WORKS

1



SELECT PLATFORMS

2



OPTIMIZE WITH TECHNOLOGY

3



SHOW ON ALL DEVICES

4



FIND YOUR AUDIENCE

DIGITAL ADS

The Company's services provide advertisers and online publishers with a combination of campaigns, networks, and technologies to engage consumers and maximize their digital marketing reach. The following provides a summary of Company's services:

VIDEO ADVERTISING

The Company offers video advertising services to advertisers, agencies and DSPs through a programmatic solution called Brightcom. The Company offers the programmatic video advertising solution through its brands: Oridian, DreamAd and Max Interactive

PERFORMANCE-BASED MARKETING

The Company offers performance-based marketing to clients that use AMS, affiliate marketing and display marketing, with pricing determined by one or more of the following methods: (i) cost-per-lead ("CPL"), (ii) cost-per-thousand ("CPM"), (iii) cost-per-click ("CPC"), and (iv) cost-per action ("CPA"). Definitions: (i) CPL - charges with a rate determined by each impression, which is a delivery of the advertisement to the consumer, (ii) CPM - charges with a rate determined by every one thousand impressions, (iii) CPC - charges with a rate determined by each instance of a consumer "clicking" on the advertisement, and (iv) CPA - charges with a rate determined by each instance of a consumer performing a specified action, typically completing a form or purchasing a product.

EMAIL MARKETING AND LEAD GENERATION

The Company provides an email marketing platform and relevant technology by license through brand, VoloMP, which is a scalable bulk emailing platform capable of sending up to 20,000,000 emails on one server per day with tracking and reporting statistics. The Company also provides clients with three other technology platforms for email marketing, Zentyl, FlatMonk and DataCombine. The Company provides lead generation through its brands Oridian and AdDynamix.

SOCIAL MARKETING

The Company offers social marketing through popular sites, such as Facebook, Twitter, or website review sections, to create content that attracts attention, whether through online conversations, reviews or other participation from consumers. The consumers then spread the advertiser's message to other consumers, with the message resonating because it comes from another consumer, who is presumably impartial and has tried the product or service, instead of the advertiser.

DISPLAY ADS MARKETING

The Company offers display ads marketing with geographic, demographic, and behavioral targeting through its technology platform, Ad Management System ("AMS"), which tracks and aggregates consumer response to advertisements, allowing the users to adjust targeting if needed. The Company provides tools; such as flash streaming and small applications called "applets," for generating display ads.

The Company offers display ads marketing through its brands: MediosOne, AdDynamix, Oridian, DreamAd and Max Interactive.



SEARCH MARKETING

The Company offers three primary methods of search marketing: (i) contextual search, (ii) paid inclusion, and (iii) site optimization. Definitions: (i) contextual search - an advertiser pays to have text links appear in an article based on the article's content instead of the consumer's search term, (ii) paid inclusion - an advertiser pays to guarantee its website is indexed by a search engine, and (iii) site optimization - an advertiser pays to ensure its website appears in search engines more often and with better placement.

DIGITAL TRAFFIC MANAGEMENT

The Company offers digital traffic management that involves evaluating the client's objectives, outlining media strategy, developing a media plan and executing the plan by negotiating rates for the desired placements.

DIGITAL ADS

MOBILE MARKETING

The Company offers mobile marketing to advertisers that enable brands to provide location specific advertising to consumers on their mobile devices by using location-tracking technology. Advertisers currently implement mobile marketing through voice, internet, and SMS, and are looking at marketing through other value-added services in the near future. The advertisements used in mobile marketing include discount coupons and advertisements that can expire quickly because of the consumer's proximity to the service or product.

NICHE CAMPAIGNS

The Company uses various marketing techniques to develop niche campaigns for clients, including campaigns that target consumers by geography, demography or behaviour (also known as predictive or psychographic targeting), allowing clients to overlay multiple variables, such as finding customers who speak a certain language, gender and browsing history. The Company's niche campaigns tailor its clients' advertisements in addition to its target consumers.

RECORD-KEEPING FOR CLIENT INTERACTION

The Company collects and stores all information generated in client interactions in a data warehouse, which allows users to review and structure campaigns to improve effectiveness of services. The Company reviews all product and service inquiries and orders at both a business and technical level to ensure that requirements are properly understood and to provide the right personnel to serve clients.

AD SERVING

The Company remotely stores and delivers digital advertisements to website visitors. In addition, the Company coordinates and monitors the ad serving process once an advertising campaign commences. The Company's ad serving systems receive several billion advertisement requests each month, processing the majority of these at sub-millisecond speeds. The Company's ad serving system allows clients to adjust their advertising campaigns quickly because it makes the changes on its own ad serving systems and not individual websites.

AFFILIATE MARKETING

The Company offers affiliate marketing where in a publisher joins an advertiser's affiliate marketing program and agrees to distribute the advertiser's advertisements in exchange for commissions on leads or sales generated. One form of affiliate marketing is co-registration, which involves an arrangement between an advertiser and an affiliate for opt-in traffic, typically taking the form of a checkbox for registrants to opt-in to receive future email announcements from the advertiser. Co-registration is a particularly effective way for advertisers to generate business because consumers choose to receive advertising. The Company uses affiliate management software to track high volumes of impressions, clicks or other specified actions that could come from different publishing sources, including websites, emails, search engines, and newsletters.

CAMPAIGN ANALYSIS AND OPTIMIZATION

Throughout running client campaigns, the Company provides data to its clients in online, real-time performance reports that evaluate campaigns along several dimensions, including sales, leads, registrations, and downloads. The Company's strategists review the data with its clients to tailor their campaigns as needed. For example, if a website carrying an advertisement is generating unacceptably low response rates, the Company can remove that website from the campaign or negotiate a lower rate.

CLIENT RESPONSIVENESS

The Company engineers its services with failsafe controls and monitors services 24 hours a day and 365 days a year with specialized monitoring systems that can aggregate issues and relay them to a human-staffed network operations center. The Company constantly have engineers available on standby to take corrective action as needed.

REAL TIME REPORTING

The Company generates real time reporting to ensure that its clients can receive information as fast as it is generated. Real time reporting allows the Company to tailor campaigns for its clients with flexibility and efficiency.

SOFTWARE SERVICES &

FUTURE TECHNOLOGIES

The Company's software services include developing customized technology platforms to solve specific needs of clients primarily around digital media and other related offerings.

The Company integrates open source and commercially available software to ensure optimum cost-sensitivity.

The Company charges its clients for technology platform customization through various means: (i) licensing, (ii) the costs incurred in development method, or (iii) pay per use.

The Company uses a standardized development process that includes: (i) planning, (ii) designing inputs, (iii) business critical outputs, (iv) quality assurance, (v) change control, and (vi) knowledge sharing.

Artificial Intelligence & Machine Learning: The Company has deep connections with PhD's at universities and along with industry experts provides artificial intelligence and machine learning services to its customers.

The Company has completed millions of data annotations as well as complex synthetic data-sets with custom API's for fast growing startups and Fortune 1,000 companies in the field of retail, agriculture, medicine, security, and industry 4.0.

The Company has quickly scaled to be the premier provider of synthetic data, data annotation and end product development for small to mid-size businesses and enterprises alike. Through the utilization of its vast annotated data resources, along with machine learning and artificial intelligence services, the Company is uniquely positioned to create groundbreaking applications at an unparalleled speed, affordability, with higher accuracy and precision.

PRODUCTS

Through its various subsidiaries, the Company owns the following products.

ONETAG

Onetag generates a tag by the One Tag system which is implemented on the publisher's website or ad-server to trigger the banner display from the Company's system every time an impression is called. It is one of the most efficient seller side tracking platforms.

COREG

COREG or Co-Registration allows a consumer to opt-in for multiple offers while registering for one primary offer. For example, while signing up for a newsletter, a consumer might see a checkbox with a sign up for a related newsletter from another company. This checkbox is the opt-in for the co-registration, by checking that box, the consumer's data will be transferred to advertisers presented on the form.

VOLOMP

VoloMP is an email marketing tool used by affiliate marketers with functionality for setting sending limits with an inbuilt Unique tracking algorithm.

PANGEA

Pangea is a proprietary optimization approach which enables quality conversions with full users funnel tracking to achieve optimum results.

BRIGHTCOM

Brightcom is a platform that allows the programmatic trading of ads, primarily video based. It allows for easy integration and maximum yield over video and display, both mobile and desktop. It provides a visual analytics interface and also quality and Ad fraud monitoring mechanism.

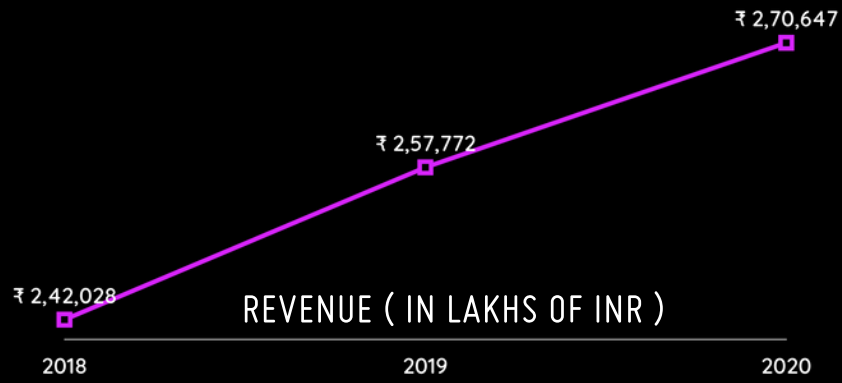
PROXYTOOL

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



BCG BY NUMBERS

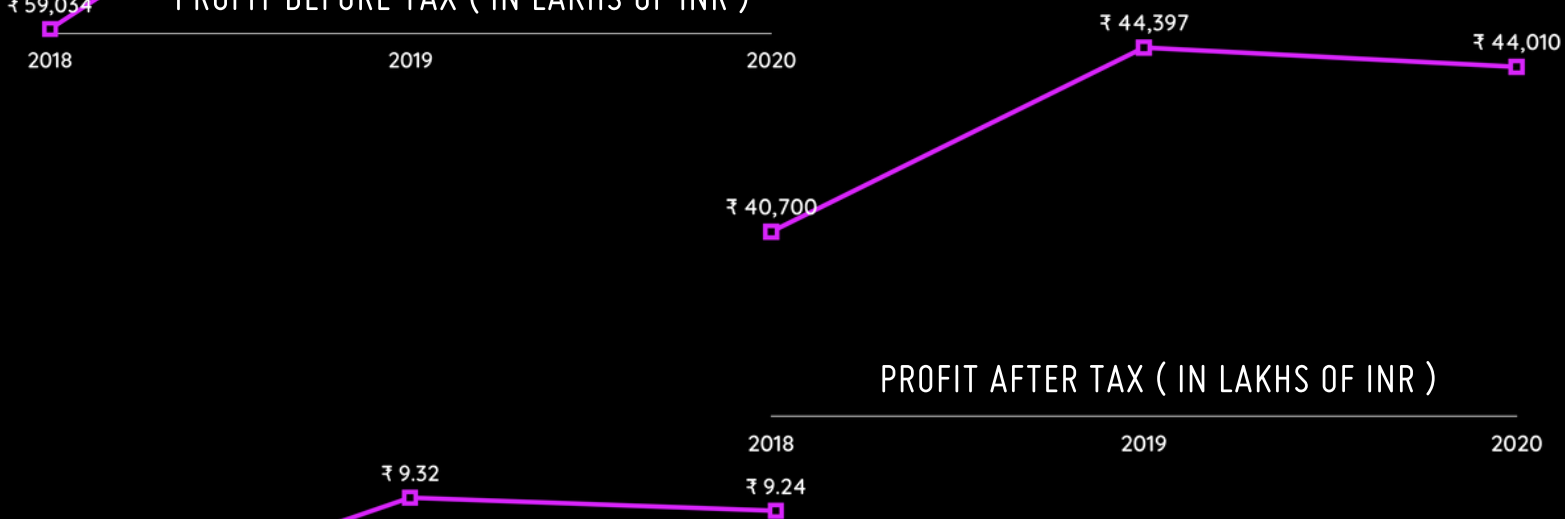
REVENUE (IN LAKHS OF INR)



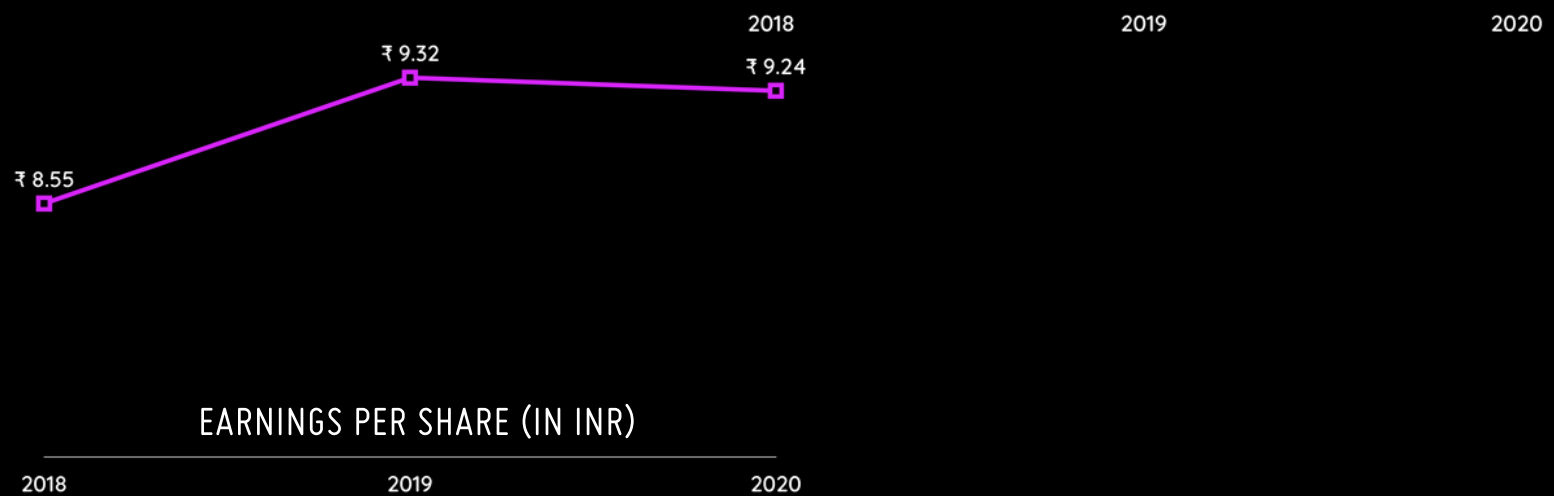
PROFIT BEFORE TAX (IN LAKHS OF INR)



PROFIT AFTER TAX (IN LAKHS OF INR)



EARNINGS PER SHARE (IN INR)



1998
FOUNDING YEAR

REVENUE
RS.2700 CR

RS. 440 CR
PAT

GLOBAL EMPLOYEES
462

RECOGNITIONS

FORTUNE®
500
RANKED AT 400

NOW APPROVED AS THE REGISTERED VENDOR OF THE IAB (“INTERACTIVE ADVERTISING BUREAU”)

RATED NUMBER 36 AMONGST THE ADS.TXT DIRECT SELLERS GLOBALLY.

INDEX EXCHANGE (IX), THE TOP TEN GLOBAL AD MARKET PLACE, MADE US OF ONE OF THEIR ‘CERTIFIED ADAPTERS.’

FEATURED AMONGST EDIGITAL’S “BEST 72 SSP FOR 2020”.

PROUD TO SHARE OUR NEW B-LOCAL EXCHANGE! WE’RE OFFERING ADVERTISERS AN ALTERNATIVE TO THE “FACELESS MASSES” OF A BROAD PROGRAMMATIC APPROACH.

WE WERE LISTED IN TOP TEN ALTERNATIVES TO GOOGLE’S ADSENSE IN TERMS OF THE BEST AD MONETIZATION FOR PUBLISHERS.

WE BUY FROM ACROSS THE ENTIRE INTERNET

EVEN MEDIA THAT IS NOT DIGITAL IS BEING TRANSACTED DIGITALLY OVER THE INTERNET

The Seattle Times

The New York Times

 CBS Interactive

BBC

Investing.com

The Weather Channel

The Atlantic

ESPN

TMZ

BuzzFeed

WSJ

 SCRIPPS

 USA TODAY

TUNE IN

TED

 Flipboard

FOX NEWS channel

 GSN

PLAYBILL

 myfitnesspal

W

 tripadvisor

 zynga

FlightAware

 babycenter

SOME OF THE MARQUEE BRANDS WE WORK WITH

MOST OF THE MAJOR ADVERTISERS HAVE RUN A
CAMPAIGN THROUGH OUR SYSTEM ONE TIME OR ANOTHER



OUR PRESENCE



Notice of 21st Annual General Meeting

Notice is hereby given that the 21st Annual General Meeting (AGM) of the members of Brightcom Group Limited (CIN: L64203TG1999PLC030996) (the **Company**) will be held on **Monday, the 28th day of December 2020**, at **11.00 a.m.** through Video Conferencing (VC) facility/ Other Audio Visual Means ("OAVM") and deemed venue of AGM is at the registered office of the Company situated at Floor-5, Fairfield by Marriott, Road No.2, Nanakramguda, Gachibowli, Hyderabad, Telangana, India - 500032 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

(a) the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and the Auditors thereon; and

(b) the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the report of the Auditors thereon.

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

"RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted"

2. To declare the final dividend on equity shares of the Company for the financial year ended March 31, 2020.

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

"RESOLVED THAT a final dividend for the year ended March 31, 2020 at the rate of Rs. 0.05/- per equity share of Rs.2/-each fully paid-up be and is hereby declared and paid to the Members whose names appear in the Register of Members as on December 21, 2020."

3. To re-appoint Mr. Vijay Kancharla (DIN: 02744217), who retires by rotation, and being eligible offers himself for the re-appointment.

To consider and if thought fit to pass with or 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. Vijay Kancharla (DIN:

02744217) as 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 the 20th Annual General Meeting of the Company held on September 27, 2019 and as revised/amended from time to time.”

SPECIAL BUSINESS:

4. To appoint Mr. Peshwa Acharya (DIN: 06558712) as an Independent Director of the Company.

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

“**RESOLVED THAT** pursuant to the provisions of section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Peshwa Acharya (DIN: 06558712), who was appointed by the Board of Directors as an Additional Director under the category of Non-Executive & Independent Director on September 15, 2020 and who holds office as Independent Director up to the conclusion of ensuing annual general meeting and has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the Act and Regulation 16 of the SEBI (LODR)) Regulations, 2015, as amended and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years with effect from September 15, 2020 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Director(s)/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

5. To re-appoint Dr. K. Jayalakshmi Kumari (DIN: 03423518) as an Independent Director:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. K. Jayalakshmi Kumari (DIN: 03423518), who was appointed as an Independent Director and who holds office of Independent Director up to May 16, 2021 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not

liable to retire by rotation and to hold office for a second term of 5 (Five) years from conclusion of this AGM till the conclusion of 26th AGM of the Company to be held in 2025.”

RESOLVED FURTHER THAT any of the Director(s)/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

6. Issuance of Warrants convertible into Equity Shares on Preferential basis:

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

“RESOLVED THAT pursuant to Sections 23, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, each as amended, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”) and any other applicable laws, rules and regulations, circulars, notifications, clarifications, guidelines issued by the Government of India, the Securities and Exchange Board of India (“SEBI”) and the stock exchanges where the shares of the Company are listed (“Stock Exchanges”), or any other authority / body and enabling provisions in the Memorandum and Articles of Association of the Company, and subject to necessary approvals, sanctions, permissions of appropriate statutory / regulatory and / or other authorities and persons, if applicable and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals / sanctions / permissions and / or consents, if any, and which may be agreed by the board of directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include any committee(s), which the Board has constituted or may constitute to exercise its powers, including the powers conferred on the Board by this resolution), consent of the members of the Company be and is hereby accorded to the Board, to create, issue, offer and allot, from time to time, in one or more tranches, upto 34,00,00,000 (Thirty Four Crore Only) convertible warrants (“Warrants”) at a price of Rs. 7.70/- per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs. 2/- each of the Company (“Equity Shares”) at a premium of Rs. 5.70/- per share for each Warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to Rs. 261,80,00,000/- (Rupees Two Hundred & Sixty One Crore and Eighty Lacs only) to the following persons / entities (“proposed allottees”) of the Company for cash and in accordance with the provisions of SEBI ICDR Regulations and SEBI Takeover Regulations or other applicable laws and on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval or consent from the Members:

Sl. No.	Proposed Allottee	Number of Warrants
1	ARADHANA COMMOALES LLP	50,000,000
2	SARITA COMMOALES LLP	50,000,000
3	MANGAL COMPUSOLUTION PVT LTD	40,000,000
4	KALPANA COMMOALES LLP	25,000,000
5	SAHITAY COMMOALES LLP	25,000,000
6	HANSRAJ COMMOALES LLP	24,000,000
7	SUBRATO SAHA	22,000,000
8	SHALINI SALES LLP	20,000,000
9	PARUL PARIMAL MEHTA	10,000,000
10	PANKTI COMMOALES LLP	10,000,000
11	LEPTON SOFTWARE TRADING FZCO	5,400,000
12	TALISMAN SECURITIES PVT LTD	5,000,000
13	ANISH PARMANAND BHATIA	5,000,000
14	PALACE HEIGHTS AVENUES LLP	4,500,000
15	ANKIT KUMAR ALYA	4,000,000
16	VINITA JAIN	3,825,000
17	Y SURYANARAYANA RAJU	3,500,000
18	GAUTAM GOPIKISHAN MAKHARIA	2,500,000
19	PUNEET GOPIKISHAN MAKHARIA	2,500,000
20	SANJIB HIRENDRA CHAKRABORTY	2,500,000
21	SANJIV JAYANT SHAH	2,000,000
22	CHERUKURU SRINIVASA RAO	1,500,000
23	RUSHIDA RAHUL MEHTA	1,500,000
24	AYAZ AMIR MANJEE	1,000,000
25	SHIVKRISHNA HARAKCHAND DAMANI	1,000,000
26	MANJU SHIVKRISHNA DAMANI	1,000,000
27	VARUN SHIVKRISHNA DAMANI	1,000,000
28	PRERNA VARUN DAMANI	1,000,000
29	POOJA RAJENDRA PRASAD PODDAR	1,000,000
30	RAJENDRA PRASAD PODDAR	1,000,000
31	SUSHILA DEVI PODDAR	1,000,000
32	ASIF ISMAIL ATHANIYA	1,000,000
33	VINAYKUMAR PANDEY	1,000,000
34	RAGHUNATH NAIDU KODIDINI	800,000
35	SIDDHARTH DUBEY	750,000
36	LEPTON SOFTWARE PTE LTD	600,000
37	MLS SUDHEER	600,000
38	PATLOLLA PRASHANTH REDDY	500,000
39	KANEEZ ZAINAB	500,000

40	ZAINAB HAJEEBHAI MANJEE	500,000
41	HANIF AMIR MANJEE	500,000
42	MOHAMED MAJID M SIDDIQUI	500,000
43	LORIYA MOHSIN RAFIK	500,000
44	SHABANA AYAZ MANJEE	500,000
45	SAIRA HANIF MANJEE	500,000
46	ZEESHAN HANIF MANJEE	500,000
47	ASHISH CHHOTUBHAI HAMID	500,000
48	MEGHNA KAUSTUBH KULKARNI	500,000
49	KAUSTUBH BALCHANDRA KULKARNI	500,000
50	PONNA BHUVANESWARI	450,000
51	SAYEEDA YASEEN	400,000
52	P SOUMYA	140,000
53	GIDDALA RAMAKANTH	100,000
54	ADAPA SRINIVAS	100,000
55	SRI RAM DITTAKAVI	100,000
56	RAJESH LAXMAN RAO CHIVUKULA	90,000
57	SUBRAT KUMAR SAHOO	55,000
58	P SIVA RAMA RAJU	50,000
59	HIMAKUMAR KONDIPARTHI	40,000

RESOLVED FURTHER THAT the “Relevant Date” for this proposed issue of warrants in accordance with the SEBI (ICDR) Regulations shall be Friday, November 27, 2020, being the date 30 days prior to the date of passing of the Resolution by the Members of the Company for the proposed preferential issue of Warrants convertible into Equity Shares.

RESOLVED FURTHER that without prejudice to the generality of the above, the issue of Warrants shall be subject to the following terms and conditions:

- (i) The Warrant holders shall, subject to the SEBI (ICDR) Regulations and other applicable rules, regulations and laws, be entitled to exercise the Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly issue and allot the corresponding number of Equity Shares of face value of Rs. 2/- each to the Warrant holders.
- (ii) An amount equivalent to 25% of the Warrant Issue Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% shall be payable by the Warrant holder(s) on the exercise of the Warrant(s).
- (iii) In the event that, a Warrant holder does not exercise the Warrants within a period of 18 (Eighteen) months from the date of allotment of such Warrants, the unexercised Warrants shall lapse and the amount paid by the Warrant holders on such Warrants shall stand forfeited by Company.

- (iv) The Warrants by themselves, until exercise of the conversion option and allotment of Equity Shares, do not give the Warrant holder thereof any rights akin to that of shareholder(s) of the Company.
- (v) The Company shall procure the listing and trading approvals for the Equity Shares to be issued and allotted to the Warrant holders upon exercise of the Warrants from the relevant Stock Exchanges in accordance with the Listing Regulations and all other applicable laws, rules and regulations.
- (vi) The Equity Shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the then existing Equity Shares of the Company.
- (vii) The Warrants and Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under the SEBI ICDR Regulations from time to time.

RESOLVED FURTHER THAT, the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares upon exercise of the Warrants, to issue certificates/ clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memoranda, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to Stock Exchanges for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, seeking approvals from lenders (where applicable), to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the proposed allottees, and to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, including without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard.”

For and on behalf of the Board of Directors

Place: Hyderabad
Date: December 04, 2020

Sd/-
M. Suresh Kumar Reddy
Chairman & Managing Director
DIN: 00140515

Registered Office:

Floor-5, Fairfield by Marriott,
Road No: 2, Nanakramguda, Gachibowli,
Hyderabad – 500032, Telangana, India.
CIN: L64203TG1999PLC030996
Email:ir@brightcomgroup.com;
Web: www.brightcomgroup.com
Tel: +91 40 67449910 Fax: +91 22 66459677

Notes to AGM Notice:

1. The Statement pursuant to Section 102(10) of the Companies Act, 2013 and the Rules made thereunder (“ACT”) in respect of the Special business set out in the Notice, Secretarial Standard on General Meetings (“SS-2”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) wherever applicable, is annexed hereto. The Board of Directors of the Company at its meeting held on November 12, 2020 & December 04, 2020 concluded that the special business under 4, 5 and 6 are critical and considered unavoidable, and hence need to be transacted at the 21st AGM of the Company.

The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, December 22, 2020 to Monday, December 28, 2020 (both the days inclusive).

2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed, the Government of India, Ministry of Corporate Affairs (“MCA”) allowed conducting Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) and dispensed the personal presence of the members at the meeting. Accordingly, the MCA issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) prescribing the procedures and manner of conducting the AGM through VC/OAVM.

In terms of the said circulars, the 21st AGM of the members will be held through VC/OAVM. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note No. 23 and available at the Company’s website www.brightcomgroup.com.

Deemed Venue for the AGM shall be registered office of the Company.

Company is providing VC/OAVM facility to its members to attend the 21st AGM through Central Depository Services Limited (CDSL).

The facility for attending the AGM virtually will be made available for 1,000 shareholders on first come first served basis. This will not include large members (i.e. members with 2% or more shareholding, Promoters, Institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & 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.

[Detailed procedure for participation in the meeting is mentioned in note no. 23.]

3. In line with the aforesaid Circulars and our intimation dated September 10, 2020, the Notice of AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories as on Friday, November 27, 2020. Members may note that Notice and Annual Report 2019-20 can also be accessed from the websites of the Company at www.brightcomgroup.com, websites of the Stock Exchanges www.bseindia.com and www.nseindia.com, website of CDSL (agency for providing the remote / venue e-voting facility) www.evotingindia.com.
4. The VC/OAVM facility for shareholders to join the meeting, shall be kept open 15 minutes before the start of the AGM (i.e. 10.45 am) and shall be closed on expiry of 15 minutes after start of the AGM (i.e. 11.15 am).
5. Pursuant to the MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives by sending representation at ir@brightcomgroup.com to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Accordingly, the Attendance Slip and Proxy Form have not been annexed to the Notice.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Company has fixed Monday, December 21, 2020 as the '**Record Date**' for determining entitlement of members to receive final dividend for the financial year ended March 31, 2020, if the same is approved at the AGM. Payment of Final Dividend, as approved, shall be subjected to deduction of tax at source, and the net dividend, will be paid to eligible shareholders on or before January 25, 2021.
8. The detailed procedure and instruction for e-voting is mentioned in note no. 17.
9. The statutory registers under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company at ir@brightcomgroup.com.
10. Members seeking any information with regard to accounts or any other information are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
11. No physical copy of the notice of the AGM and the Annual Report for the year 2019-20 has been sent to members who have not registered their e-mail addresses with the company/depository participants. However, Members will be entitled to a physical copy of the Annual Report for the year 2019-20, free of cost, upon sending a request to the Company Secretary at Floor-5, Fairfield by Marriott, Road No.2, Nanakramguda, Gachibowli, Hyderabad, Telangana, India – 500032 once normalcy is restored.

12. Members who have not yet registered their e-mail address may register the same by following the procedure laid down in note no 19.
13. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the RTA of the Company. In case shares are held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

Further, as per Regulation 40 of Listing Regulations, as amended, securities of listed companies can only be transferred in demat form with effect from April 01, 2019, except in case of request for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact Company / RTA for assistance in this regard.

14. In terms of Section 72 of the Act, nomination facility is available to individual Members holding shares in the physical mode. Members, who are desirous of availing this facility, may kindly write to Company's RTA for nomination form by quoting their folio number.
15. The Company's Statutory Auditors, M/s. P C N & Associates (Formerly known as Chandra Babu Naidu & Co.) Chartered Accountants, FRN: 016016S were appointed as Statutory Auditors of the Company for a period of Five (5) consecutive years at the AGM of the Members held on September 27, 2017 on remuneration to be determined by the Board of Directors. Pursuant to the amendment made by the Companies (Amendment) Act, 2017, effective from September 27, 2017, it is no longer necessary to seek the ratification of the shareholders for continuance of the above appointment. Hence, the Company is not seeking the ratification of the shareholders for the appointment of the Statutory Auditors.
16. Members who have not encashed the dividend warrant(s) for the financial year ended March 31, 2016 are requested to make their claims directly to the Company or to M/s Aarthi Consultants Private Limited at info@aarthiconsultants.com and aarthiconsultants@gmail.com, without any delay. Dividend per share was Rs. 0.10 (i.e. 5%) per equity share of Rs. 2/- each which was declared on December 27, 2016 and the Due date for transfer to IEPF is February 02, 2024.

Further it is informed to the members that pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF Authority as notified by the Ministry of Corporate Affairs.

Members who have not encashed their dividend warrants are requested to make their claims to RTA (info@aarthiconsultants.com) or Company (ir@brightcomgroup.com).

17. Process and manner for members voting through Electronic means:

- a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, 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") as the authorised e-Voting agency for facilitating voting through electronic means. The facility of casting votes by members using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

- b) Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Monday, December 21, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- c) A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Monday, December 21, 2020 shall be entitled to exercise his/her vote electronically i.e., remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
- d) The remote e-voting will commence on Friday, December 25, 2020 at 9.00 a.m. and will end on Sunday, December 27, 2020 at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e., Monday, December 21, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- e) Once the vote on a resolution is casted by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- f) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e., Monday, December 21, 2020.
- g) The Company has appointed Mr. A. Sridhar, Practicing Company Secretary (C P No.: 12011) to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

18. Note for Non – Individual Shareholders and Custodians

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) 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.

- d) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- e) 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.
- f) Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who is authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- g) In case you have any queries or issues regarding the AGM & e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call below mentioned numbers.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Nitin Kunder (022-23058738) / Mr. Mehbaob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542), 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.

19. Process for those members whose email ids are not registered:

- a) For members holding shares in Physical mode - please provide necessary details like Folio Number, Name of the shareholder by email to ir@brightcomgroup.com and info@aarthiconsultants.com.
- b) Members holding shares in Demat mode can get their e-mail id registered by contacting their respective Depository Participant or by email to info@aarthiconsultants.com. (Detailed procedure in this regard is laid down in our intimation to Stock Exchange(s) by the name of “Request to Shareholders to Register Email Address” on September 10, 2020)

20. The instructions for shareholders for remote e-voting are as under:

- a) The voting period begins on Friday, December 25, 2020 at 9.00 a.m. and will end on Sunday, December 27, 2020 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 i.e. Monday, December 21, 2020 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.

- c) The shareholders should log on to the e-voting website www.evotingindia.com.
- d) Click on **Shareholders**.
- e) Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- f) Next enter the **Image Verification** as displayed and Click on **Login**.
- g) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- h) If you are a first time user follow the steps given below:

For Members holding shares in Demat mode and Physical mode

PAN: Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field.

Dividend Bank Details OR 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.

Date of Birth (DOB): 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 as mentioned in instructions.

- a) After entering these details appropriately, click on "**SUBMIT**" tab.
- b) Members holding shares in physical mode will then directly reach the Company selection screen. However, members 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 can also be 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.

- c) For Members holding shares in physical mode, the details can be used only for e-voting on the resolutions contained in this Notice.
- d) Click on the **EVS**N of the Company.
- e) 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.
- f) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- g) 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.
- h) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- i) You can also take a print of the votes casted by clicking on “**Click here to print**” option on the Voting page.
- j) 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 and enter the details as prompted by the system.
- k) Shareholders can also cast their vote using **CDSL’s mobile app m-Voting**. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting through your mobile.

21. The instructions for shareholders voting on the day of the AGM on e-voting system are as under:

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- b) Only those Members/ shareholders, who will be present in the AGM 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 in the AGM.
- c) If any Votes are casted by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility,

then the votes casted by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.

d) Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

22. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.brightcomgroup.com and on the website of CDSL i.e. www.cdslindia.com within 48 hours of the passing of the Resolutions at the 21st AGM of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

23. Instructions for members for attending the AGM through VC/OAVM is as under:

a) Members will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at www.evotingindia.com under shareholders’/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

b) Members are encouraged to join the Meeting through Laptops for better experience.

c) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

d) Please note that 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.

e) For ease of conduct, members who would like to ask questions may send their questions in advance **at least two (2) days before** AGM mentioning their name, demat account number / folio number, email id, mobile number at ir@brightcomgroup.com and to register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

f) Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

CONTACT DETAILS:

Company	Brightcom Group Limited Phone: 040-67449910 Email: ir@brightcomgroup.com
Registrar and Transfer Agent	Aarathi Consultants Private Limited Phone: 040-27638111/27642217 / 27634445 Email: info@aarthiconsultants.com

e-Voting Agency	Central Depository Services (India) Limited E-mail : helpdesk.evoting@cdslindia.com Phone : +91-22-23058543/8542
Scrutinizer	Mr. A. Sridhar Practicing Company Secretary C P No. 12011 Phone: + 91 99893994290 Email: asridharcs@gmail.com

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	Mr. Vijay Kancharla	Mr. Peshwa Acharya	Dr. K. Jayalakshmi Kumari
Director Identification Number	02744217	06558712	03423518
Date of Birth	10.05.1967	21.09.1967	08.08.1968
Date of first Appointment	26.06.2012	15.09.2020	17.05.2016
Qualification	<ul style="list-style-type: none"> Master of Science from University of Louisville B.Tech., from JNTU, Hyderabad 	<ul style="list-style-type: none"> PGDM, IIM Calcutta B. Tech. (Hons) in Chemical Engg., IIT Kharagpur 	<ul style="list-style-type: none"> Ph.D. in Social Sciences M.A.,(Economics) M.A.,(Political Science) M.Phil., M.Ed.
Category	Executive Director	Non-Executive and Independent Director	Non-Executive and Independent Director
Terms & Conditions of Re-Appointment along with Remuneration sought to be paid	Being reappointed as a Director liable to retire by rotation. No remuneration is being paid.	Appointment as Non-Executive and Independent Director of the Company for a period of 5 (five) years w.e.f. 15.09.2020.	Re-appointment as Non-Executive and Independent Director of the Company for a period of 5 (five) years upto 26 th AGM.
	The Directors have been appointed in terms of the provisions of Companies Act, 2013 and are responsible to undertake the roles and responsibilities prescribed under the provisions of the Companies Act, 2013 and other laws for the time being in force. In addition, the Directors are also responsible to undertake the roles and responsibilities assigned by the Board from time to time.		
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	There is no inter-se relationship between Mr. Vijay Kancharla and other Directors & KMPs.	There is no inter-se relationship between Mr. Peshwa Acharya and other Directors & KMPs.	There is no inter-se relationship between Dr. K. Jayalakshmi Kumari and other Directors & KMPs.
*Directorships held in other Companies and Bodies Corporate as on March 31, 2020.	NIL	NIL	Cambridge Technology Enterprises Limited
Chairman / Member of the Committee of the Board of Directors of the Company	Member of the Audit Committee and Corporate Social Responsibility Committee	NIL	Member of Audit Committee, Nomination & Remuneration Committee and Chairman of CSR Committee
No. of Board Meetings attended during the year	Please refer to Corporate Governance Report	N.A	Please refer to Corporate Governance Report

Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2020	NIL	N.A	5
No. of Equity Shares of Rs.2/- held in the Company as on 31.03.2020	38,20,946	NIL	NIL

*(Excluding Private, Section 8 Companies & Foreign Companies)

Brief Profile and Area of Expertise

Mr. Vijay Kancharla

Mr. Vijay Kancharla (DIN: 02744217) is one of the main Promoters and has been associated with the Company as an Executive Director.

Vijay leads the innovations at Brightcom Group. He is responsible for the company's worldwide technology enhancements and innovations. Vijay has been at the forefront of the internet revolution and has vast experience in building innovative solutions for the online market.

Prior to co-founding USA Greetings and Ybrant Technologies, he worked with some of the Fortune 500 companies, such as Hewlett Packard and Pacific Bell.

Mr. Peshwa Acharya:

An industry veteran, Acharya is the Chief Marketing Officer (Responsible for Marketing, Revenue and Admissions) at the Ampersand Group. He has a vast experience of around 29 years across FMCG, Retail, Telecom, E-Commerce, Hospitality and Education domains.

Acharya, an alumnus of IIT Kharagpur and IIM Calcutta and has worked in various cities in India and across Asia and Africa. He has held various leadership roles for brands like P&G, Reckitt, Pepsi, Dabur, Reliance Retail, Globacom (Africa) and Sterling Holidays(A Fairfax company). Some of the brands launched / Relaunched & built by him are Reliance Digital, Hutch, Ariel, Dettol, Promise, Harpic, Mortein, Babool, Apps Daily and Housing.com. In 2015, he was handpicked as the first CEO of IIT Bombay Research & Innovation Park (ASPIRE). He also founded entrepreneurial ventures: Think as Consumer (www.thinkasconsumer.com) and Leven Healthcare.

Dr. K. Jayalakshmi Kumari:

Dr. Jayalakshmi Kumari has a Ph.D. in social sciences, an M.A in Economics, M.A in Political Science, M.Phil. and M.Ed., with years of experience in teaching. With proven ability to constantly challenge and improve existing processes and systems, she has been participating and rendering voluntary services to many social organizations.

With a deep passion for teaching, Dr. Jayalakshmi brings over 18 years of experience from the educational sector having worked for leading schools and colleges in Hyderabad. Presently, she is working with the Nalanda Educational Society as a faculty in the field of social sciences. In addition to this, she regularly conducts awareness programs for women's development, entrepreneurship, health camps, and does community services towards encouragement of economically weaker women. Dr. Jayalakshmi is also an Independent director in the listed company M/s Cambridge Technology Enterprises Ltd., Hyderabad.

Explanatory statement pursuant to section 102 of the Companies Act, 2013 and Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item no. 4:

Mr. Peshwa Acharya (DIN: 06558712) 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 September 15, 2020. He holds office as an Independent Director of the Company up to the conclusion of the ensuing annual general meeting.

The Board, as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience, the association of Mr. Peshwa Acharya would be beneficial to the Company. Accordingly, it is proposed to appoint Mr. Peshwa Acharya as an Independent Director of the Company, not liable to retire by rotation and to hold office for a first term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Companies Act, 2013 and provisions of the SEBI (LODR) Regulations, 2015 (“Listing Regulations”) inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence as specified therein.

Mr. Peshwa Acharya is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as an Independent Director.

The Company has also received declaration from Mr. Peshwa Acharya that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the SEBI (LODR) Regulations, 2015.

In the opinion of the Board, Mr. Peshwa Acharya fulfils the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Additional information of Mr. Peshwa Acharya, whose appointment as Independent Director is proposed at Item No. 4 provided in the “Annexure” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Copy of letter of appointment of Mr. Peshwa Acharya setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Except Mr. Peshwa Acharya and his relatives, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as an appropriate disclosure under the Listing Regulations. The Board recommends the ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item no. 5:

Dr. K. Jayalakshmi Kumari (DIN: 03423518) was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (LODR) Regulations, 2015 (“Listing Agreement”). She holds office as Independent Directors of the Company up to May 16, 2021 (“first term” in line with the explanation to Sections 149(10) and 149(11) of the Act).

The NRC of the Board of Directors, on the basis of the report of performance evaluation of Independent Director, has recommended reappointment of Dr. K. Jayalakshmi Kumari as Independent Director for a second term of 5 (Five) years on the Board of the Company i.e., from the date of 21st AGM up to the conclusion/date of 26th AGM of the Company to be held in 2025.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the NRC, considers that, given her background and experience and contributions made by her during the tenure, the continued association of Dr. K. Jayalakshmi Kumari would be beneficial to the Company and it is desirable to continue to avail her services as Independent Director. Accordingly, it is proposed to re-appoint Dr. K. Jayalakshmi Kumari as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (Five) years on the Board of the Company i.e., from the date of 21st AGM up to the conclusion/date of 26th AGM of the Company to be held in 2025.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board’s report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Dr. K. Jayalakshmi Kumari is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Director.

The Company has also received declaration from Dr. K. Jayalakshmi Kumari that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Dr. K. Jayalakshmi Kumari fulfils the conditions for re-appointment as Independent Director as specified in the Act and the Listing Regulations. Dr. K. Jayalakshmi Kumari is independent of the management.

Details of Directors whose re-appointment as Independent Director is proposed at Item No. 5 is provided in the “Annexure” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Copy of letter of appointment of Dr. K. Jayalakshmi Kumari setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Dr. K. Jayalakshmi Kumari is interested in the resolutions set out respectively at Item No. 5 of the Notice with regard to her reappointment. The relatives of Dr. K. Jayalakshmi Kumari may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

With her vast experience in the field of Teaching Political Science & Economics, Dr. K. Jayalakshmi Kumari, has always actively participated in the Board and Committee meetings, sought clarity on issues related to business, accounting principles and emphasized on employee welfare and regulatory and legal compliance.

As an Independent Woman Director on Board, Dr. K. Jayalakshmi Kumari was active in issues related to women employees and their welfare. She was also an active participant in discussions relating to Prevention of Sexual Harassment of Women at Workplaces apart from attending all the Board and Committee meetings regularly.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations. The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Item no. 6:

The Board of Directors of the Company at its meeting held on December 04, 2020 approved to the offer, issue and allot 34 Crore warrants of the Company at Rs. 7.70/- (Rupees Seven and Seventy Paise only) each at a premium of Rs. 5.70/- (Rupees Five and Seventy Paise only) by way of preferential issue of warrants in accordance with Chapter V of the **SEBI (ICDR) Regulations, 2018** subject to approval of shareholders.

Each Warrant is convertible into One (1) Equity Share and the conversion can be exercised at any time during the period of Eighteen (18) months from the date of allotment of Warrants, as the case may be, on such terms and conditions as applicable, entitling the Proposed Allottees to subscribe to and be allotted the Warrants convertible into Equity Shares of the Company.

Accordingly, the approval of the members of the Company is being sought, by way of a special resolution, to create, issue, offer and allot, warrants convertible into Equity Shares, by way of preferential allotment to the proposed allottees.

The Warrants issued pursuant to the resolution no.6 of this Notice shall be subject to lock-in in accordance with Regulations 167 and 168 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

The Equity Shares arising out of the conversion of the warrants shall rank *pari-passu* inter se and with the then existing equity shares of the Company in all respects, including in relation to dividend.

The disclosures under Resolution No. 6 of this Notice, as required in accordance with the Act, the SEBI (ICDR) Regulations, 2018 and other applicable Regulations in relation thereto are as under:

1. The objects of the Issue

In order to meet long term funding requirements of the Company inter alia to fund Company's growth capital requirements, to meet the Company's expenditure to enhance its long term resources and thereby strengthening of the financial structure of the Company and for meeting working capital requirements and for other general corporate purposes and purposes permitted by applicable laws.

2. Number of shares and Pricing of Preferential issue:

The Company proposes to issue and allot in aggregate and upto 34,00,00,000 (Thirty Four Crore Only) convertible warrants ("Warrants") at a price of Rs. 7.70/- per warrant, each warrant convertible into or exchangeable for One (1) Equity Share of the face value of Rs. 2/- at a premium of Rs. 5.70/- per share aggregating to Rs. 261,80,00,000/- (Rupees Two Hundred and Sixty One Crore Eighty Lacs only) to the proposed allottees.

3. Basis on which the price has been arrived at:

The equity shares of Company are listed and frequently traded on Stock Exchanges, viz., BSE Limited and National Stock Exchange of India Limited ("NSE") in accordance with SEBI (ICDR) Regulations.

The pricing of the warrants to be allotted on preferential basis is Rs. 7.70/- per warrant convertible into one equity share of face value of Rs. 2/- each, which is higher than the price determined in accordance with applicable provisions of SEBI (ICDR) Regulations.

In terms of the applicable provisions of SEBI (ICDR) Regulations, the price at which equity warrants shall be allotted shall not be less than higher of the following:

(a) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Twenty-Six (26) weeks preceding the Relevant Date;

or

(b) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Two (2) weeks preceding the Relevant Date.

Accordingly, the price per equity share, to be issued, is fixed at Rs. 7.70 (Rupees Seven and Seventy Paise Only) which shall be higher than the price as computed under Regulation 164 of SEBI (ICDR) Regulations.

Since the equity shares of the Company have been listed on the recognized Stock Exchanges for a period of more than 26 weeks prior to the Relevant Date, it is not required to re-compute the

price per equity share to be issued and therefore, the Company is not required to submit the undertaking specified under the Regulations 163 (1) (g) and 163 (1) (h) of the SEBI (ICDR) Regulations.

4. Terms of Issue of the Warrants, if any.

The issue of warrants and thereby conversion into Equity shares upon the allotment in terms of this resolution shall rank *pari-passu* with existing equity shares of the Company in all respects.

5. The class or classes of persons to whom the allotment is proposed to be made:

The allotment is proposed to be made to entity and individuals which does not form part of Promoter & Promoter group.

6. Relevant Date:

The “Relevant Date” in accordance with SEBI ICDR Regulations would be Friday, November 27, 2020 being the date 30 days prior to the date of passing of the Special Resolution by the Members of the Company for the proposed preferential issue of Warrants convertible into Equity Shares.

7. The shareholding pattern of the Company before the proposed issue and after the proposed conversion of Equity Shares as follows:

Sl. No.	Category	PRE-ISSUE		Allotment	POST ISSUE#	
		No. of Shares held	% of Shareholding	No. of Warrants	No. of Shares held	% of Shareholding
A.	Promoters' holding:					
1	Indian					
	Individual/ Hindu undivided Family	67,500,787	13.30	-	67,500,787	7.96
	Bodies Corporate	-	-	-	-	-
	Sub Total	67,500,787	13.30	-	67,500,787	7.96
2	Foreign Promoters	92,173,599	18.16	-	92,173,599	10.87
	Bodies Corporate	26,953,299	5.31	-	26,953,299	3.18
	Sub Total (A)	186,627,685	36.76	-	186,627,685	22.02
B.	Non-Promoters' holding:					
1	Institutional Investors	-	-	-	-	-
	Foreign Venture Capital Investors	-	-	-	-	-
	Foreign Portfolio Investor	1,145,289	0.23	-	1,145,289	0.14
2	Central Government/State Government(s)/ President of India	-	-	-	-	-
3	Non- Institution Investors					
	Individuals	169,792,621	33.45	58,500,000	228,292,621	26.93
	NBFCs Registered with					

	RBI	20,000	0.00	-	20,000	0.00
	Employees	213,000	0.04	-	213,000	0.03
	Any Others					
	Non Resident Indians	58,442,186	11.51	22,000,000	80,442,186	9.49
	Clearing Members	2,451,446	0.48	-	2,451,446	0.29
	Foreign Body Corporate	23,800,000	4.69	6,000,000	29,800,000	3.52
	Bodies Corporate	64,428,272	12.69	253,500,000	317,928,272	37.51
	Trust	731,000	0.14	-	731,000	0.09
	Sub Total (B)	321,023,814	63.24	340,000,000	661,023,814	77.98
	GRAND TOTAL (A+B)	507,651,499	100.00	340,000,000	847,651,499	100.00
C.	Non Promoter-Non Public	-	-	-	-	-
	Shares underlying DRs	-	-	-	-	-
	Shares held by Employee Trust	-	-	-	-	-
	GRAND TOTAL (A+B+C)	507,651,499	100.00	340,000,000	847,651,499	100.00

assuming full conversion of the warrants

Note:-

- (i) The table shows the expected shareholding pattern of the Company upon assumption of the allotment and assumes that holding of all other shareholders shall remain the same post issue as they were on the date on which the pre issue shareholding pattern was prepared.
- (ii) The pre-issue shareholding pattern is as on September 30, 2020 as the notice was approved as on December 04, 2020.

8. Proposal / Intention of Promoters, Directors or Key Managerial Personnel to subscribe the offer:

None of the Promoters, Directors or Key Managerial Personnel, intends to subscribe to any Warrants pursuant to this preferential issue.

9. Proposed time within which the preferential issue shall be completed

As required under the SEBI (ICDR) Regulations, Warrants shall be issued and allotted by the Company within a period of Fifteen (15) days from the date of passing of this special resolution provided that where the issue and allotment of the said Warrants is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of Fifteen (15) days from the date of receipt of last of such approvals.

10. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There shall be no change in the management or control of the Company pursuant to the aforesaid issue and allotment of the warrants.

11. No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the period from April 01, 2020 till date of this AGM Notice, the Company has offered, issued and allotted 3,14,00,000 Equity shares on preferential basis to non-promoters on May 27, 2020 whose details are mentioned below.

Sl. No.	Name of the Allottee	No. of Equity Shares
1	Muskaan Limited	23800000
2	Kishan Prakash	4800000
3	Ishan Prakash	2800000

The aforementioned 31400000 Equity shares (face value of Rs.2/- per share) are allotted on preferential basis at Rs.10/- per share with a premium of Rs.8/- per share.

12. Valuation for consideration other than cash: Not applicable.

13. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: Not applicable.

14. Lock-in Period:

The proposed allotment of warrants and equity shares (upon conversion of warrants into equity) shall be subject to lock-in as per the provisions of Chapter V of the SEBI (ICDR) Regulations, 2018. Further, the entire Pre-Preferential allotment shareholding of all the proposed allottees, if any, shall also be under lock-in from the relevant date up to a period of six months from the date of the trading approval received from the Stock Exchanges. [Here the date of trading approval shall be reckoned as the latest date when trading approval has been obtained from the Stock Exchanges where it is listed].

15. Listing:

The Company will make an application to the Stock Exchanges at which the existing shares are listed, for listing of the equity shares. Such equity shares, once allotted, shall rank *pari-passu* with the then existing equity shares of the Company in all respects, including dividend.

16. Auditors' Certificate:

The Certificate being issued by M/s. P C N & Associates (formerly known as Chandra Babu Naidu & Co.,) (Firm Registration No.016016S) Chartered Accountants, Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements contained in the SEBI (ICDR) Regulations and will be kept open for inspection at the Registered Office of the Company between 11:00 AM and 5:30 PM on all working days between Monday to Friday every week, from the date of dispatch of the Notice till the date of this AGM.

17. Other Disclosures:

- i. None of the Issuer, any Promoter or Directors of the Company is willful defaulter.
- ii. The Proposed allottees have not sold/transferred any equity shares during the six months preceding the Relevant Date.

- iii. The Issuer Company undertakes that they shall re-compute the price of the Equity Shares issued in terms of the SEBI (ICDR) Regulations, 2018, where it is required to do so.
- iv. During the period, the Company has not issued any securities on preferential basis or Private Placement basis other than mentioned above.
- v. The Issuer Company has not issued any securities for consideration other than cash and hence, the Valuation Report of the Registered Valuer is not applicable.

18. Disclosure as specified in under Regulation 163 (1) (i) of the SEBI (ICDR) Regulations.

- i. It is hereby confirmed that neither the Company nor its promoters and Directors and to the Company's Knowledge any of its Promoters is a willful defaulter.
- ii. It is hereby confirmed that neither the Company nor its promoters and Directors is declared as fugitive economic offender under Fugitive Economic Offender Act, 2018.

19. Identity of Proposed Allottee (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/or who ultimately control), the percentage (%) of Post Preferential Issue Capital that may be held by them and Change in Control, if any, consequent to the Preferential Issue:

Sl. No.	Name of the Proposed Allottee	Ultimate beneficial owner	Pre-Issue		Issue of Warrants	Post-Issue #	
			Shares	%		Shares	%
1	ARADHANA COMMOALES LLP	PARIMAL JASWANTRAI MEHTA PARUL PARIMAL MEHTA MEHTA SHIKHA PARIMAL BINISHA AMAR AJMERA	-	-	50,000,000	50,000,000	5.90
2	SARITA COMMOALES LLP	PARTH BHAVESH ZAVERI DHRUV BHAVESH ZAVERI	-	-	50,000,000	50,000,000	5.90
3	MANGAL COMPUSOLUTION PVT LTD	MEGHRAJ SOHANLAL JAIN PATHIK MUKESH DESAI VINNI DESAI MUKESH DESAI	-	-	40,000,000	40,000,000	4.72
4	KALPANA COMMOALES LLP	CHAUDHARY SEEMA VINOD VINOD AATMARAM CHAUDHARY	-	-	25,000,000	25,000,000	2.95
5	SAHITAY COMMOALES LLP	KARAN MOHANLAL SAHU KOTHMIRE MANISHA SURESH	-	-	25,000,000	25,000,000	2.95
6	HANSRAJ COMMOALES LLP	DARSHANA DNYANESHWAR BHOIR DNYANESHWAR BABURAO BHOIR	-	-	24,000,000	24,000,000	2.83
7	SUBRATO SAHA	SUBRATO SAHA	-	-	22,000,000	22,000,000	2.60
8	SHALINI SALES LLP	TEJAL KETAN SHAH BHAVIK NAVINCHANDRA SHAH	-	-	20,000,000	20,000,000	2.36
9	PARUL PARIMAL MEHTA	PARUL PARIMAL MEHTA	-	-	10,000,000	10,000,000	1.18
10	PANKTI COMMOALES LLP	SANJAY DHARAMSHI MALDE NARESH DAMJI NAGDA	-	-	10,000,000	10,000,000	1.18

11	LEPTON SOFTWARE TRADING FZCO	RAJEEV SARAF UMANG SARAF	-	-	5,400,000	5,400,000	0.64
12	TALISMAN SECURITIES PVT LTD	SWATI ATUL REGE GOVINDRAJ ATUL REGE	-	-	5,000,000	5,000,000	0.59
13	ANISH PARMANAND BHATIA	ANISH PARMANAND BHATIA	-	-	5,000,000	5,000,000	0.59
14	PALACE HEIGHTS AVENUES LLP	B .RAVI KUMAR	-	-	4,500,000	4,500,000	0.53
15	ANKIT KUMAR ALYA	ANKIT KUMAR ALYA	-	-	4,000,000	4,000,000	0.47
16	VINITA JAIN	VINITA JAIN	10,000	0.002	3,825,000	3,835,000	0.45
17	Y SURYANARAYANA RAJU	Y SURYANARAYANA RAJU	-	-	3,500,000	3,500,000	0.41
18	GAUTAM GOPIKISHAN MAKHARIA	GAUTAM GOPIKISHAN MAKHARIA	-	-	2,500,000	2,500,000	0.29
19	PUNEET GOPIKISHAN MAKHARIA	PUNEET GOPIKISHAN MAKHARIA	-	-	2,500,000	2,500,000	0.29
20	SANJIB HIRENDRA CHAKRABORTY	SANJIB HIRENDRA CHAKRABORTY	-	-	2,500,000	2,500,000	0.29
21	SANJIV JAYANT SHAH	SANJIV JAYANT SHAH	-	-	2,000,000	2,000,000	0.24
22	CHERUKURU SRINIVASA RAO	CHERUKURU SRINIVASA RAO	-	-	1,500,000	1,500,000	0.18
23	RUSHIDA RAHUL MEHTA	RUSHIDA RAHUL MEHTA	-	-	1,500,000	1,500,000	0.18
24	AYAZ AMIR MANJEE	AYAZ AMIR MANJEE	-	-	1,000,000	1,000,000	0.12
25	SHIVKRISHNA HARAKCHAND DAMANI	SHIVKRISHNA HARAKCHAND DAMANI	-	-	1,000,000	1,000,000	0.12
26	MANJU SHIVKRISHNA DAMANI	MANJU SHIVKRISHNA DAMANI	-	-	1,000,000	1,000,000	0.12
27	VARUN SHIVKRISHNA DAMANI	VARUN SHIVKRISHNA DAMANI	-	-	1,000,000	1,000,000	0.12
28	PRERNA VARUN DAMANI	PRERNA VARUN DAMANI	-	-	1,000,000	1,000,000	0.12
29	POOJA RAJENDRA PRASAD PODDAR	POOJA RAJENDRA PRASAD PODDAR	-	-	1,000,000	1,000,000	0.12
30	RAJENDRA PRASAD PODDAR	RAJENDRA PRASAD PODDAR	-	-	1,000,000	1,000,000	0.12
31	SUSHILA DEVI PODDAR	SUSHILA DEVI PODDAR	-	-	1,000,000	1,000,000	0.12
32	ASIF ISMAIL ATHANIYA	ASIF ISMAIL ATHANIYA	-	-	1,000,000	1,000,000	0.12
33	VINAYKUMAR PANDEY	VINAYKUMAR PANDEY	-	-	1,000,000	1,000,000	0.12
34	RAGHUNATH NAIDU KODIDINI	RAGHUNATH NAIDU KODIDINI	-	-	800,000	800,000	0.09
35	SIDDHARTH DUBEY	SIDDHARTH DUBEY	-	-	750,000	750,000	0.09
36	LEPTON SOFTWARE PTE LTD	RAJEEV SARAF SONAM SARAF	-	-	600,000	600,000	0.07
37	MLS SUDHEER	MLS SUDHEER	-	-	600,000	600,000	0.07
38	PATLOLLA PRASHANTH REDDY	PATLOLLA PRASHANTH REDDY	-	-	500,000	500,000	0.06
39	KANEEZ ZAINAB	KANEEZ ZAINAB	-	-	500,000	500,000	0.06
40	ZAINAB HAJEEBHAI MANJEE	ZAINAB HAJEEBHAI MANJEE	-	-	500,000	500,000	0.06
41	HANIF AMIR MANJEE	HANIF AMIR MANJEE	-	-	500,000	500,000	0.06
42	MOHAMED MAJID M SIDDIQUI	MOHAMED MAJID M SIDDIQUI	-	-	500,000	500,000	0.06

43	LORIYA MOHSIN RAFIK	LORIYA MOHSIN RAFIK	-	-	500,000	500,000	0.06
44	SHABANA AYAZ MANJEE	SHABANA AYAZ MANJEE	-	-	500,000	500,000	0.06
45	SAIRA HANIF MANJEE	SAIRA HANIF MANJEE	-	-	500,000	500,000	0.06
46	ZEESHAN HANIF MANJEE	ZEESHAN HANIF MANJEE	-	-	500,000	500,000	0.06
47	ASHISH CHHOTUBHAI HAMID	ASHISH CHHOTUBHAI HAMID	-	-	500,000	500,000	0.06
48	MEGHNA KAUSTUBH KULKARNI	MEGHNA KAUSTUBH KULKARNI	-	-	500,000	500,000	0.06
49	KAUSTUBH BALCHANDRA KULKARNI	KAUSTUBH BALCHANDRA KULKARNI	-	-	500,000	500,000	0.06
50	PONNA BHUVANESWARI	PONNA BHUVANESWARI	-	-	450,000	450,000	0.05
51	SAYEEDA YASEEN	SAYEEDA YASEEN	-	-	400,000	400,000	0.05
52	P SOUMYA	P SOUMYA	-	-	140,000	140,000	0.02
53	GIDDALA RAMAKANTH	GIDDALA RAMAKANTH	-	-	100,000	100,000	0.01
54	ADAPA SRINIVAS	ADAPA SRINIVAS	-	-	100,000	100,000	0.01
55	SRI RAM DITTAKAVI	SRI RAM DITTAKAVI	-	-	100,000	100,000	0.01
56	RAJESH LAXMAN RAO CHIVUKULA	RAJESH LAXMAN RAO CHIVUKULA	-	-	90,000	90,000	0.01
57	SUBRAT KUMAR SAHOO	SUBRAT KUMAR SAHOO	-	-	55,000	55,000	0.01
58	P SIVA RAMA RAJU	P SIVA RAMA RAJU	-	-	50,000	50,000	0.01
59	HIMAKUMAR KONDIPARTHI	HIMAKUMAR KONDIPARTHI	-	-	40,000	40,000	0.005

#assuming full conversion of warrants

The approval of the Members by way of Special Resolution is required in term of the applicable provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the SEBI (ICDR) Regulations and accordingly the approval of the Members of the Company is being sought.

In terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company can make a private placement of its securities under the Act only after the approval of its shareholders by way of a special resolution has been obtained. Further in terms of Regulation 160 of SEBI (ICDR) Regulations, 2018 a special resolution needs to be passed by shareholders of a listed company prior to issue of specified securities on preferential basis.

The resolutions as set out in Item No. 6 and the terms stated therein and in the explanatory statement hereinabove shall be subject to the guidelines/ regulations issued/ to be issued by the Government of India or the Securities and Exchange Board of India or the Reserve Bank of India or the Ministry of Corporate Affairs or any other regulatory/ statutory authorities in that behalf and the Board shall have the absolute authority to modify the terms contained herein or in the said resolution, if required by the aforesaid regulatory/ statutory authorities or in case they do not conform with the ICDR Regulations including any amendment, modification, variation or re-enactment thereof.

The approval of the Members is being sought to enable the Board to decide on the issue of the warrants on a preferential basis, to the extent and in the manner as set out in the respective resolutions and the explanatory statement. The Board believes that the proposed issue is in the best interest of the Company and its members and accordingly, it recommends passing of the Special resolution as set out at Item No. 6 of this Notice, for the approval of the Members.

Save and except for the shares of the Company held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the resolutions as set out at Item No. 6 of this Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution.

Copies of all documents relevant to the above resolution at Item No 6 will be available for inspection during the office hours at the registered office of the Company till the date of conclusion of voting.

For and on behalf of the Board of Directors

Place: Hyderabad
Date: December 04, 2020

Sd/-
M. Suresh Kumar Reddy
Chairman & Managing Director
DIN: 00140515

Registered Office:

Floor-5, Fairfield by Marriott,
Road No: 2, Nanakramguda, Gachibowli,
Hyderabad – 500032, Telangana, India.
CIN: L64203TG1999PLC030996
Email: ir@brightcomgroup.com;
Web: www.brightcomgroup.com
Tel: +91 40 67449910 Fax: +91 22 66459677

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty First Annual Report of the Company along with Company's Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended on March 31, 2020.

Financial Highlights

(Rs. in Lakhs)

Particulars	Consolidated FY 2019-20	Consolidated FY 2018-19	Standalone FY 2019-20	Standalone FY 2018-19
Total Revenue	270,646.51	257,772.74	48,029.45	45,672.41
Gross Profit before Interest, Depreciation & Tax	80,297.06	75,683.00	603.72	1,204.80
Less: Interest	629.80	1317.70	629.80	1,317.42
Depreciation	17,953.00	13,510.19	87.55	100.41
Profit before Tax	61,714.26	60,855.11	(113.63)	(213.03)
Less: Provision for Tax	17,755.77	16,402.62	-	-
Less: Deferred Tax	(51.99)	54.87	29.18	107.57
Profit after Tax	44,010.47	44,397.61	(142.81)	(320.60)
Add: Other comprehensive income	(61,739.99)	(26,542.31)	(78.19)	322.07
Total comprehensive income for the period	(17,729.51)	17,855.31	(221.00)	1.48
Balance Brought forward from the previous year	237,055.85	219,200.54	6,700.56	6,699.09
Profit available for appropriations	219,326.33	237,055.85	6,479.56	6,700.56
Less: Dividend	-	-	-	-
Less: Tax on Dividends	-	-	-	-
Less: Amount transferred to retained earnings as per Schedule II of Companies Act, 2013	-	-	-	-
Less: Transferred to General Reserve	-	-	-	-
Profit Carried to Balance Sheet	219,326.33	237,055.85	6479.56	6,700.56

State of Affairs / Company's performance

During the year under review, your Company achieved a consolidated turnover of Rs. 270,646.51 lakhs as against Rs. 257,772.74 lakhs in the previous year. Your Company has earned a consolidated gross profit of Rs. 80,297.06 lakhs before interest, depreciation and tax as against Rs. 75,683.00 lakhs in the previous year. After deducting financial charges of Rs. 629.80 lakhs, depreciation of Rs. 17,953.00 lakhs and provision for tax of Rs. 17,703.78 lakhs, the operations resulted in a net profit of Rs. 44,010.47 lakhs as against Rs. 44,397.61 lakhs in the previous year.

There is no change in the nature of business carried on by the Company during the year under review.

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.

COVID-19

During the current COVID-19 pandemic situation, leadership team at Brightcom and all employees have done a commendable job in navigating through the crisis. We were among the first few companies to make a quick transition to work from home model for almost all 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. We have received multiple customer accolades for the smooth and seamless business continuity. Our customers were delighted with the way Brightcom teams managed the current pandemic situation to ensure business continuity keeping health and safety of the employees as well as customers. Considering well-being of employees, we launched various initiatives where people can seek counsel to their stress, anxieties and fears.

Transfer to Reserves

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

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 of Directors have recommended a final dividend of Rs.0.05/- per equity share for your consideration and approval at the ensuing Annual General Meeting of the Company.

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.

Change in the nature of business, if any

During the year under review, there was no change in the nature of business of the company or any of its subsidiaries.

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, 2020. There was no material change in the nature of the business carried on by the subsidiaries. During the year under review the Company has not floated any new subsidiary Company.

Section 129(3) of the Companies Act, 2013 states that where the company has one or more subsidiaries, it shall, in addition to its financial statements, prepare a consolidated financial statement of the company and of all subsidiaries in the same form and manner as that of its own and also attach along with its financial statement. A statement containing the brief details of performance and financials of the Subsidiary Companies for the financial year ended March 31, 2020 is attached to Financial Statements of the Company.

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, 2020, 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 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.

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

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, 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. 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.

Committees

The following are the details of the Committees during the Financial Year 2019-20:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee;

The composition of each of the above Committees, their respective roles and responsibilities are provided in detail in the Corporate Governance Report.

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. Manohar Mollama is the Compliance Officer under the PIT Code.

Directors and Key Managerial Personnel

In pursuance of Section 152 of the Companies Act, 2013 and the Rules framed there under Mr. Vijay Kancharla (DIN: 02744217), Executive Director is liable to retire by rotation, at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

The Board of Directors on the recommendation of Nomination and Remuneration Committee in their meeting held on March 28, 2019, the Members of the Company at the 20th Annual General Meeting held on Friday, September 27, 2019 have approved the reappointment of Mr. M. Suresh Kumar Reddy as the Chairman & Managing Director and Mr. Vijay Kancharla as Executive Director of the Company for a further period of Five (5) Years commencing from 01.04.2019 to 31.03.2024 and remuneration payable to them.

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 21st 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. Peshwa Acharya (DIN: 06558712) 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 September 15, 2020. He holds office as an Independent Director of the Company up to the conclusion of the ensuing annual general meeting.

Accordingly, it is proposed to appoint Mr. Peshwa Acharya as an Independent Director of the Company, not liable to retire by rotation and to hold office for a first term of 5 (five) consecutive years on the Board of the Company.

Dr. K. Jayalakshmi Kumari (DIN: 03423518) was appointed as Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of SEBI (LODR) Regulations, 2015 ("Listing Agreement"). She holds office as Independent Director of the Company up to May 16, 2021 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

The NRC of the Board of Directors, on the basis of the report of performance evaluation of Independent Director, has recommended reappointment of Dr. K. Jayalakshmi Kumari as Independent Director for a second term of 5 (Five) years on the Board of the Company i.e., from the date of 21st AGM up to the conclusion/date of 26th AGM of the Company to be held in 2025.

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

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.

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.

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.

Meetings of Board of Directors

During the Financial Year Ten (10) meetings of the Board of Directors were held. The details of the meetings of the Board are given under the Section Corporate Governance Report which forms part of this Report.

The details of the familiarization programme formulated for Independent Directors is hosted on the Company's website www.brightcomgroup.com.

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.

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.

Statutory auditors

M/s. P C N & Associates (formerly known as Chandra Babu Naidu & Co.,) (Firm Registration No.016016S), Chartered Accountants were appointed as Statutory Auditors of the Company for

a term of Five years from the conclusion of the 18th Annual General Meeting till conclusion of 23rd Annual General Meeting conducted the Statutory Audit for the FY-2019-20. The 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, 2020 form part of this Annual Report and do not contain any qualification(s) or adverse observations.

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.

Adequacy of Internal Financial Control Systems & Risk Management

The company has in place adequate internal financial controls with reference to its financial statements. These controls ensure the accuracy and completeness of the accounting records and the preparation of reliable 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

In compliance with the provisions of Section 204(1) of the Companies Act, 2013, the Company has appointed Ms. Jyoti Mohata, Practicing Company Secretary (C P No. 21606) to conduct Secretarial Audit of the records and documents of the Company for the Financial Year 2019-20. The Secretarial Audit Report for the Financial Year ended March 31, 2020 in Form MR-3 is annexed to the Board's Report - Annexure-A and forms part of this Report. The Secretarial Auditors' Report to the Members of the Company for the Financial Year ended March 31, 2020 does not contain any qualification(s) or adverse observations.

Compliance with Secretarial Standards

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

The extract of the Annual Return of the Company in Form MGT-9 for the Financial Year ended March 31, 2020 is given in Annexure- B and forms part of the Boards' Report.

Vigil Mechanism/ Whistleblower / Ombudsperson Policy

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 www.brightcomgroup.com.

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 has been denied access to the Audit Committee.

Particulars of employees and related disclosures

No Salary is being paid to Directors of the Company including Managing 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.

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 Company Secretary at the Registered Office of the Company.

Listing Fees

The Company affirms that the annual listing fees for the year 2020-21 has been paid to both National Stock Exchange of India Limited (NSE) and BSE Limited (Bombay Stock Exchange).

Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company as it ceased to be a Company covered under subsection (1) of Section 135 of the Companies Act, 2013 in the reporting financial year; hence disclosure in this regard is not provided.

Significant and Material Orders

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.

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

The Company has formulated a policy on Prevention of Sexual Harassment of Women at Workplace and also complied with provisions relating to the constitution of Internal Complaints Committee in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended 31st March, 2020, the Company has not received any complaints pertaining to Sexual Harassment.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Act, with respect to Directors' Responsibility Statement, your Directors, to the best of their knowledge and ability, hereby confirm that:

- (a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit and loss of the Company for the year ended on that date;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts for financial year ended March 31, 2020 on a going concern basis;
- (e) the Directors have laid down internal financial controls based on internal controls framework established by the Company, which in all material respects were adequate and operating effectively.

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgment

Your Directors place on record 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.

For and on behalf of the Board of Directors

Sd/-

M. Suresh Kumar Reddy

Chairman and Managing Director

DIN: 00140515

Place: Hyderabad

Date: November 12, 2020

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
BRIGHTCOM GROUP LIMITED
(formerly Lycos Internet Limited)
CIN: L64203TG1999PLC030996
Floor-5, Fairfield by Marriott, Road No.2,
Nanakramguda, Gachibowli,
Hyderabad, TG 500032, INDIA.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BRIGHTCOM GROUP LIMITED** (formerly Lycos Internet Limited) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s 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, 2020 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 the Company for the financial year ended on 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: The Company has gone for allotment of 3,14,00,000 (Three Crore Fourteen Lakh) equity shares through Preferential Issue to Non-Promoters.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period);
 - (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; (Not Applicable to the Company during the Audit Period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period);
 - (i) The Securities and Exchange Board of India ((Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Other Laws Applicable Specifically to the Company namely:
- a) Information Technology Act, 2000 and the rules made thereunder

We have also examined compliance with the applicable standards/regulations of the following:

- (i) Secretarial Standards – 1 & 2 issued by The Institute of Company Secretaries of India;
 - (ii) The Listing Agreements entered into by the Company with Stock Exchanges;
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March 2020. The changes in the composition of the Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

As per the information furnished, adequate notice is generally given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days 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.

As per the Minutes of the decisions at Board Meetings are carried out unanimously as recorded in the minutes of the Board of Directors

I further report that there are 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.

I further report that during the audit period, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

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

Date: 24.08.2020
Place: Kolkata

Sd/-
CS JYOTI MOHATA
Practicing Company Secretary
ACS NO: 57184 C P No.: 21606
UDIN: A057184B000609307

To
The Members,
BRIGHTCOM GROUP LIMITED
(formerly Lycos Internet Limited)
CIN: L64203TG1999PLC030996
Floor-5, Fairfield by Marriott, Road No.2,
Nanakramguda, Gachibowli,
Hyderabad, TG 500032, INDIA.

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 BRIGHTCOM GROUP LIMITED (“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 basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we 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. Where ever required, I have obtained the 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 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.
7. We have relied up on the information provided by the Management with respect to related party transactions for its compliance.

Date: 24.08.2020
Place: Kolkata

Sd/-
CS JYOTI MOHATA
Practicing Company Secretary
ACS NO: 57184 C P No.: 21606
UDIN: A057184B000609307

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L64203TG1999PLC030996
ii.	Registration Date	28-Jan-1999
iii.	Name of the Company	BRIGHTCOM GROUP LIMITED
iv.	Category/Sub-Category of the Company	Company Limited by Shares / Non-Government Company
v.	Address of the Registered office and contact details	Floor: 5, Fairfield by Marriott, Road No: 2, Nanakramguda, Gachibowli, Hyderabad – 500032, Telangana, India. Ph. +91 40 6744 9910 e-Mail: ir@brightcomgroup.com Website: www.brightcomgroup.com
vi.	Whether listed company Yes/No	Yes BSE Limited National Stock Exchange of India Limited
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Aarthi Consultants Private Limited 1-2-285, Domalguda, Hyderabad – 500029. Ph. + 91 40 2763 8111; 2763 4445 Email: info@arthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Software Services and Digital Marketing	Division 62 and Division 63	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name of the company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	YReach Media Private Limited	U92412TG2012PTC 082116	Subsidiary	99	2(87)
2.	LIL Projects Private Limited	U72900TG2016PTC 110656	Subsidiary	100	2(87)
3.	Frontier Data Management Inc., USA	-	Subsidiary	100	2(87)

4.	International Expressions Inc., USA	-	Subsidiary	100	2(87)
5.	Online Media Solutions Limited, Israel	-	Subsidiary	100	2(87)
6.	Ybrant Media Acquisition Inc., USA	-	Subsidiary	100	2(87)
7.	Dyomo Corporation, USA	-	Subsidiary	100	2(87)
8.	Max Interactive Pty Ltd., Australia	-	Subsidiary	100	2(87)
9.	DreamAd SA, Argentina	-	Subsidiary	100	2(87)
10.	DreamAd SA, Chile	-	Subsidiary	100	2(87)
11.	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	-	Subsidiary	100	2(87)
12.	DreamAd SA, Panama	-	Subsidiary	100	2(87)
13.	DreamAd SA, Uruguay	-	Subsidiary	100	2(87)
14.	Ybrant Digital Services De Publicidade Ltd., Brasil	-	Subsidiary	100	2(87)
15.	Ybrant Digital (Brasil) Ltd, Singapore	-	Subsidiary	100	2(87)
16.	LGS Global FZE, UAE	-	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF	67500787	0	67500787	14.17	67500787	0	67500787	14.17	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	67500787	0	67500787	14.17	67500787	0	67500787	14.17	0
2) Foreign									
a) NRIs- Individuals	91973599	0	91973599	19.31	91973599	0	91973599	19.31	0
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	2186487	0	2186487	0.46	2186487	0	2186487	0.46	0
d) Banks / FI	-	-	-	-	-	-	-	-	-

e)Any Other									
Overseas corporate bodies	24766812	0	24766812	5.2	24766812	0	24766812	5.2	0
Sub-total(A)(2):-	118926898	0	118926898	24.97	118926898	0	118926898	24.97	0
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	186427685	0	186427685	39.14	186427685	0	186427685	39.14	0
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	800	-	800	0	0
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investors	1145290	0	1145290	0.24	1145289	0	1145289	0.24	0
h) Foreign Venture Capital Funds	33368913	0	33368913	7.01	33368913	0	33368913	7.01	0
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	34514203	0	34514203	7.25	34515002	0	34515002	7.25	0
2. Non Institutions									
a) Bodies Corp.	38034773	25500	38060273	7.99	49018320	25500	49043820	10.30	2.31
Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	65011728	279785	65291513	13.71	53653011	259285	53912296	11.32	-2.39
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	102085344	0	102085344	21.44	100440678	0	100440678	21.09	-0.35
c) Others(Specify)									
NBFCs Registered with RBI	36100	0	36100	0.01	20000	0	20000	0	0
Non Resident Individuals	43541154	509400	44050554	9.25	48877824	509400	49387224	10.37	1.12
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Trusts	1481000	0	1481000	0.31	1481000	0	1481000	0.31	0

Employees	0	213000	213000	0.04	0	213000	213000	0.04	0
Clearing Members	4091827	0	4091827	0.86	810794	0	810794	0.17	-0.69
Foreign Nationals	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	254281926	1027685	255309611	53.61	254301627	1007185	255308812	53.61	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	288796129	1027685	289823814	60.86	288816629	1007185	289823814	60.86	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	475223814	1027685	476251499	100	475244314	1007185	476251499	100	0

(ii) Shareholding of Promoters/Promoters Group

Sl. N o.	Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	%of total Shares of the company	%of Shares Pledged/encumbered to total shares	No. of Shares	%of total Shares of the company	%of Shares Pledged/encumbered to total shares	% change in shareholding during the year
1.	M. Suresh Kumar Reddy	75084653	15.77	8.73	75084653	15.77	7.34	0
2.	Vijay Kancharla	3820946	0.8	0.8	3820946	0.8	0.8	0
3.	Redmond Investments Ltd.	24766812	5.2	5.2	24766812	5.2	5.2	0
4.	Geetha Kancharla	6534000	1.37	0	6534000	1.37	0	0
5.	S.V. Rajyalaxmi Reddy	6534000	1.37	0	6534000	1.37	0	0
6.	Fingrowth Co. Ltd.	1414534	0.30	0.19	1414534	0.30	0.19	0
7.	Palle Suguna Reddy	2101160	0.44	0	2101160	0.44	0	0
8.	Probus Capital Ltd.	605000	0.13	0.12	605000	0.13	0.13	0
9.	M. Shashidhar Reddy	1341000	0.28	0	1341000	0.28	0	0
10.	M. Gangi Reddy	1156800	0.24	0	1156800	0.24	0	0
11.	Mundi Enterprise Ltd.	166953	0.04	0.02	166953	0.04	0.02	0
12.	Vijay Kumar Kancharla HUF	62044564	13.03	7.37	62044564	13.03	5.98	0
13.	Kadiyala Venkateswara Rao	713963	0.15	0	713963	0.15	0	0
14.	M. Subhadra Reddy	141500	0.03	0	141500	0.03	0	0
15.	K. Mohan Rao	1800	0	0	1800	0	0	0
	Total	186427685	39.14	22.44	186427685	39.14	19.66	0

(iii) Change in Promoters'/Promoters' Group Shareholding (please specify, if there is no change)

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	Increase	Decrease	No. of Shares	% of total shares of the company
1.	M. Suresh Kumar Reddy	75084653	15.77	0	0	75084653	15.77
2.	Vijay Kancharla	3820946	0.8	0	0	3820946	0.8
3.	Redmond Investments Ltd.	24766812	5.2	0	0	24766812	5.2
4.	Geetha Kancharla	6534000	1.37	0	0	6534000	1.37
5.	S.V. Rajyalaxmi Reddy	6534000	1.37	0	0	6534000	1.37
6.	Fingrowth Co. Ltd.	1414534	0.30	0	0	1414534	0.30
7.	Palle Suguna Reddy	2101160	0.44	0	0	2101160	0.44
8.	Probus Capital Ltd.	605000	0.13	0	0	605000	0.13
9.	M. Shashidhar Reddy	1341000	0.28	0	0	1341000	0.28
10.	M. Gangi Reddy	1156800	0.24	0	0	1156800	0.24
11.	Mundi Enterprise Ltd.	166953	0.04	0	0	166953	0.04
12.	Vijay Kumar Kancharla HUF	62044564	13.03	0	0	62044564	13.03
13.	Kadiyala Venkateswara Rao	713963	0.15	0	0	713963	0.15
14.	M. Subhadra Reddy	141500	0.03	0	0	141500	0.03
15.	K. Mohan Rao	1800	0	0	0	1800	0

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of Shares	% of total shares of the Company
1.	Oak India Investments	33368913	7.01	0	0	33368913	7.01
2.	Priya Prakash	17937110	3.77	1062890	0	19000000	3.99
3.	UNO Metals Ltd	13785000	2.89	5615000	0	19400000	4.07
4.	AKG Finvest Ltd	12000000	2.52	300000	0	12300000	2.58
5.	Rajesh Goenka	9500000	1.99	0	4750000	4750000	0.99
6.	Goenka Securities Pvt Ltd	4500000	0.94	8300000	0	12800000	2.69
7.	Krishni Devi Goenka	4500000	0.94	250000	0	4750000	0.99
8.	Prabhakar Reddy Narapareddy	4305285	0.90	1222972	0	5528257	1.16
9.	Praveen Khurana	2500000	0.52	2900000	0	5400000	1.13
10.	Geeta Patheja	2510000	0.53	2510000	0	5020000	1.05

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Director and KMP	Shareholding at the beginning of the year		Change in Shareholding		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of Shares	% of total shares of the Company
Directors							
1.	Dr. K. Jayalakshmi Kumari	0	0	0	0	0	0
2.	Mr. Allam Raghunath	0	0	0	0	0	0
3.	Dr. Surabhi Sinha	0	0	0	0	0	0
KMPs							
1.	Mr. M. Suresh Kumar Reddy, CMD	75084653	15.77	0	0	75084653	15.77
2.	Mr. Vijay Kancharla, ED	3820946	0.8	0	0	3820946	0.8
3.	Mr. Y. Srinivasa Rao, CFO	0	0	0	0	0	0
4.	Mr. M. Manohar, CS & Compliance Officer	0	0	0	0	0	0

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding / accrued but not due for payment**

Particulars	(Rs. in Crores)			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	67.02	91.18		158.20
ii) Interest due but not paid	4.53	-		4.53
iii) Interest accrued but not due				
Total(i+ii+iii)	71.55	91.18		162.73
Change in Indebtedness during the financial year				
- Addition	-	8.20		8.20
- Reduction	28.40	-		28.40

Net Change	28.40	8.20		20.2
Indebtedness at the end of the financial year				
i) Principal Amount	36.02	99.38		135.40
ii) Interest due but not paid	7.13	-		7.13
iii) Interest accrued but not due				
Total(i+ii+iii)	43.15	99.38		142.53

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(Amount in Rs.)

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl. NO.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		M. Suresh Kumar Reddy	Vijay Kancharla	
1.	Gross Salary	Nil	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil
	As % of profit			
	Others, specify			
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil
	Ceiling as per the Act			

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Mr. Allam Raghunath (Rs.)	Dr. K. Jayalakshmi Kumari (Rs.)	Dr. Surabhi Sinha (Rs.)	
	<i>Independent Directors</i>				
	Fee for attending board and committee meetings	1,20,000	1,20,000	80,000	
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1,20,000	1,20,000	80,000	3,20,000
	<i>Other Non-Executive Directors</i>	-	-	-	-
	Fee for attending board and committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (1+2)	1,20,000	1,20,000	80,000	3,20,000
	Total Managerial Remuneration	1,20,000	1,20,000	80,000	3,20,000
	Overall Ceiling as per the Act	-	-	-	-

Remuneration to Key Managerial Personnel other than MD / Manager / WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary*	CFO	Total Amount
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	9,41,234	19,43,272	28,84,506
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	As % of profit	-	-	-	-
	Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	9,41,234	19,43,272	28,84,506

* Mr. Manohar Mollama appointed as Company Secretary & Compliance Officer w.e.f. August 14, 2019.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no material penalties/punishment/compounding of offences for the year ended March 31, 2020.

For and on behalf of the Board of Directors

Sd/-
(M. Suresh Kumar Reddy)
Chairman & Managing Director
DIN: 00140515

Place: Hyderabad
Date: November 12, 2020

Management Discussion & Analysis

Due to the advent of the coronavirus pandemic in 2020, the advertising budgets across the world shrunk significantly. The digital media spend, however, for the full year is expected to grow 6%, despite a decline in growth for the broader ad market.

Paid Search

Of the digital advertising categories with a positive outlook for 2020, paid search is projected to show the fastest growth with a 26% increase in advertising spend expected.

Other digital advertising categories on the plus side in 2020 include:

Social media (+25%)

Connected TV (+19%)

Digital video (+18%)

Digital display (+15%)

Despite an overall increase for digital advertising spend, it was found that several digital advertising categories likely to experience drops this year, including digital out of home, podcasts and digital audio.

Pandemic's Impact

"Consumers spent 10% more time with digital in March-July 2020 Y/Y (vs. March-July 2019)... with video (OTT/CTV) paying specific attention to the difference in advertising spend between linear TV (-24%) and connected TV (+19%). The adoption of streaming during the pandemic has been significant. And, with many people watching their wallets, advertising-based video on demand (AVOD) platforms like Peacock and Hulu that offer free or inexpensive programming, may offer more opportunities for advertisers eager to catch the digital streaming wave at this moment of great change.

How will 2021 play out?

The prediction is a 5.3% uptick for 2021 compared to this year.

The pandemic has impacted advertising budgets, but digital advertising is still considered essential for most brands and retailers. Digital advertising offers opportunities for brands to get in front of consumers at the moments they're ready to spend. Optimized digital marketing strategies that are effective across channels are going to dominate the advertising landscape in the near future, with the impact of COVID-19 accelerating digital adoption for brands and consumers.

Assembling a tiger team

CMOs and marketing leaders are creating a tiger team (a specialized, focused team) responsible for formulating, socializing and adapting a cost optimization strategy. This team are able to flex to the shifting demands and impacts that COVID-19 will place on global organizations as the situation continues to evolve. They empower the tiger team to make near-term, strategic decisions that position the organization for long-term success. To do this, the tiger team must have the necessary data to review potential impacts on a wide range of costs including those incurred through COVID-19 communications and challenges as a result of reduced revenue and changing consumer behaviors.

Building adaptable scenarios and rapid reviews

Respond to the impact COVID-19 is having on marketing budgets through swift and decisive action. CMOs must build adaptable budget scenarios and conduct rapid reviews of how the pandemic may impact their marketing functions in the near term. This should be done while still keeping long-term marketing and enterprise goals top of mind. Because there are no existing playbooks with canned strategic responses for a global event of this kind, marketers must be prepared to make near-term cost corrections. CMOs should appraise cost optimization objectives by conducting a rapid review with their tiger teams using adaptable budget scenarios that trigger decisions and action.

Business and Operational Overview

During the year, your Company achieved a consolidated turnover of Rs. 2,706.47 Crores as against Rs. 2,577.72 Crores in the previous year with a net profit of Rs. 440.10 Crores as against Rs. 443.97 Crores in the last year. Some of the key developments that happened for the Brightcom Group are:

We have launched a new version of our core platform called Compass 2.0.

Signature Optimization Algorithm to serve at the next level.

Advanced Safety tool added -Protector.

Improved Inventory tool added- Adaptor.

Featured amongst eDigital's "Best 72 SSP for 2020" alongside AOL, AppNexus, Salesforce DMP and theTradeDesk.

Our team attended the conference Programmatic I/O held in NY, early in the year.

Effectively managed the transition to "Work From Home" (WFH) for all the employees across the globe.

Our team worked across India, Israel, Serbia and Argentina very effectively. Employees at all location were already mobile, to begin with, and did not need much transition planning.

We closed out Canara Bank loan in the last financial year. Next in line is the loan with Axis Bank.

DigiDay at Dubrovnik, Croatia and Mobile World conference in Spain were both Cancelled due to COVID19. However, the teams were able to conduct scheduled meetings virtually.

Best 72 SSP list of eDigital for the year 2020.

-Proud to share our new B-Local exchange! We're offering advertisers an alternative to the "faceless masses" of a broad programmatic approach, by reincorporating brands into a community. This has been a very effective tool to improve business. Philadelphia Magazine, boston.com, The Seattle Times, Boston Globe, The Salt Lake Tribune are some of the media houses already signed on.

RISKS

The Company has a well-structured and robust risk management mechanism, which includes a comprehensive register that lists the identified risks, its impact and the mitigation strategy. Broadly, there are some overriding risks that are listed below:

Data Security

Technical failure and breakdowns in servers could lead to interruptions of our websites and result in corruption of all data and security breaches. The Company has initiated a pilot project to establish a secondary site in India as a precautionary measure. Obsolescence: Being a technology-driven company, it always faces the risk of an innovation or product development that can make one or more of propositions redundant. The Company remains alert with technological developments to overcome this risk.

Financial Risks

Tax Issues: the Company has had a few income tax and service tax cases against it, which, if lost, may impact future cash flows. However, none of these is material.

Enhanced competition in the US market may reduce price and revenue margin. The Company is expanding globally and penetrating potential markets like Brazil and China. In the future, it would focus more.

Consolidation of service providers may affect the Company The Company has also ventured into strategic acquisitions and tie-ups to capitalize on current market opportunities. Business can be affected by privacy legislation and other regulations. The Company discloses all its collection statements and dissemination practices in a published privacy statement on its website. The new tie-ups may create problems of integration.

BCG enters into an agreement after extensive research, both internally and externally. The Company firmly recognizes the importance of its human resources to achieve its vision. BCG has significant policies to acquire and retain new and existing talent. It trains its people in a variety of ways to create an extensive talent pool. Apart from providing attractive remuneration to people, BCG also focuses on providing a stimulating and multicultural work environment.

BCG has a proper and adequate internal control system to ensure authorized business transactions. The internal audit function is an independent function, which is carried out by internal auditors through extensive audits. Regular internal audits determine the operational and financial efficiencies of the Company.

Moreover, the Audit Committee of the Board of Directors conduct periodic reviews of pan-organizational effectiveness and recommends improvements whenever required. The internal control system also formulates well-documented policies, guidelines, authorizations and approval procedures and ensures compliance with applicable policies and statutes.

REPORT ON CORPORATE GOVERNANCE

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, 2020 with their attendance at the Ten Board Meetings held during the year 2019-20 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 2019-20	Attendance at the last AGM held on September 27, 2019	Number of directorships in other public companies #		Number of committee Positions held in this & other public companies	
				Director	Chairman	Member	Chairman
Mr. M. Suresh Kumar Reddy	Promoter & Executive	10	Yes	NIL	NIL	2	Nil
Mr. Vijay Kancharla	Promoter & Executive	1	No	NIL	NIL	2	Nil
Mr. Allam Raghunath	Independent & Non-Executive	10	No	NIL	NIL	3	3
Dr. K. Jayalakshmi Kumari	Independent & Non-Executive	10	Yes	1	NIL	8	3
Dr. Surabhi Sinha	Independent & Non-Executive	10	Yes	NIL	NIL	2	Nil

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

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, 2020.

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.

The Board, in its meeting held on September 15, 2020 has appointed Mr. Peshwa Acharya (DIN: 06558712) as Additional Director designated as Independent Director and will be regularized in the ensuing 21st AGM of the Company. Dr. K. Jayalakshmi Kumari (DIN: 03423518) holds office as Independent Directors of the Company up to 16th May 2021 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act). The NRC of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Dr. K. Jayalakshmi Kumari as Independent Directors for a second term of 5 (Five) years on the Board of the Company i.e., from the date of 21st AGM up to the conclusion/date of 26th AGM of the Company to be held in 2025.

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 Ten times during the financial year 2019-20.

Sl. No.	Date of Board Meeting	Sl. No.	Date of Board Meeting
1	May 27, 2019	2	June 21, 2019
3	August 14, 2019	4	August 30, 2019
5	November 14, 2019	6	December 3, 2019
7	December 20, 2019	8	February 11, 2020
9	February 14, 2020	10	February 21, 2020

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. M. Suresh Kumar Reddy	Master of Science from Iowa State University and B.Tech., from IIT, Kharagpur.	Software Industry and Business Intelligence Development
Mr. Vijay Kancharla	Master of Science from University of Louisville and B.Tech., from JNTU, Hyderabad.	Online Advertising Technology
Mr. Allam Raghunath	B.Tech Electronics and Communication from Osmania University and a Degree in Marketing from IGNOU	Project and Business Development and Technical Management
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

Independent Directors Meeting

During the year 2019-20, Independent Directors of the Company met separately on November 14, 2019 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 a Code of Conduct for Directors and senior management personnel. The Code of Conduct is posted on the Company's website 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. M. Suresh Kumar Reddy, Chairman & Managing Director is annexed to this report.

BOARD COMMITTEES:

The Company has four Board level Committees, namely Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) 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 looks into 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 two 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.

Four meetings of the Audit Committee were held during the year viz. on May 27, 2019; August 14, 2019; November 14, 2019 and February 14, 2020 respectively. The Company Secretary acts as the Secretary to the Audit Committee.

The composition of the Audit Committee and details of their attendance at the meetings as at March 31, 2020 are as follows:

Name	Position	Category	No. of Meetings Attended
Mr. Allam Raghunath	Chairman	Independent & Non-Executive Director	4 of 4
Mr. Vijay Kancharla	Member	Executive Director	0 of 4
Dr. K. Jayalakshmi Kumari	Member	Independent & Non-Executive Director	4 of 4

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, two meetings of the Committee were held i.e., on June 21, 2019 and December 20, 2019.

The composition of the Committee and the attendance details of the members as at March 31, 2020 are given below:

Name	Position	Category	No. of Meetings Attended
Mr. Allam Raghunath	Chairman	Independent & Non-Executive Director	2 of 2
Dr. K. Jayalakshmi Kumari	Member	Independent & Non-Executive Director	2 of 2
Dr. Surabhi Sinha	Member	Independent & Non-Executive Director	2 of 2

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 viz., the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee has been carried out. The Nomination and Remuneration Committee reviews the said Performance Evaluation on 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 2019-2020.

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.

The details of remuneration covering salary and other benefits paid for the year ended March 31, 2020 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 31.03.2020 (Rs.)	No. of Shares held as on 31.03.2020
Suresh Kumar Reddy	NIL	NIL	75084653
Mr. Vijay Kancharla	NIL	NIL	3820946
Mr. Allam Raghunath	NIL	120,000	NIL
Dr. K. Jayalakshmi Kumari	NIL	120,000	NIL
Dr. Surabhi Sinha	NIL	80,000	NIL

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 Mr. Allam Raghunath is an Independent & Non-Executive Director and the Company Secretary is the Secretary of the Committee. Mr. Manohar Mollama, Company Secretary was designated as the Compliance Officer.

One meeting of the Stakeholders Relationship Committee was held during the year on February 21, 2020.

The composition of the Committee and the attendance details of the members as at March 31, 2020 are given below:

Name	Position	Category	No. of Meetings Attended
Mr. Allam Raghunath	Chairman	Independent & Non-Executive Director	1 of 1
Mr. M. Suresh Kumar Reddy	Member	Executive Director	1 of 1
Dr. Surabhi Sinha	Member	Independent & Non-Executive Director	1 of 1

During the year under review no shareholders' complaints of general nature were received by the RTA/ Company. Nil complaints were pending at the close of the financial year.

In order 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 Company is following this system. The Company has resolved all the complaints on SCORES that have been received during the year under review.

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.

The composition of the Committee as at March 31, 2020 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

For the year under review, the CSR provisions are not applicable to the Company as it ceased to be a Company covered under subsection (1) of Section 135 of the Companies Act, 2013 in the reporting financial year.

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
2018-19	September 27, 2019 10:00 a.m.	Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad – 500032.	1. Reappointment of Mr. M. Suresh Kumar Reddy as the Chairman & Managing Director 2. Reappointment of Mr. Vijay Kancharla as Executive Director
2017-18	November 28, 2018 10:00 a.m.	Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad – 500032.	Increase in limit of NRI investment in the Company
2016-17	September 27, 2017 11:30 a.m.	Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad – 500032.	To Re-appoint Mr. Allam Raghunath as an Independent Director

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

Details of resolution(s) passed through postal ballot during Financial Year 2019-20 and details of the voting pattern

The Company sought the approval of shareholders by way of special resolution through notice of Postal Ballot dated December 20, 2019 regarding “Issue of Equity Shares on a preferential basis to Muskaan Limited, Mr. Kishan Prakash and Mr. Ishan Prakash” and the results of which were announced on February 21, 2020.

Mr. A. Sridhar, Practicing Company Secretary (C P No.: 12011) was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Resolution	No. of Votes Polled	No. of Votes Cast in Favour	No. of Votes Cast Against	% of Votes Cast in Favour on Votes Polled	% of Votes Cast Against on Votes Polled
Issue of Equity Shares on a preferential basis to Muskaan Limited, Mr. Kishan Prakash and Mr. Ishan Prakash	140184771	137048477	3136294	97.76%	2.24%

Procedure followed for Postal Ballot:

Postal Ballot was conducted in compliance with Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and as per the procedure laid down in Sections 108 and 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014.

Postal ballot notices and forms are dispatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The same notice is sent by email to members who have opted to receive communication through the electronic mode. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date.

Members who want to exercise their votes by physical postal ballot are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting.

The scrutinizer completes his scrutiny and submits his report to the Chairman, and the consolidated results of the voting are announced by the Chairman.

The results are also displayed on the Company's website www.brightcomgroup.com besides being communicated to the stock exchanges, depository and registrar and share transfer agent.

The last date for the receipt of postal ballot forms or e-voting is the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

Special Resolutions proposed to be conducted through Postal Ballot: At present no postal ballots is proposed to be held.

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. 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 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 Ms. Jyoti Mohata, Practicing Company Secretary (C P No.: 21606) 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):	21 st Annual General Meeting of the Company is scheduled to be held on Monday, December 28, 2020 at 11:00 a.m. The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 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	On or before Monday, January 25, 2021
iv.	Date of Book Closure:	Tuesday, December 22, 2020 to Monday, December 28, 2020 (Both days inclusive).
v.	Listing on stock exchanges:	BSE Limited (Bombay Stock Exchange). 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
April 2019	7.12	3.1	6.75	3.00
May 2019	7.47	4.52	7.05	4.50
June 2019	5.37	4.13	5.25	4.15
July 2019	4.4	3.05	4.40	3.10
August 2019	3.71	2.84	3.75	2.85
September 2019	3.99	3.1	3.95	3.10
October 2019	3.41	2.46	3.45	2.45

November 2019	4.96	2.62	4.80	2.65
December 2019	7.21	4.71	6.95	4.60
January 2020	7.08	4.49	7.05	4.55
February 2020	5.71	4.36	5.65	4.40
March 2020	4.79	2.9	4.75	2.90

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; arthiconsultants@gmail.com

Website: 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.

x. Distribution of Shareholding as on March 31, 2020

Nominal Value of Shareholding (in Rs.)	No. of Shareholders	Percentage	No. of Shares	Percentage
Upto 5000	22379	77.31	14301007	3
5001 - 10000	2516	8.69	9760811	2.05
10001 - 20000	1561	5.39	12177605	2.56
20001 - 30000	593	2.05	7526222	1.58
30001 - 40000	384	1.33	6978204	1.47
40001 - 50000	225	0.78	5145675	1.08
50001 - 100000	529	1.83	19071783	4
100000 & Above	759	2.63	401290192	84.26
TOTAL	28946	100	476251499	100

Categories of Shareholding as on March 31, 2020:

Category	No. of Shares held	% of Shareholding
1 Promoter / Promoter Group	186427685	39.14
2 Foreign Venture Capital Investors	33368913	7.01
3 Foreign Portfolio Investor	1145289	0.24
4 Bodies Corporate	49043820	10.30

5	Non Resident Individuals	49387224	10.37
6	Trusts	1481000	0.31
7	Employees	213000	0.04
8	General Public	154352974	32.41
9	NBFCs Registered with RBI	20000	0.00
10	Financial Institutions / Banks	800	0.00
11	Clearing Members	810794	0.17
	TOTAL	476251499	100.00

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, 2020, a total of 47,52,44,314 equity shares which form 99.79% of the share capital stand 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.

xii. Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments

The Company has not issued Global Depository Receipts or American Depository Receipt or Warrants or any Convertible instruments.

xiii. 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.com ; 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 ; arthiconsultants@gmail.com

Disclosures

(i) During the financial year ended March 31, 2020 there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

(ii) There were no occasions of non-compliance by the Company and no penalties or strictures were imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to Capital markets, during the last three years.

(iii) 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.

(iv) The Company has framed a Material Subsidiary Policy and the same is placed on the Investors section of Company's website www.brightcomgroup.com.

(v) The company has framed Related Party Transaction Policy and is placed on the Investors section of Company's website www.brightcomgroup.com.

(vi) 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.

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

During the financial year ended March 31, 2020, the Company has not received any complaints pertaining to Sexual Harassment.

(viii) The Company has complied with all the applicable mandatory requirements of the Corporate Governance and also 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 is no audit qualification in the Company's financial statements.

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

I 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, 2020.

For and on behalf of the Board of Directors

Sd/-

M. Suresh Kumar Reddy
Chairman and Managing Director
DIN: 00140515

Place: Hyderabad
Date: November 12, 2020

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 Chairman & Managing Director and Chief Financial Officer 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, 2020 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.

For **BRIGHTCOM GROUP LIMITED**

Sd/-
Y. SRINIVASA RAO
CHIEF FINANCIAL OFFICER

For **BRIGHTCOM GROUP LIMITED**

Sd/-
M. SURESH KUMAR REDDY
CHAIRMAN & MANAGING DIRECTOR
DIN: 00140515

Place: Hyderabad
Date: June 25, 2020

Corporate Governance Compliance Certificate

To
The Members of
Brightcom Group Limited
(formerly, Lycos Internet Limited)

I have examined all the relevant records of Brightcom Group Limited (formerly, Lycos Internet Limited) (“the Company”) for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2020. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations as applicable for the year ended March 31, 2020.

Sd/-
CS JYOTI MOHATA
Practicing Company Secretary
ACS No. 57184; C P No.: 21606
UDIN: A057184B000681115

Place: Kolkata
Date: September 08, 2020

Certificate of Non-Disqualification of Directors

To
The Members of
Brightcom Group Limited
(formerly, Lycos Internet Limited)

I have examined the relevant registers, records, forms, returns and disclosures received from **Brightcom Group Limited** (formerly, Lycos Internet 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) 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, 2020 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. Allam Raghunath	00060018	27/12/2016
4.	Dr. Jayalakshmi Kumari Kanukollu	03423518	17/05/2016
5.	Dr. Surabhi Sinha	07354441	13/02/2018

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.

Sd/-
CS JYOTI MOHATA
Practicing Company Secretary
ACS No. 57184; C P No.: 21606
UDIN: A057184B000681082

Place: Kolkata
Date: September 08, 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRIGHTCOM GROUP LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of BRIGHTCOM GROUP LIMITED ("the Company"), which comprises the Standalone Balance Sheet as at March 31, 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 the 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 state of affairs of the Company as at March 31, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for 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 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 standalone financial statements.

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 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 safeguards.

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.

Emphasis of Matter paragraphs:

- a) The company has defaulted is repayment of dues to Axis Bank and the loan account has become Non Performing Asset.

- b) With respect to Income Tax, TDS the company is not regular in depositing with appropriate authorities.
- c) The Company has branch operations at USA having total asset of Rs. 328,81,20,495/- and total turnover of Rs. 401,03,20,016/- for the year ending 31st March 2020.

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

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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified 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 Company has disclosed the pending litigations which would have impact on its standalone financial position.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For P C N & Associates.,
Chartered Accountants
FRN : 016016S

K Gopala Krishna
Partner
M.No:203605
UDIN: **20203605AAAACV7162**

Place: Hyderabad
Date: 25-06-2020

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”)

We have audited the internal financial controls over financial reporting of BRIGHTCOM GROUP LIMITED (“the Company”) as of March 31, 2020 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 Board of Directors of the Company 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. 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 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.

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.

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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 C N & Associates.,
Chartered Accountants
FRN: 016016S

K Gopala Krishna
Partner
M.No:203605
UDIN: **20203605AAAACV7162**

Place: Hyderabad
Date: 25-06-2020

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BRIGHTCOM GROUP LIMITED of even date

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the title deeds of immovable properties, they are held in the name of the company.

- ii. The Company is in the business of providing software services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

- iii. The company has not granted any loans, secured or unsecured, to companies , firms, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, reporting under clause 3 (iii) of the Order is not applicable to the Company.

- i. 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. (please refer note number 46 to notes to financial statements)

- iv. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2020 and therefore, the provisions of the clause (v) of the Order are not applicable to the Company.

- v. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

- vi. According to the information and explanations given to us, in respect of statutory dues:
- The Company is not regular in depositing undisputed statutory dues including TDS and Income Tax as applicable to it with the appropriate authorities.
 - There was no undisputed amounts payable in respect of ESI and other material statutory dues in arrears as at 31st March 2020, except statutory dues amounting to Rs. 6,44,09,464/- for a period of more than six months from the date they became payable.
 - According to the information and explanation given to us and based on the records of the company examined by us, there are no dues of Income Tax, Goods and Service Tax and Customs Duty which have not been deposited as at March 31, 2020 on account of any dispute except which are given below:

Name of the statute	Years pertain to	Forum where it is pending	Amount Involved
Income Tax	Various Assessment Years	CIT/ITAT	Rs. 76,58,55,396/-
Service Tax	FY 2007-08 to FY 2012-2013	CESTAT, Hyderabad	Rs. 18,73,28,280/-

- vii. In our opinion and according to the information and explanations given to us, The Company has defaulted in repayment of dues to Axis Bank as at 31st March, 2020 and the loans were become Nonperforming Assets. The Company has not issued any debentures.
- viii. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- ix. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- x. In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration during the current financial year. Hence this clause is not applicable.
- xi. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xii. 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.

- xiii. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xv. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P C N & Associates.,
Chartered Accountants
FRN:016016S

K Gopala Krishna
Partner
M.No:203605
UDIN: **20203605AAAACV7162**

Place: Hyderabad
Date: 25-06-2020

Brightcom Group Limited			
Balance Sheet as at 31st March'2020			
Particulars	Note	As at 31st Mar 2020	As at 31st March 2019
		Rupees	Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	4	8,550,744	16,945,404
Investment property	5	2,195,210	2,195,210
Other intangible assets	4	299,740	660,576
Financial assets			
- Investments	6	5,088,867,585	5,088,867,585
- Loans	7	2,066,310	2,854,473
- Others financial assets	8	16,444,873	16,444,873
Deferred tax assets (net)	9	20,336,368	23,443,199
Non- Current tax assets (net)	10	6,836,507	6,269,388
Total Non-current assets		5,145,597,337	5,157,680,708
Current assets			
Financial assets			
- Trade receivables	11	2,160,406,599	2,276,376,907
- Cash and cash equivalents	12	1,818,574	990,198
- Other bank balances	13	556,659	556,659
- Loans	14	1,055,380,195	1,185,235,438
- Other Financial Assets	15	3,256,938	4,243,808
Other current assets	16	134,044,785	148,254,755
Total Current assets		3,355,463,750	3,615,657,765
Total assets		8,501,061,087	8,773,338,473
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	17	952,502,998	952,502,998
Other equity	18	4,855,585,075	4,877,685,454
		-	
Total Equity		5,808,088,073	5,830,188,452
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	19	993,749,306	911,760,706
Provisions	20	45,881,023	40,391,599
Total Non-current liabilities		1,039,630,329	952,152,305
Current liabilities			
Financial liabilities			
- Borrowings	21	360,205,069	670,234,809
- Trade payables	22	364,904,540	337,098,077
- Others financial liabilities	23	89,069,066	58,097,233
Other current liabilities	24	763,977,595	854,811,977
Provisions	25	75,186,415	70,755,620
Total Current liabilities		1,653,342,685	1,990,997,716
Total equity and liabilities		8,501,061,087	8,773,338,473
Notes forming part of Standalone financial statements			
AS PER OUR REPORT OF EVEN DATE			
For PCN & Associates (Formerly Known as Chandra Babu Naidu & Co.,)		For and on behalf of the Board Brightcom Group Ltd	
CHARTERED ACCOUNTANTS			
FRN: 016016S			
K.GOPALA KRISHNA			
PARTNER			
M.No.203605		M.Suresh Kumar Reddy	Allam Raghunath
		Chairman & Managing Director	Independent Director
Place : Hyderabad			
Date : 25-06-2020		Y.Srinivasa Rao	Mollama Manohar
		Chief Financial Officer	Company Secretary

Brightcom Group Limited
Statement of Profit and Loss for the year ended 31st March, 2020

Particulars	Note	For the period	For the period
		31st Mar, 2020	31st Mar 2019
		Rupees	Rupees
REVENUE			
I. Revenue from operations	26	4,665,875,360	4,585,695,061
II. Other income	27	137,069,661	(18,453,600)
III. Total revenue (I+II)		4,802,945,021	4,567,241,461
IV. EXPENSES			
Purchase / Cost of Revenue	28	3,566,539,924	3,514,417,093
Employee Benefit expenses	29	495,937,982	496,284,554
Other Operating Expenses	30	680,094,987	436,059,591
Financial costs	31	62,980,041	131,742,075
Depreciation and amortization expense	4	8,755,498	10,041,044
Total expenses (IV)		4,814,308,432	4,588,544,358
V. Profit/(loss) before tax (III-IV)		(11,363,411)	(21,302,897)
VI. Tax expense			
Current tax		-	-
Deferred tax		2,917,816	10,756,617
VII. Profit/(loss) for the period (V-VI)		(14,281,227)	(32,059,514)
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan(net of tax)		416,803	778,236
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(8,235,954)	31,428,904
IX. Total comprehensive income for the period (VII+VIII)		(22,100,379)	147,626
Earnings per share			
a) Basic (in Rs.)		(0.03)	(0.07)
b) Diluted (in Rs.)		(0.03)	(0.07)

Notes forming part of Standalone financial statements

AS PER OUR REPORT OF EVEN DATE

For PCN & Associates

(Formerly Known as Chandra Babu Naidu & Co.,)

CHARTERED ACCOUNTANTS

FRN: 016016S

For and on behalf of the Board

Brightcom Group Ltd

K.GOPALA KRISHNA

PARTNER

M.No.203605

M.Suresh Kumar Reddy
Chairman & Managing Director

Allam Raghunath
Independent Director

Place : Hyderabad

Date : 25-06-2020

Y.Srinivasa Rao
Chief Financial Officer

Mollama Manohar
Company Secretary

Brightcom Group Limited

Cash flow statement for the year ended 31st March'2020			
	Particulars	Year ended	Year ended
		31st March 2020	31st March 2019
		Rupees	Rupees
A.	Cash Flow from Operating Activities		
	Profit Before Tax	(11,363,411)	(21,302,897)
	Adjustment for :		
	Add: Depreciation and amortisation expense	8,755,498	10,041,044
	Interest Expense/ (Income)	(121,748,118)	-
	Allowance for doubtful trade receivables	(10,382,423)	(37,167,483)
	Bad Debts written off	254,840,391	-
	Investments-written off		1,470,000
	Operating Profit before Working Capital Changes	120,101,937	(46,959,336)
	<u>Adjustment for Working Capital Changes:</u>		
	Increase/ (Decrease) in Short term Borrowings	(193,008,089)	(12,866,574)
	Increase/ (Decrease) in Trade Payables	27,806,463	14,961,882
	Increase/ (Decrease) in other Current Liabilities	(86,107,915)	79,300,205
	Increase/ (Decrease) in Others financial liabilities	30,971,833	(133,766,552)
	Increase/ (Decrease) in Short-Term Provisions	4,430,795	408,868
	Decrease/ (Increase) in Trade Receivables	(128,487,660)	44,517,501
	Decrease/ (Increase) in Short-Term Loans and Advances	129,855,243	(38,787,974)
	(Increase)/ Decrease in Other Financial Assets	986,870	24,136
	(Increase)/ Decrease in other Current Assets	14,209,970	4,770,941
	Cash Flow from Operating Activities	(79,240,553)	(88,396,903)
	Net Cash Flow from Operating Activities(A)	(79,240,553)	(88,396,903)
B	Cash Flow from Investing Activities		
	Sale of Fixed assets		
	Purchase/ (Increase) of Fixed Assets	-	(116,085)
	Investment in Subsidiary / Joint Venture	-	-
	(Increase)/ Decrease in Non-Current Investments	-	-
	Net cash flow from investing activities(B)	-	(116,085)
C.	Cash Flows from Financing Activities		
	Interest Paid		-
	Increase/ (Decrease) in Long Term Loans	-	-
	Increase/ (Decrease) in share capital	-	-
	Increase/ (Decrease) in Reserves	-	-
	Increase / (Decrease) in Foreign Currency Fluctuation Reserve	73,752,646	85,868,279
	Dividend Paid (Inclusive of Dividend tax)	-	-
	Increase/ (Decrease) in long term provision	5,906,227	1,531,513
	(Increase)/ Decrease in Deferred tax Asset(Net)	189,015	352,921
	(Increase)/ Decrease in Long term loans and advances	788,163	(896,231)
	(Increase)/ Decrease in Non current Other Financial Assets	-	-
	(Increase)/ Decrease in Other Non - Current tax Assets(Net)	(567,119)	1,056,840
	(Increase)/ Decrease in Other Non - Current Assets	-	1,000,000
	Net cash flow from financing activities C	80,068,931	88,913,322
	Cash and cash equivalents at beginning of year	1,546,857	1,146,524
	Net change in cash (A+B+C)	828,376	400,334
	Cash and cash equivalents at period ended 31st March, 2020	2,375,233	1,546,857
Notes forming part of Standalone financial statements			
AS PER OUR REPORT OF EVEN DATE			
For PCN & Associates (Formerly Known as Chandra Babu Naidu & Co.,) CHARTERED ACCOUNTANTS FRN: 016016S		For and on behalf of the Board Brightcom Group Ltd	
K.GOPALA KRISHNA PARTNER M.No.203605	M.Suresh Kumar Reddy Chairman & Managing Director	Allam Raghunath Independent Director	
Place : Hyderabad Date : 25-06-20	Y.Srinivasa Rao Chief Financial Officer	Mollama Manohar Company Secretary	

Statement of Changes in Equity for the period ended 31st March 2020

A. Equity Share Capital

Balance as at 1st April 2019	Changes in equity share capital during the year	Balance as at 31st March 2020
952,502,998	-	952,502,998

B. Other Equity

	Reserves and Surplus				Total
	Capital Reserve	General reserve	Surplus in statement of P&L	Retained Earnings	Rupees
Balance at the beginning of the reporting period as at 1st April 2019	4,167,811,992	39,817,160		670,056,302	4,877,685,454
Changes in accounting policy or prior period errors					
Restated balance at the beginning of the reporting period	4,167,811,992	39,817,160	-	670,056,302	4,877,685,454
Total			(22,100,379)		(22,100,379)
Comprehensive Income for the year					
Dividends(Including Dividend tax)				-	-
Transfer to General Reserve		-			-
Transfer to retained earnings			22,100,379	(22,100,379)	-
Any other change (to be specified)					-
Balance at the end of the reporting period 31st March 2020	4,167,811,992	39,817,160	-	647,955,923	4,855,585,075

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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).

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 31st March 2020

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 31st March 2020

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.

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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.
- 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.

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

- 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.

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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 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.

l) 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

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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.

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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,

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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 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

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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

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.

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

Brightcom Group Limited

Notes forming part of Standalone financial statements for the year ended 31st March 2020

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.

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.

Brightcom Group Limited

Notes forming part of Standalone financial statements

NOTE NO 4 : PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS AS AT 31-03-2020

Amount in Rupees

Sl.	Particulars	Gross Block				Depreciation/Amortization					Net Block as on 31st Mar 2020	Net Block as on 31st March,2019
		As on April, 2019	1st Additions during the year	Sale / Deletions during the year	As on 31st Mar 2020	Dep. As on April, 2019	1st Depreciation/A mortization for the year	Sale / Deletions during the year	Adjustments to Reserves as per New Act	Total Depreciation		
	PROPERTY, PLANT AND EQUIPMENT				-							
1	Electrical Equipment	24,039,615			24,039,615	22,115,112	1,924,503			24,039,615	-	1,924,503
2	Office Equipment	54,577,235			54,577,235	51,740,027	356,617			52,096,644	2,480,591	2,837,208
3	Air conditioners	7,491,714			7,491,714	5,157,592	294,210			5,451,802	2,039,912	2,334,122
4	Computers	359,865,718			359,865,718	357,996,335	265,982			358,262,317	1,603,401	1,869,383
5	Furniture	103,227,814			103,227,814	95,274,622	5,526,351			100,800,973	2,426,841	7,953,192
6	Vehicles	1,078,482			1,078,482	1,051,484	26,999			1,078,483	(1)	26,998
		550,280,578	-	-	550,280,578	533,335,172	8,394,662	-	-	541,729,834	8,550,744	16,945,404
	INTANGIBLE FIXED ASSETS											
1	Computer Products / Rights	2,374,274			2,374,274	1,713,698	360,836			2,074,534	299,740	660,576
		2,374,274	-	-	2,374,274	1,713,698	360,836	-	-	2,074,534	299,740	660,576
	TOTAL	552,654,852	-	-	552,654,852	535,048,870	8,755,498	-	-	543,804,368	8,850,484	17,605,980

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 5 : INVESTMENT PROPERTY

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Land at cost		2,195,210		2,195,210
	Total Investment Property		2,195,210		2,195,210

NOTE NO. 6 : INVESTMENTS - NON CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
	Investments - Non- Current				
	(a) Investment in Equity Instruments at cost				
	(i) Subsidiaries (Unquoted)				
	Frontier Data Management Inc. USA		1,298,477,349		1,298,477,349
	International Expressions Inc. USA		1,045,363,208		1,045,363,208
	Online Media Solutions Limited , Israel		517,881,121		517,881,121
	Ybrant Media Acquisition Inc. USA		1,265,240,000		1,265,240,000
	Dream Ad Group		543,240,000		543,240,000
	Max Interactive Pty Ltd., Australia		417,490,000		417,490,000
	Dyomo Corporation .USA		467,300		467,300
	Ybrant Digital Services De Publicidade Ltda,Brasil		265,932		265,932
	Ybrant Digital (Brasil) Ltd., Singapore		45		45
	LGS Global FZE, UAE		243,650		243,650
	LIL Projects Private Limited		99,980		99,980
	Yreach Media Pvt.Ltd		99,000		99,000
	Total Investments Non- Current		5,088,867,585		5,088,867,585

NOTE NO. 7 : LOANS - NON CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
	Loans - Non- Current				
	Unsecured, Considered Good				
	(a) Security deposits		2,066,310		2,854,473
	Total Loans - Non- Current		2,066,310		2,854,473

NOTE NO. 8 : OTHER FINANCIAL ASSETS - NON CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
	Other financial assets - Non- Current				
	Unsecured Considered Good				
	Advances to related parties				
	- Ybrant Employees Welfare Trust		10,750,000		10,750,000
	- LGSL Foundation Trust		5,694,873		5,694,873
	Total Other financial assets - Non- Current		16,444,873		16,444,873

NOTE NO. 9 : DEFERRED TAX ASSETS (NET)

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
	Deferred tax assets (net)				
	Deferred tax liability		47,154,913		47,154,913
	Allam Raghunath				
	Acturail gain or loss of gratuity		189,015		-
	Deferred tax assets				
	Opening Deferred tax assets		14,309,762		25,419,300
	Mollama Manohar		173,227		124,612
	- Provision for gratuity and compensated absences		148,273		362,105
	Allowances for bad and doubtful debts		(3,239,316)		(11,596,255)
	Acturail gain or loss of gratuity				
	MAT Credit		56,288,350		56,288,350
	Deferred tax assets (net)		20,336,368		23,443,199

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 10 : NON- CURRENT TAX ASSETS (NET)

S.No.	Particulars	As at 2020	31st Mar	As at 2019	31st March
		Rupees		Rupees	
	Non- Current tax assets (net)				
I	-TDS Receivables		6,836,507		6,269,388
	Total Non- Current tax assets (net)		6,836,507		6,269,388

NOTE NO. 11 : TRADE RECEIVABLES

S.No.	Particulars	As at 2020	31st Mar	As at 2019	31st March
		Rupees		Rupees	
	Trade receivables				
	(i) Unsecured considered good		2,224,338,317		2,350,691,048
	Less: Allowances for bad and doubtful debts		63,931,718		74,314,141
I	<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>				
	Total Trade receivables		2,160,406,599		2,276,376,907

NOTE NO. 12 : CASH AND CASH EQUIVALENTS

S.No.	Particulars	As at 2020	31st Mar	As at 2019	31st March
		Rupees		Rupees	
	Cash and cash equivalents				
	Balances with banks				
I	(i) Current accounts		1,812,621		981,397
	(ii) Cheques, drafts on hand		-		-
	(iii) Cash on hand		5,953		8,801
	Total Cash and cash equivalents		1,818,574		990,198

NOTE NO. 13 : OTHER BANK BALANCES - CURRENT

S.No.	Particulars	As at 2020	31st Mar	As at 2019	31st March
		Rupees		Rupees	
	Other bank balances - Current				
	(i) Earmarked balances with Banks				
I	- Unpaid Dividend		262,659		262,659
	(ii) Balances with bank held as Margin Money		294,000		294,000
	Total Other bank balances - Current		556,659		556,659

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 14 : LOANS - CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Loans -Current				
	Unsecured Considered Good				
	(a) Loans to related parties				
	(b) Others				
	- Advances to Employees		2,248,206		2,199,073
	- Other Advances		1,053,131,989		1,183,036,365
	Total Loans - Current		1,055,380,195		1,185,235,438

NOTE NO. 15 : OTHER FINANCIAL ASSETS - CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Other financial asset-Current				
	(a) Security deposits				
	- Rental deposits		3,256,938		4,243,808
	Total Other Financial Assets - Current		3,256,938		4,243,808

NOTE NO. 16 : OTHER CURRENT ASSETS

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Other Current Assets				
	Others.		134,044,785		148,254,755
	Total Other Current Assets		134,044,785		148,254,755

Note No: 17 Equity share capital

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Equity share capital				
	(i) Authorized				
	(975,000,000 Equity Shares of Rs.2/- each)		1,950,000,000		1,950,000,000
	(ii) Issued, Subscribed and Paid Up				
	(476,251,499 Equity Shares of Rs.2/- each)		952,502,998		952,502,998
	(iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:				
	Number of Shares				
	Shares outstanding at the beginning of the year		476,251,499		476,251,499
	Add: Issued and allotted during the year		-		-
	Shares outstanding at the end of the year		476,251,499		476,251,499
(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					
M. Suresh Kumar Reddy					
Number of equity shares			75,084,653		75,084,653
% of holding			15.77%		15.77%
Vijay Kumar Kancharla (HUF)					
Number of equity shares			62,044,564		62,044,564
% of holding			13.03%		13.03%
Oak India Investments					
Number of equity shares			33,368,913		33,368,913
% of holding			7.01%		7.01%
Redmond Investments Ltd					
Number of equity shares			24,766,812		24,766,812
% of holding			5.20%		5.20%

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

Note No: 18 Other equity

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Other equity				
	(i) Reserves & Surplus				
	(a) Capital reserve		4,167,811,992		4,167,811,992
	(b) Retained earnings:				
	Opening balance		670,056,302		669,908,676
	Add: Total Other Comprehensive income for the year		(22,100,379)		147,626
	Less: Transfer to general reserve		-		-
	Less: Dividend		-		-
	Less: Dividend distribution tax		-		-
	Closing Balance		647,955,923		670,056,302
(c) Other reserves					
- General reserve					
Opening balance.		39,817,160		39,817,160	
Add: Additions during the year		-		-	
Closing Balance		39,817,160		39,817,160	
- Foreign currency translation reserve					
Total Reserves and Surplus		4,855,585,075		4,877,685,454	

NOTE NO. 19 : BORROWINGS - NON CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
	Borrowings - Non-Current				
	(i) From banks-Secured		-		-
	(ii) From other parties-Unsecured				
	Loans from Related parties				
I	Dream Ad, Panama		82,929,000		76,087,000
	Frontier Data Management Inc. USA		98,051,103		89,961,464
	International Expressions Inc. USA		79,288,869		72,747,196
	Online Media Solutions Limited , Israel		118,890,030		109,081,090
	Ybrant Media Acquisition Inc. USA		614,590,304		563,883,956
	Total Long term Borrowings Non-Current		993,749,306		911,760,706

NOTE NO. 20 : PROVISIONS - NON CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
	Provisions- Non Current				
	Provision for employee benefits		-		-
I	(a) Gratuity		4,856,181		4,972,807
	(b) Leave encashment		1,691,467		1,691,467
	Other Provisions		39,333,375		33,727,325
	Total provisions Non current		45,881,023		40,391,599

NOTE NO. 21 : BORROWINGS - CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
	Borrowings - Current-Secured				
	Cash Credits and Working Capital from Banks				
	(a) Axis Bank Ltd - Cash Credit Facility		360,205,069		360,205,069
	(b) Canara Bank - OD Facility		-		310,029,740
	<u>Notes:</u>				
	Note No 21(a): Working Capital of Rs 4500 lakhs and Bank Guarantee /LC of Rs 400 Lakhs, term loan of Rs 500 lakhs and Rs.200 Lakhs Loan Equivalent Risk(LER) from Axis Bank Ltd are secured by charge on current assets, Fixed Assets, Pledge of promoters shares,immovable property and personal Guarantee of Promoter Directors.				
	Note No 21(b):Working Capital of Rs 3500 lakhs and Bank Guarantee of Rs 1000 Lakhs and trem loan of 450 lakhs from Canara Bank are secured by charge on current assets, Fixed Assets, Pledge of promoters shares,immovable property and personal Guarantee of Promoter Directors.				
	Total Borrowings Current		360,205,069		670,234,809

Brightcom Group Limited

Notes forming part of Standalone Financial Statements

NOTE NO. 22 : TRADE PAYABLES - CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Trade payables		364,904,540		337,098,077
	Total Trade payables - Current		364,904,540		337,098,077

NOTE NO. 23 : OTHER FINANCIAL LIABILITIES - CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Other financial liabilities - Current				
	Interest accrued and due on borrowings		71,344,569		45,276,614
	Others		17,724,497		12,820,619
	Total Other financial liabilities - Current		89,069,066		58,097,233

NOTE NO. 24 : OTHER CURRENT LIABILITIES

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Other current liabilities				
	Unpaid dividend		104,667,389		104,667,389
	Other Current Liabilities To related parties		260,845,580		335,775,919
	LIL Projects Pvt Limited		391,140,983		407,449,402
	Yreach media Pvt Limited		7,323,643		6,919,267
	Total Other current liabilities		763,977,595		854,811,977

NOTE NO. 25 : PROVISIONS - CURRENT

S.No.	Particulars	As at	31st Mar	As at	31st March
		2020		2019	
		Rupees		Rupees	
I	Provisions - Current				
	(i) Provision for employee benefits Employee benefit payable		19,922,231		17,243,929
	(ii) Others				
	(a) Provisions for expenses		584,916		534,916
	(b) Other Provisions		54,679,268		52,976,778
	(c) Tax		-		-
	Total Provisions - Current		75,186,415		70,755,623

Brightcom Group Limited

NOTE NO. 26 : REVENUE FROM OPERATIONS

S.No.	Particulars	For the period 31st Mar, 2020	For the period 31st Mar 2019
		Rupees	Rupees
I	Sale of Services Domestic	-	-
	Sale of Services Exports	-	103,940,000
	Sale of Software Exports	4,665,875,360	4,481,755,061
	Total Revenue from Operations	4,665,875,360	4,585,695,061

NOTE NO. 27 : OTHER INCOME

S.No.	Particulars	For the period 31st Mar, 2020	For the period 31st Mar 2019
		Rupees	Rupees
I	Interest income	121,748,118	137,070
	Net gain/loss on foreign currency translation and transaction	15,321,543	(35,563,206)
	Other Income	-	16,972,536
	Total Other Income	137,069,661	(18,453,600)

NOTE NO. 28 : PURCHASE/COST OF REVENUE

S.No.	Particulars	For the period 31st Mar, 2020	For the period 31st Mar 2019
		Rupees	Rupees
I	Software Purchase & Sub Contractors Cost	3,566,539,924	3,514,417,093
	Total Purchase/Cost of Revenue	3,566,539,924	3,514,417,093

NOTE NO. 29 : EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	For the period 31st Mar, 2020	For the period 31st Mar 2019
		Rupees	Rupees
I	Salaries,wages and allowances	494,570,492	494,750,024
	Contribution to provident and other fund	644,136	784,073
	Staff Welfare Expenses	723,354	750,457
	Total Employee Benefit Expenses	495,937,982	496,284,554

NOTE NO. 30 : OTHER OPERATING EXPENSES

S.No.	Particulars	For the period	For the period
		31st Mar, 2020	31st Mar 2019
		Rupees	Rupees
	Power & Fuel	3,198,549	2,069,275
	Rent	48,179,366	46,279,024
	Repairs & Maintenance	7,934,955	6,115,338
	Insurance	7,211,514	5,999,145
I	Rates & Taxes (excluding Income Tax)	103,413	60,400
	Miscellaneous Expenses	1,564,025	1,571,031
	Payment to Auditors:	-	-
	(i) As Auditor fee	200,000	200,000
	(ii) For Tax Audit fee	100,000	100,000
	(iii) For Other Audit related Services	200,000	200,000
	Ins Fee	3,288,462	3,307,423
	Telephone, Postage and Others	18,703,299	18,213,788
	Business Promotion Expenses	71,196,142	81,232,597
	Travelling and Conveyance	23,282,891	23,859,162
	Office Maintenance	22,740,909	22,816,236
	Printing & Stationery Expenses	5,609,178	6,166,237
	Security Charges	1,323,406	1,326,137
	Consultancy Charges	24,823,881	25,005,247
	Event Sponsorship & Seminar Fee	16,081,383	16,610,216
	Web Development Expenses	57,227,267	66,621,406
	Professional Charges	14,519,136	14,757,077
	Sales and Marketing Expenses	83,565,918	102,164,686
	Books & Subscriptions	3,016,980	3,036,158
	Provision for Impairment of Debtors	(10,382,423)	(37,167,483)
	Bad Debts written off	254,840,391	
	Other Expenses	21,566,344	24,046,491
	Investments-written off	-	1,470,000
	Total Other Operating Expenses	680,094,987	436,059,591

NOTE NO. 31 : FINANCE COSTS

S.No.	Particulars	For the period	For the period
		31st Mar, 2020	31st Mar 2019
		Rupees	Rupees
	Interest on Working capital Loans	61,624,422	129,218,869
I	Interest on Unsecured Loan	1,268,316	2,184,948
	Loan processing Charges & Bank Charges	87,303	338,258
	Total Finance Costs	62,980,041	131,742,075

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

32. Auditor's Remuneration:

(Amount in Rs.)

Particulars	Year ended 31 st March,	
	2020	2019
Statutory Audit Fees	2,00,000	2,00,000
Tax Audit Fee	1,00,000	1,00,000
Other Audit related Services	2,00,000	2,00,000
Total	5,00,000	5,00,000

33. 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.**

34. Related Party Transactions:

During the financial year 2019-20 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	Allam Raghunath	Independent Director
5	Surabhi Sinha	Independent Director

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

S.No.	Particulars	Nature of Relationship
6	Yreach Media Private Limited, India	99% Owned Subsidiary
7	LIL Projects Private Limited, India	Wholly Owned Subsidiary
8	Frontier Data Management Inc, USA	Wholly Owned Subsidiary
9	International Expressions Inc, USA	Wholly Owned Subsidiary
10	Online Media Solutions Limited, Israel	Wholly Owned Subsidiary
11	Ybrant Media Acquisition Inc, USA	Wholly Owned Subsidiary
12	Dyomo Corporation, USA	Wholly Owned Subsidiary
13	Max Interactive Pty, Ltd., Australia	Wholly Owned Subsidiary
14	DreamAd, Argentina	Wholly Owned Subsidiary
15	DreamAd, Chile	Wholly Owned Subsidiary
16	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	Wholly Owned Subsidiary
17	DreamAd, Panama	Wholly Owned Subsidiary
18	DreamAd, Uruguay	Wholly Owned Subsidiary
19	Ybrant Digital Servicios De Publiciade Ltda, Brasil	Wholly Owned Subsidiary
20	Ybrant Digital (Brasil) Ltd., Singapore	Wholly Owned Subsidiary
21	LGS Global FZE, UAE	Wholly Owned Subsidiary
22	Ybrant Employees welfare Trust	Directors acting as Trustees

Brightcom Group Limited
Notes Forming part of Standalone Financial Statements

23	LGSL Foundation Trust	Directors acting as Trustees
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(b) Balances with related parties at the year end:

(i) Unsecured loans from Related Parties:

(Amount in Rs.)

Particulars	Year ended 31 st March	
	2020	2019
DreamAd, Panama	82,929,000	76,087,000
Frontier Data Management Inc, USA	98,051,103	89,961,464
International Expressions Inc, USA	79,288,869	72,747,196
Online Media Solutions Limited, Israel	118,890,030	109,081,090
Ybrant Media Acquisition Inc, USA	614,590,304	563,883,956
LIL Projects Pvt ltd	39,11,40,983	407,449,402
Yreach Media Pvt ltd	7,323,643	6,919,267

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

(ii) Investment in Subsidiaries and Joint Ventures:

Particulars	Year ended 31 st March	
	2020	2019
DreamAd Group	54,32,40,000	54,32,40,000
Frontier Data Management Inc., USA	1,29,84,77,349	1,29,84,77,349
International Expressions Inc., USA	1,04,53,63,208	1,04,53,63,208
Online Media Solutions Limited, Israel	51,78,81,121	51,78,81,121
Ybrant Media Acquisition Inc.,USA	1,26,52,40,000	1,26,52,40,000
Max Interactive Pty Ltd,Australia	41,74,90,000	41,74,90,000
Dyomo Corporation,USA	4,67,300	4,67,300
Ybrant Digital Servicos De Publicidade Ltda,Brasil	2,65,932	2,65,932
Ybrant Digital (Brasil) Ltd., Singapore	45	45
LGS Global FZE,UAE	2,43,650	2,43,650
Yreach Media Pvt Ltd.	99,000	99,000
LIL Projects private limited.	99,980	99,980

(iii) Unsecured loans to Related parties:

Particulars	year ended 31 st March	
	2020	2019
Ybrant Employees welfare Trust	1,07,50,000	1,07,50,000
LGSL Foundation Trust	5,694,873	5,694,873

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

35. 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. 1,48,09,241/-, and a lease liabilities of Rs. 1,44,25,481/- at a standalone level. The effect of this adoption is insignificant on the operating profit, net profit for the period and earnings per share

36. 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 st March,	
	2020	2019
Foreign Travelling	-	-
Total	NIL	NIL

37. Foreign Currency Inflows:

Foreign Exchange inflows as reported by the Company to Government of India and as certified by Management.

Particulars	(Amount in Rs.)	
	Year Ended 31 st March,	
	2020	2019
Sales & Services	1,68,84,000/-	NIL
Realization from Trade Receivables out of Opening Balance	NIL	NIL
Total	1,68,84,000/-	NIL

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

38. 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-20	31-Mar-19
Present Value of Obligation as at beginning	50,12,610	58,51,580
Current Service Cost	4,27,072	7,11,700
Interest Expense or Cost	3,83,465	4,51,742
Re-measurement (or Actuarial) (gain) / loss arising from: others	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	(6,05,818)	(11,31,109)
- experience variance (Actual v assumptions)	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(3,18,360)	(8,71,303)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	48,98,969	50,12,610

b) Bifurcation of Net Liability

Particulars	As on	
	31-Mar-20	31-Mar-19
Current Liability (Short term)	16,83,922	18,29,303

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

Non-Current Liability (Long term)	32,15,047	31,83,307
Total Liability	48,98,969	50,12,610

c) Changes in the Fair Value of Plan Assets

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Fair Value of Plan Assets as at the beginning	39,803	36,906
OB difference	-	-
Investment Income	3,045	2,849
Employer's Contribution	-	-
Expenses	-	-
Employee's Contribution	-	-
Benefits Paid	-	-
Return on plan assets , excluding amount recognised in net interest expense	(60)	48
Acquisition Adjustment	-	-
Fair Value of Plan Assets as at the end	42,788	39,803

d) Change in the Effect of Asset Ceiling

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Effect of Asset Ceiling at the beginning	-	-
Interest Expense or Cost (to the extent not recognised in net interest expense)	-	-
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Effect of Asset Ceiling at the end	-	-

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

e) Expenses Recognised in the Income Statement

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Current Service Cost	4,27,072	7,11,700
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Expected return on Asset	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	3,80,420	4,48,893
Actuarial Gain/Loss		-
Expenses Recognised in the Income Statement	8,07,492	11,60,593

f) Other Comprehensive Income

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Actuarial (gains) / losses	-	
- change in demographic assumptions	-	-
- change in financial assumptions	(6,05,818)	(11,31,109)
- experience variance (i.e. Actual experience vs assumptions)	-	
- others obd difference	-	
Return on plan assets, excluding amount recognized in net interest expense	60	(48)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	
Components of defined benefit costs recognised in other comprehensive income	(6,05,758)	(11,31,157)

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

g) Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-20	31-Mar-19
Government of India securities	-	-
State Government securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	100%	100%
Bank balance	-	-
Other Investments	-	-
Total	100%	100%

h) Actuarial Assumptions:

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As on	
	31-Mar-20	31-Mar-19
Discount rate (per annum)	6.80%	7.65%
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.

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

39. Earnings Per Share:

Particulars	(Amount in Rs.)	
	Year Ended 31 st March,	
	2020	2019
Profits Attributable to Equity Share Holders	(1,42,81,227)	(32,059,514)
Weighted Average No. of Shares Outstanding for the Year ended		
Basic	47,62,51,499	47,62,51,499
Diluted	47,62,51,499	47,62,51,499
Earnings per Share – Basic	(0.03)	(0.07)
Earnings per Share – Diluted	(0.03)	(0.07)

The EPS of Rs. (0.03) on a PAT(Loss) of Rs. (1,42,81,227/-) for the year ended 31 March 2020 for an Equity Capital i.e. Rs. 95,25,02,998 /- consisting of 47,62,51,499 Equity Shares of Rs.2/- each fully paid up and whereas the EPS of Rs.(0.07) on a PAT(Loss) of Rs. (32,059,514/-) for the year ended 31 March 2019.

40. 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, and on unrealized amount the rate prevailing at the reporting date. Accordingly gain/ (Loss) from Foreign Exchange fluctuation amount of Rs. 1,53,21,543/- (net) has been recognised in statement Profit and Loss for the Year.

41. 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.

42. Intra branch Transactions:

The Intra Branch transactions have been eliminated while preparing the financial statements.

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

43. 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].

44. Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2020.

45. 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.

46. Contingent Liabilities & Guarantees:

(Amount in Rs.)

Particulars	Name of the Bank / Party	Year ending 31st March, 2020
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	14,60,05,131
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	4,13,23,149
Disputed Income Tax Liability for the A.Y.2006-07 to A.Y. 2009-10.	CIT(Appeals) / ITAT	3,60,89,637
Disputed Income Tax Liability for the A.Y.2010-11 to A.Y. 2013-14.	CIT(Appeals)/ ITAT	23,77,62,757
Disputed Income Tax Liability for the A.Y.2014-2015 to A.Y. 2018-19.	CIT(Appeals)/ ITAT	49,20,03,002
Corporate Guarantee for Acquiring Lycos Inc (USD 4 Mn) *	Daum Global Holdings Corp, Republic of Korea	30,15,60,000

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

SE Investments Loan	SE Investments Mumbai (Principal loan amount was repaid. SE Investments has issued notice to pay the penalty & delay charges. Negotiations are in process to reduce and settle the account).	62,23,233
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* Assumption: 1 USD = Rs.75.39 (Closing rate as on 31st March 2020)

47. Dividend Payable is pending for various financial years amounting to Rs.10,46,67,389/-

48. Subsequent event

Dividend declared by the Company is based on the profit available for distribution. On 25th June, 2020, the Board of Directors of the Company have proposed a final dividend of paisa 5 per share in respect of the year ended March 31, 2020 subject to the approval of shareholders at the Annual General Meeting.

49. The client market segments we serve are faced with challenges and opportunities arising from the COVID-19 pandemic and its resulting impact on the company. We believe the investments we have made, and continue to make, in our strategy will enable us to tackle these market conditions, especially in the areas of digitization of processes, migration to cloud based technologies, workplace transformation, business model transformation, enhanced cyber security controls and cost structure optimization. Further, we have successfully enabled most of our employees worldwide to work remotely and securely – thus achieving the operational stability to deliver on client commitments and ensuring our own business continuity. At the group level, based on our assessment we believe that the forecasted transactions are not impacted by COVID-19 pandemic. The company has also considered the effect of changes, if any.

However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

Brightcom Group Limited

Notes Forming part of Standalone Financial Statements

50. The figures of previous year have been regrouped wherever necessary.

51. The figures have been rounded off to the nearest rupee.

As per our report of even date

For P C N & ASSOCIATES

(Formerly Known as Chandra Babu Naidu & Co.,)

CHARTERED ACCOUNTANTS

FRN: 016016S

For and on behalf of the Board of

BRIGHTCOM GROUP LIMITED

K.Gopala Krishna
PARTNER
Membership Number: 203605

M.Suresh Kumar Reddy
Chairman & Managing
Director

Allam Raghunath
Independent Director

PLACE: HYDERABAD
DATE: 25th June, 2020

Y.Srinivasa Rao
Chief Financial Officer

Mollama Manohar
Company Secretary

Independent Auditor's Report

To The Members of BRIGHTCOM GROUP LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of BRIGHTCOM GROUP LIMITED ("the Company"), its subsidiaries (the Company, its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, 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, 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, 2020, 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 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.

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.

Management's Responsibility for the Consolidated 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 consolidated 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 IndAS 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 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 upto 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 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.

Other Matters:

The Financial statements of the 14 subsidiaries which are not audited by us, whose Financial Statements reflect Group's share of total assets of Rs.3058.99 crores before the eliminations as at 31st March 2020, Group's share of total revenue of Rs. 2224.86 crores before the eliminations and Group's share of total net profit after tax of Rs.441.52 crores for the year then ended which are considered in preparation of the consolidated financial Statement. 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 year to date results, to the extent they have been derived from such financial statements is based solely on them.

Emphasis of Matter paragraphs:

1. The Company has defaulted in repayment of dues to Axis Bank and the loan account became Non Performing Asset.

2. With respect to Income Tax, TDS the company is not regular in depositing with appropriate authorities.
3. The Company has branch operations at USA having total asset of Rs. 328,81,20,495/- and total turnover of Rs. 401,03,20,016/- for the financial year 2019-2020.
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.
5. The company has written off current assets in its subsidiaries amounting to Rs. 868.30 crores which has been approved by the management of the company.

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 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) In our 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) 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) In our 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.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors of the company and its subsidiaries, none of the directors of the group companies is disqualified as on March 31, 2020 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” which is based on the Auditor’s reports of the Company and its subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for reasons stated therein.
- 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. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies.

For P C N & Associates.,
Chartered Accountants
FRN:016016S

K Gopala Krishna
Partner
M.No:203605

UDIN: [20203605AAAACW3677](#)

Place: Hyderabad
Date: 25-06-2020

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, 2020, we have audited the internal financial controls over financial reporting of BRIGHTCOM GROUP LIMITED (herein after referred to as “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 Company and 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.

Opinion

In our opinion ,to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

For P C N & Associates.,
Chartered Accountants
FRN: 016016S

K Gopala Krishna
Partner
M.No:203605

UDIN: **20203605AAAACW3677**

Place: Hyderabad
Date: 25-06-2020

Brightcom Group Limited
Consolidated Balance Sheet as at 31st March 2020

Particulars	Note	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	4	222,715,234	243,113,410
Capital work in Progress	4	1,357,820,039	1,477,838,147
Investment property	5	2,195,210	2,195,210
Other intangible assets	4	6,727,197,811	4,998,488,399
Intangible assets under development	4	1,318,937,951	1,368,317,482
Financial assets			
- Investments	6	2,511,464,733	2,254,582,790
- Loans	7	1,000,726,064	1,651,251,125
- Others financial assets	8	166,005,017	137,444,396
Deferred tax assets (net)	9	38,315,105	35,068,888
Non- Current tax assets (net)	10	6,836,507	6,269,388
Other non-current assets	11	307,419,850	298,277,651
Total Non-current assets		13,659,633,521	12,472,846,886
Current assets			
Financial assets			
- Trade receivables	12	9,747,115,394	8,897,768,596
- Cash and cash equivalents	13	1,189,426,542	1,025,790,311
- Other bank balances	14	556,659	556,659
- Loans	15	6,525,993,631	6,836,029,959
- Other Financial Assets	16	3,256,938	4,243,808
Other current assets	17	1,574,046,727	5,405,782,643
Total Current assets		19,040,395,891	22,170,171,976
Total assets		32,700,029,412	34,643,018,862
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	18	952,502,998	952,502,998
Other equity	19	27,312,110,615	29,085,062,077
Total Equity		28,264,613,613	30,037,565,075
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings		-	-
Provisions	20	99,802,061	89,777,608
Deferred tax liabilities (net)	21	29,095,268	29,272,085
Total Non-current liabilities		128,897,329	119,049,693
Current liabilities			
Financial liabilities			
- Borrowings	22	360,205,069	670,234,809
- Trade payables	23	1,015,404,455	844,113,457
- Others financial liabilities	24	89,069,066	58,097,233
Other current liabilities	25	2,277,556,988	2,198,564,918
Provisions	26	564,282,892	715,393,677
Total Current liabilities		4,306,518,470	4,486,404,094
Total equity and liabilities		32,700,029,412	34,643,018,862

Notes forming part of consolidated financial statements

AS PER OUR REPORT OF EVEN DATE

For P C N & ASSOCIATES
(Formerly Known as Chandra Babu Naidu & Co.,)
CHARTERED ACCOUNTANTS
FRN: 016016S

For and on behalf of the Board
Brightcom Group Limited

K.GOPALA KRISHNA
PARTNER
Membership Number: 203605

M.Suresh Kumar Reddy
Chairman & Managing Director

Allam Raghunath
Independent Director

Place : Hyderabad
Date : 25-06-2020

Y.Srinivasa Rao
Chief Financial Officer

Mollama Manohar
Company Secretary

Brightcom Group Limited

Statement of Consolidated Profit and Loss for the year ended 31st March 2020

Particulars	Note	Year Ending 31/03/2020	Year Ending 31/03/2019
		Rupees	Rupees
REVENUE			
I. Revenue from operations	27	26,923,183,759	25,802,409,484
II. Other income	28	141,467,665	(25,135,722)
III. Total revenue (I+II)		27,064,651,424	25,777,273,762
IV. EXPENSES			
Purchase / Cost of Revenue	29	15,112,609,171	14,543,037,135
Employee Benefit expenses	30	1,608,642,294	1,585,137,746
Other Operating Expenses	31	2,313,694,391	2,080,798,977
Financial costs	32	62,980,041	131,769,787
Depreciation and amortization expense	4	1,795,299,751	1,351,019,468
Total expenses (IV)		20,893,225,648	19,691,763,113
V. Profit/(loss) before tax (III-IV)		6,171,425,776	6,085,510,649
VI. Tax expense			
Current tax		1,775,577,108	1,640,262,179
Deferred tax		(5,198,637)	5,487,422
VII. Profit/(loss) for the period (V-VI)		4,401,047,305	4,439,761,048
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plan (net of tax)		(11,384,193)	(10,722,656)
Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		2,520,439,691	1,474,153,637
Asset impaired during the year		(8,683,054,265)	4,117,661,490
IX. Total comprehensive income for the period (VII+VIII)		(1,772,951,462)	1,785,530,539
Earnings per share			
(1) Basic (in Rs.)		9.24	9.32
(2) Diluted (in Rs.)		9.24	9.32

Notes forming part of consolidated financial statements

AS PER OUR REPORT OF EVEN DATE

For P C N & ASSOCIATES

(Formerly Known as Chandra Babu Naidu & Co.,)

CHARTERED ACCOUNTANTS

FRN: 016016S

For and on behalf of the Board

Brightcom Group Limited

K.GOPALA KRISHNA
PARTNER
Membership Number: 203605

M.Suresh Kumar Reddy
Chairman & Managing Director

Allam Raghunath
Independent Director

Place : Hyderabad
Date : 25-06-2020

Y.Srinivasa Rao
Chief Financial Officer

Mollama Manohar
Company Secretary

Brightcom Group Limited
Consolidated Cash flow Statement for the year ended 31st March,2020

	Particulars	Year ended	Year ended
		31 st March 2020	31 st March 2019
		Rupees	Rupees
A.	Cash Flow from Operating Activities		
	Profit Before Tax	6,171,425,776	6,085,510,649
	Adjustment for :		
	Add: Depreciation and amortisation expense	1,795,299,751	1,351,019,468
	Interest Expense/(Income)	(121,748,118)	-
	Allowance for doubtful trade receivables	1,545,672	(31,997,013)
	Bad Debts written off	254,840,391	
	Investment Write off		1,470,000
	Operating Profit before Working Capital Changes	8,101,363,472	7,406,003,104
	Adjustment for Working Capital Changes:		
	Increase/(Decrease) in Short term Borrowings	(193,008,089)	(12,866,574)
	Increase/(Decrease) in Trade Payables	171,290,998	71,989,663
	Increase/(Decrease) in other Current Liabilities	83,718,537	339,675,978
	Increase/(Decrease) in Others financial liabilities	30,971,833	(133,766,552)
	Increase/(Decrease) in Short-Term Provisions	(23,643,729)	6,967,910
	Decrease/(Increase) in Trade Receivables	(1,105,732,861)	(114,511,931)
	Decrease/(Increase) in Short-Term Loans and Advances	(3,059,114,457)	(879,117,854)
	(Increase)/Decrease in Other Financial Assets	986,870	24,136
	(Increase)/Decrease in other Current Assets	(1,213,235,179)	98,973,828
	Cash Flow from Operating Activities	2,793,597,395	6,783,371,709
	Less: Taxes paid	1,903,044,164	1,685,219,313
	Net Cash Flow from Operating Activities (A)	890,553,231	5,098,152,396
B	Cash Flow from Investing Activities		
	Assets Written off		266,834,754
	Purchase/(Increase) of Fixed Assets	(41,624,303)	(104,644,635)
	(Increase)/Decrease in Non-Current Investments		(1,189,372,652)
	(Increase)/Decrease in Intangibles under development	(1,318,937,951)	(1,368,317,482)
	(Increase)/Decrease in Capital Work in Progress	(1,357,820,039)	(1,477,838,147)
	Net cash Flow from investing activities (B)	(2,718,382,293)	(3,873,338,162)
C.	Cash Flows from Financing Activities		
	Increase / (Decrease) in Foreign Currency Fluctuation Reserve	1,647,726,692	1,474,153,637
	Increase/(Decrease) in Reserves		(2,440,620,391)
	Increase/(Decrease) in long term provision	(1,359,740)	(6,222,811)
	(Increase)/Decrease in Deffered tax Asset(Net)	1,952,420	2,229,067
	Increase/(Decrease) in Deffered tax Liabilities(Net)	(176,817)	217,737
	(Increase)/Decrease in Long term loans and advances	381,592,676	(99,304,094)
	(Increase)/Decrease in other financila assets	(28,560,621)	(7,224,635)
	(Increase)/Decrease in Non- Current tax assets (net)	(567,119)	1,056,840
	(Increase)/Decrease in Other Non - Current Assets	(9,142,199)	(16,809,552)
	Net cash Flow from financing activities (C)	1,991,465,292	(1,092,524,201)
	Cash and cash equivalents at beginning of year	1,026,346,970	894,056,936
	Net change in cash (A+B+C)	163,636,231	132,290,034
	Cash and cash equivalents at year ended 31st March, 2020	1,189,983,201	1,026,346,970

Notes forming part of consolidated financial statements

AS PER OUR REPORT OF EVEN DATE
For P C N & ASSOCIATES
(Formerly Known as Chandra Babu Naidu & Co.,)
CHARTERED ACCOUNTANTS
FRN: 0160165

For and on behalf of the Board
Brightcom Group Limited

K.GOPALA KRISHNA
PARTNER
Membership Number: 203605

M.Suresh Kumar Reddy
Chairman & Managing Director

Allam Raghunath
Independent Director

Place : Hyderabad
Date : 25-06-2020

Y.Srinivasa Rao
Chief Financial Officer

Mollama Manohar
Company Secretary

Statement of Changes in Equity for the period ended 31st March 2020

A. Equity Share Capital

Balance As at 1st April 2019	Changes in equity share capital during the year	Balance As at 31st March 2020
952,502,998	-	952,502,998

B. Other Equity

	Reserves and Surplus				Exchange differences on translating the financial statements of a foreign operation	Total Rupees
	Capital Reserve	General reserve	Surplus in statement of P&L	Retained Earnings		
Balance at the beginning of the reporting period As at 1st April 2019	4,167,811,992	39,817,160	-	23,705,584,559	1,171,848,365	29,085,062,077
Changes in accounting policy or prior period errors						-
Restated balance at the beginning of the reporting period	4,167,811,992	39,817,160	-	23,705,584,559	1,171,848,365	29,085,062,077
Total			(1,772,951,462)			(1,772,951,462)
Comprehensive Income for the year						
Dividends (Including Tax on Dividends)				-		-
Transfer to General Reserve						-
Transfer to retained earnings			1,772,951,462	(1,772,951,462)		-
Any other change (to be specified)						-
Balance at the end of the reporting period 31st March 2020	4,167,811,992	39,817,160	-	21,932,633,097	1,171,848,365	27,312,110,615

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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).

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/20	31/Mar/19
Ybrant Media Acquisition Inc	<i>Digital Marketing</i>	<i>USA</i>	<i>100</i>	<i>100</i>
Online Media Solutions Limited	<i>Digital Marketing</i>	<i>Israel</i>	<i>100</i>	<i>100</i>
International Expressions Inc	<i>Digital Marketing</i>	<i>USA</i>	<i>100</i>	<i>100</i>
Dream AD SA Panama	<i>Digital Marketing</i>	<i>Panama</i>	<i>100</i>	<i>100</i>
Ybrant Digital Servicos De Publicidade Ltd	<i>Digital Marketing</i>	<i>Brazil</i>	<i>100</i>	<i>100</i>
LGS Global FZE	<i>Digital Marketing</i>	<i>UAE</i>	<i>100</i>	<i>100</i>
Ybrant Digital (Brasil) Limited	<i>Digital Marketing</i>	<i>Singapore</i>	<i>100</i>	<i>100</i>
Frontier Data Management Inc	<i>Digital Marketing</i>	<i>USA</i>	<i>100</i>	<i>100</i>
Dream AD SA Argentina	<i>Digital Marketing</i>	<i>Argentina</i>	<i>100</i>	<i>100</i>

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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>100</i>	<i>100</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 fairvalues 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 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.

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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 31st March 2020

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

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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.

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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 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

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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.

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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.

Brightcom Group Limited

Notes forming part of Consolidated financial statements for the year ended 31st March 2020

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 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.

Brightcom Group Limited

Notes forming part of consolidated financial statements

NOTE NO 4 : PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS AS AT 31-03-2020

Amount in Rupees

Sl. No.	Particulars	Gross Block					Depreciation/ Amortisation					Net Block as on 31st March,2020	Net Block as on 31st March,2019
		As on 1st April, 2019	Additions during the year	Foreign currency transalaton reserve	Sale / Deletions during the year	As on 31st March, 2020	Dep. As on 1st April, 2019	Depreciation/Amortisation for the year	Foreign currency transalaton reserve	Sale / Deletions during the year	Total Depreciation		
I	PROPERTY, PLANT AND EQUIPMENT												
1	Electrical Equipment	25,989,085	-	-	-	25,989,085	22,302,394	1,956,963	-	-	24,259,357	1,729,728	3,686,691
2	Office Equipment	86,020,793	3,675,381	3,144,665	-	92,840,839	63,124,065	6,235,896	1,428,801	-	70,788,762	22,052,077	22,896,728
3	Air Conditioners	7,491,714	41,796	-	-	7,533,510	5,601,515	300,796	-	-	5,902,311	1,631,199	1,890,199
4	Computers	865,709,028	15,318,414	130,801,908	-	1,011,829,350	762,630,970	41,395,322	122,918,008	-	926,944,300	84,885,050	103,078,058
5	Furniture	151,846,024	8,319,778	5,199,181	-	165,364,983	106,529,757	10,880,314	1,350,124	-	118,760,195	46,604,788	45,316,267
6	Property & Equipment	275,436,654	14,268,934	26,179,551	-	315,885,139	209,218,199	20,722,402	20,132,146	-	250,072,747	65,812,392	66,218,455
7	Vehicles	1,078,482	-	-	-	1,078,482	1,051,477	27,005	-	-	1,078,482	-	27,005
	Total	1,413,571,780	41,624,303	165,325,305	-	1,620,521,388	1,170,458,377	81,518,698	145,829,079	-	1,397,806,154	222,715,234	243,113,403
II	Intangible Fixed Assets												
1	Intangible Assets	8,583,503,102	2,846,155,628	1,328,911,765	-	12,758,570,495	3,585,675,278	1,713,420,217	732,576,929	-	6,031,672,424	6,726,898,071	4,997,827,824
2	Computer Products / Rights	26,307,044	-	-	-	26,307,044	25,646,468	360,836	-	-	26,007,304	299,740	660,576
	Total	8,609,810,146	2,846,155,628	1,328,911,765	-	12,784,877,539	3,611,321,746	1,713,781,053	732,576,929	-	6,057,679,728	6,727,197,811	4,998,488,400
III	Good Will On Consolidation	-	-	-	-	-	-	-	-	-	-	-	-
IV	Capital Work In Progress	1,477,838,147	1,357,820,039	-	1,477,838,147	1,357,820,039	-	-	-	-	-	1,357,820,039	1,477,838,147
	Intangible Assets under development	1,368,317,482	1,318,937,951	-	1,368,317,482	1,318,937,951	-	-	-	-	-	1,318,937,951	1,368,317,482
	TOTAL	12,869,537,555	5,564,537,921	1,494,237,070	2,846,155,629	17,082,156,917	4,781,780,123	1,795,299,751	878,406,008	-	7,455,485,882	9,626,671,035	8,087,757,432

Brightcom Group Limited

Notes forming part of consolidated financial statements

NOTE NO. 5 : INVESTMENT PROPERTY

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Land at cost	2,195,210	2,195,210
	Total Investment Property	2,195,210	2,195,210

NOTE NO. 6 : INVESTMENTS - NON CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Investments - Non Current Investment in Equity Instruements at cost Equity Shares -Unquoted Affiliates	2,511,464,733	2,254,582,790
	Total Investments-Non - Current	2,511,464,733	2,254,582,790

NOTE NO. 7 : LOANS - NON CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Loans - Non- Current Unsecured, Considered Good (a) Security deposits (b)Other Advances	2,066,310 998,659,754	59,044,999 1,592,206,126
	Total Loans - Non current	1,000,726,064	1,651,251,125

NOTE NO. 8 : OTHER FINANCIAL ASSETS - NON CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Other financial assets - Non- Current		
	Unsecured, Considered Good		
	Advances other than Capital advances		
	(a) Other advances	149,560,144	120,999,523
	(b) Advances to related parties		
	- Ybrant Employees Welfare Trust	10,750,000	10,750,000
	- LGSL Foundation Trust	5,694,873	5,694,873
	Total Other financial assets - Non Current	166,005,017	137,444,396

NOTE NO. 9 : DEFERRED TAXES ASSET (NET)

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Deferred tax assets (net)		
	Deferred tax liability	47,154,913	47,154,913
	Allowances for bad and doubtful debts	-	
	Acturail gain or loss of gratuity	189,015	
	Deferred Tax Liability Net	47,343,928	47,154,913
	Deferred tax assets		
	Opening Deferred tax assets	25,935,451	33,651,940
	- Fixed Assets	203,508	1,200,282
	- Provision for gratuity and compensated absences	5,397,550	2,928,402
	Allowances for bad and doubtful debts	(3,239,316)	(11,596,255)
	Gratuity Expenses	27,832	-
	Foreign currency difference	1,045,658	431,847
	Lycos share of deferred tax	-	(680,765)
	MAT Credit	56,288,350	56,288,350
	Deferred Tax Asset Net	85,659,033	82,223,801
	Deferred Tax Asset(Net)	38,315,105	35,068,888

Brightcom Group Limited

Notes forming part of consolidated financial statements

NOTE NO. 10 : NON- CURRENT TAX ASSETS (NET)

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Non- Current tax assets (net) -TDS Receivables	6,836,507	6,269,388
	Total Non- Current tax assets (net)	6,836,507	6,269,388

NOTE NO. 11 : OTHER NON CURRENT ASSETS

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Other non-current assets Others	307,419,850	298,277,651
	Total Other Non Current Assets	307,419,850	298,277,651

NOTE NO. 12 : TRADE RECEIVABLES

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Trade receivables		
	(a)Unsecured Considered good	9,837,983,610	8,985,156,531
	Less: Allowances for bad and doubtful debts	90,868,216	87,387,935
	<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>		
	Total Trade Receivables	9,747,115,394	8,897,768,596

NOTE NO. 13 : CASH AND CASH EQUIVALENTS

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
	Cash and cash equivalents		
	Balances with banks		
	- Current Accounts	1,189,420,352	1,025,770,729
	- Cash on hand	6,190	19,582
	Total Cash and cash equivalents	1,189,426,542	1,025,790,311

NOTE NO. 14 : OTHER BANK BALANCES - CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Other bank balances - Current		
	(i) Earmarked balances with Banks - Unpaid Dividend	262,659	262,659
	(ii) Balances with bank held as Margin Money	294,000	294,000
	Total Other bank balances - Current	556,659	556,659

NOTE NO. 15 : LOANS - CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Loans -Current		
	Unsecured Considered Good		
	(a) Loans to related parties		
	(b) Others		
	Advances to Employees	2,248,206	3,009,134
	Other Advances	6,523,745,425	6,833,020,825
	Total Loans - Current	6,525,993,631	6,836,029,959

NOTE NO. 16 : OTHER FINANCIAL ASSETS - CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Other financial asset-Current (a) Security deposits - Rental deposits	3,256,938	4,243,808
	Total Other financial assets - Current	3,256,938	4,243,808

NOTE NO. 17 : OTHER CURRENT ASSETS

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Other Current Assets Other receivable Prepaid expenses	1,494,711,637 79,335,090	5,326,736,320 79,046,323
	Total Other Current Assets	1,574,046,727	5,405,782,643

Note No: 18 Equity share capital

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
	Equity share capital		
	(i) Authorized (975,000,000 Equity Shares of Rs.2/- each)	1,950,000,000	1,950,000,000
	(ii) Issued , Subscribed and Paid Up (476,251,499 Equity Shares of Rs.2/- each)	952,502,998	952,502,998
	(iii) Reconciliation of the shares outstanding at the beginning and		
	Number of Shares	476,251,499	476,251,499
	Shares outstanding at the beginning of the year	-	-
	Add: Issued and allotted during the year	476,251,499	476,251,499
	Shares outstanding at the end of the year	-	-
	(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		
	M. Suresh Kumar Reddy		
	Number of equity shares	75,084,653	75,084,653
	% of holding	15.77%	15.77%
	Vijay Kumar Kancharla (HUF)		
	Number of equity shares	62,044,564	62,044,564
	% of holding	13.03%	13.03%
	Oak India Investments		
	Number of equity shares	33,368,913	33,368,913
	% of holding	7.01%	7.01%
	Redmond Investments Ltd		
	Number of equity shares	24,766,812	24,766,812
	% of holding	5.20%	5.20%

Note No: 19 Other equity

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
	Other equity		
	(i) Reserves & Surplus		
	(a) Capital reserve	4,167,811,992	4,167,811,992
	(b) Retained earnings:		
	Opening balance	23,705,584,559	21,920,054,021
	Add: Total Other Comprehensive income for the period	(1,772,951,462)	1,785,530,539
	Less: Transfer to general reserve		
	Less: Dividend	-	-
	Less: Dividend distribution tax	-	-
	Closing Balance	21,932,633,097	23,705,584,559
	(c) Other reserves		
	- General reserve		
	Opening balance	39,817,160	39,817,160
	Add: Additions during the year		
	Closing Balance	39,817,160	39,817,160
	- Foreign currency translation reserve	1,171,848,365	1,171,848,365
	Total Reserve & Surplus	27,312,110,615	29,085,062,077

Brightcom Group Limited

Notes forming part of consolidated financial statements

NOTE NO. 20 : PROVISIONS - NON CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
	Provisions - Non current		
	Provision for employee benefits		
	(a) Gratuity	5,103,308	4,972,807
	(b) Leave encashment	1,691,467	1,691,467
	Accrued Severance Pay	53,673,911	49,245,582
	Other Provisions	39,333,375	33,867,752
	Total Provisions - Non Current	99,802,061	89,777,608

NOTE NO. 21 : DEFERRED TAX LIABILITIES (NET)

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
	DEFERRED TAX LIABILITIES (NET)		
	Opening Deferred tax liability	32,615,284	32,615,284
	ADD:		
	Deferred Tax Liability for the year (Due to SLM and WDV Difference)		
	Deferred Tax Liability due to others	-	-
	Gross Deferred tax liability	32,615,284	32,615,284
	Deferred tax assets		
	Opening Deferred tax	3,343,198	3,560,936
	ADD: During th year		
	Deferred Tax Asset for the year (Due to SLM and WDV Di	-	-
	Provision for Gratuity and Compensated Absences	2,809,063	1,620,526
	Foreign currency difference	(2,632,245)	(1,838,264)
	Gross Deferred tax Asset	3,520,016	3,343,198
	Deferred Tax Liability - Net	29,095,268	29,272,085

NOTE NO. 22 : BORROWINGS - CURRENT - SECURED

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
	Borrowings - Current-Secured		
	Cash Credits and Working Capital from Banks		
	(a) Axis Bank Ltd - Cash Credit Facility	360,205,069	360,205,069
	(b) Canara Bank - OD Facility	-	310,029,740
	Notes:		
	Note No 22(a): Working Capital of Rs 4500 lakhs and Bank Guarantee /LC of Rs 400 Lakhs, term loan of Rs 500 lakhs and Rs.200 Lakhs Loan Equivalent Risk(LER) from Axis Bank Ltd are secured by charge on current assets, Fixed Assets, Pledge of promoters shares,immovable property and personal Guarantee of Promoter Directors.		
	Note No 22(b)::Working Capital of Rs 3500 lakhs and Bank Guarantee of Rs 1000 Lakhs and trem loan of 450 lakhs from Canara Bank are secured by charge on current assets, Fixed Assets, Pledge of promoters shares,immovable property and personal Guarantee of Promoter Directors.		
	Total borrowings - current	360,205,069	670,234,809

NOTE NO. 23 : TRADE PAYABLES - CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
	Trade payables	1,015,404,455	844,113,457
	Total Trade Payables - Current	1,015,404,455	844,113,457

NOTE NO. 24 : OTHER FINANCIAL LIABILITIES - CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Other financial liabilities - Current		
	Current maturities of long term debt	-	-
	Interest accrued and due on borrowings	71,344,569	45,276,614
	Others	17,724,497	12,820,619
	Total Other financial liabilities - Current	89,069,066	58,097,233

NOTE NO. 25 : OTHER CURRENT LIABILITIES

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Other current liabilities		
	Unpaid dividend	104,667,390	104,667,390
	Other Current Liabilities	966,649,598	987,177,528
	Acquisition Payables -Lycos Inc	1,206,240,000	1,106,720,000
	Total Other current liabilities	2,277,556,988	2,198,564,918

NOTE NO. 26 : PROVISIONS - CURRENT

S.No.	Particulars	As at 31st March 2020	As at 31st March 2019
		Rupees	Rupees
I	Provisions - Current		
	(i) Provision for employee benefits		
	Employee benefit payable	23,279,618	22,985,524
	(ii) Others		
	(a) Provisions for expenses	618,556	22,860,103
	(b) Other Provisions	54,679,212	56,375,488
	(c)Tax	485,705,506	613,172,562
	Total Provisions - Current	564,282,892	715,393,677

Brightcom Group Limited

Notes forming part of consolidated financial statements

NOTE NO. 27 : REVENUE FROM OPERATIONS

S.No.	Particulars	Year Ending	Year Ending
		31/03/2020	31/03/2019
		Rupees	Rupees
I	(a)Sale of Services Domestic	1,008,959	-
	(b)Sale of Services Exports	22,256,299,440	21,320,654,423
	(c)Sale of Software Exports	4,665,875,360	4,481,755,061
	Total Revenue from Operations	26,923,183,759	25,802,409,484

NOTE NO. 28 : OTHER INCOME

S.No.	Particulars	Year Ending	Year Ending
		31/03/2020	31/03/2019
		Rupees	Rupees
I	(a)Interest income	121,758,639	155,064
	(b)Net gain/(loss) on foreign currency translation and transaction	4,387,483	(42,263,322)
	Other Income	15,321,543	16,972,536
	Total Other Income	141,467,665	(25,135,722)

NOTE NO. 29 : PURCHASE/COST OF REVENUE

S.No.	Particulars	Year Ending	Year Ending
		31/03/2020	31/03/2019
		Rupees	Rupees
I	(a)Media Cost	9,762,142,643	9,329,324,849
	(b)Internet,cloud and Infrastructure	1,427,785,806	1,411,263,679
	(c)Syndication Cost	353,176,283	288,031,514
	(d)Software Purchase & Sub Contractors Cost	3,569,504,439	3,514,417,093
	Total Purchase/Cost of Revenue	15,112,609,171	14,543,037,135

NOTE NO. 30 : EMPLOYEE BENEFIT EXPENSES

S.No.	Particulars	Year Ending	Year Ending
		31/03/2020	31/03/2019
		Rupees	Rupees
I	(a)Salaries,wages and allowances	1,605,622,442	1,561,925,753
	(b)Contribution to provident and other fund	1,859,839	22,227,949
	(c)Staff Welfare Expenses	1,160,013	984,044
	Total Employee Benefit Expenses	1,608,642,294	1,585,137,746

Brightcom Group Limited

Notes forming part of consolidated financial statements

NOTE NO. 31 : OTHER OPERATING EXPENSES

S.No.	Particulars	Year Ending	Year Ending
		31/03/2020	31/03/2019
		Rupees	Rupees
I	(a)Power & Fuel	23,055,927	21,436,749
	(b)Rent	319,854,245	311,854,970
	(c)Repairs & Maintenance	41,674,370	43,393,364
	(d)Insurance	38,867,218	37,124,114
	(e)Rates & Taxes (excluding Income Tax)	42,869,206	42,783,284
	(f)Miscellaneous Expenses	29,820,898	27,924,434
	(g)Payment to Auditors:		
	(i) As Auditor fee	8,928,563	5,709,733
	(ii) For Tax Audit fee	397,604	394,805
	(iii) For Other Audit related Services	1,137,436	3,336,106
	(h)Ins Fee	7,008,201	7,070,570
	(i)Telephone, Postage and Others	51,044,449	49,991,572
	(j)Business Promotion Expenses	702,636,131	741,104,662
	(k)Travelling and Conveyance	125,944,771	126,596,259
	(l)Office Maintenance	108,306,417	106,399,249
	(m)Printing & Stationery Expenses	14,046,896	14,195,653
	(n)Security Charges	2,496,441	2,512,541
	(o)Consultancy Charges	63,931,849	65,808,221
	(p)Event Sponsorship & Seminar Fee	18,254,732	18,631,478
	(q)Web Development Expenses	75,635,154	86,887,249
	(r)Professional Charges	72,519,005	72,593,674
	(s)Sales and Marketing Expenses	170,234,178	188,379,609
	(t)Books & Subscriptions	4,912,290	4,866,264
(u)Proivision for Impairment of Debtors	1,545,672	(31,997,013)	
(v)Bad debts written off	254,840,391	-	
(v)Other Expenses	133,732,347	132,331,430	
(w)Investments Write off	-	1,470,000	
	Total Other Operating Expenses	2,313,694,391	2,080,798,977

NOTE NO. 32 : FINANCE COSTS

S.No.	Particulars	Year Ending	Year Ending
		31/03/2020	31/03/2019
		Rupees	Rupees
I	(a) Interest on Working capital Loans	61,624,422	129,218,869
	(b)Interest on Unsecured Loan	1,268,316	2,184,948
	(c)Loan processing Charges & Bank Charges	87,303	365,970
	Total Finance Costs	62,980,041	131,769,787

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

33. Auditor's Remuneration:

Particulars	(Amount in Rs.)	
	Year ended 31 st March,	
	2020	2019
Statutory Audit Fees	89,28,563	57,09,733
Tax Audit Fee	3,97,604	3,94,805
Other Audit related Services	11,37,436	33,36,106
Total	1,04,63,603	94,40,644

34. 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.

35. Related Party Transactions:

During the financial year 2019-20 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

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

S.No.	Particulars	Nature of Relationship
4	Allam Raghunath	Independent Director
5	Surabhi Sinha	Independent Director
6	Yreach Media Private Limited, India	99% Owned Subsidiary
7	LIL Projects Private Limited, India	Wholly Owned Subsidiary
8	Frontier Data Management Inc, USA	Wholly Owned Subsidiary
9	International Expressions Inc, USA	Wholly Owned Subsidiary
10	Online Media Solutions Limited, Israel	Wholly Owned Subsidiary
11	Ybrant Media Acquisition Inc, USA	Wholly Owned Subsidiary
12	Dyomo Corporation, USA	Wholly Owned Subsidiary
13	Max Interactive Pty, Ltd., Australia	Wholly Owned Subsidiary
14	DreamAd, Argentina	Wholly Owned Subsidiary
15	DreamAd, Chile	Wholly Owned Subsidiary
16	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	Wholly Owned Subsidiary
17	DreamAd, Panama	Wholly Owned Subsidiary
18	DreamAd, Uruguay	Wholly Owned Subsidiary
19	Ybrant Digital Servicios De Publiciade Ltda, Brasil	Wholly Owned Subsidiary
20	Ybrant Digital (Brasil) Ltd., Singapore	Wholly Owned Subsidiary

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

21	LGS Global FZE, UAE	Wholly Owned Subsidiary
22	Ybrant Employees welfare Trust	Directors acting as Trustees
23	LGSL Foundation Trust	Directors acting as Trustees

B) Balances with related parties at the yearend:

(i) Unsecured loans from Related Parties: (Amount in Rs.)

Particulars	Year ended 31 st March	
	2020	2019
DreamAd, Panama	82,929,000	76,087,000
Frontier Data Management Inc, USA	98,051,103	89,961,464
International Expressions Inc, USA	79,288,869	72,747,196
Online Media Solutions Limited, Israel	118,890,030	109,081,090
Ybrant Media Acquisition Inc, USA	614,590,304	563,883,956
LIL Projects Pvt ltd	39,11,40,983	407,449,402
Yreach Media Pvt ltd	7,323,643	6,919,267

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

(ii) Investment in Subsidiaries and Joint Ventures:

Particulars	Year ended 31 st March	
	2020	2019
DreamAd Group	54,32,40,000	54,32,40,000
Frontier Data Management Inc., USA	1,29,84,77,349	1,29,84,77,349
International Expressions Inc., USA	1,04,53,63,208	1,04,53,63,208
Online Media Solutions Limited, Israel	51,78,81,121	51,78,81,121
Ybrant Media Acquisition Inc.,USA	1,26,52,40,000	1,26,52,40,000
Max Interactive Pty Ltd,Australia	41,74,90,000	41,74,90,000
Dyomo Corporation,USA	4,67,300	4,67,300
Ybrant Digital Servicos De Publiciade Ltda,Brasil	2,65,932	2,65,932
Ybrant Digital (Brasil) Ltd., Singapore	45	45
LGS Global FZE,UAE	2,43,650	2,43,650
Yreach Media Pvt Ltd.	99,000	99,000
LIL Projects private limited.	99,980	99,980

(iii) Unsecured loans to Related parties:

Particulars	year ended 31 st March	
	2020	2019
Ybrant Employees welfare Trust	1,07,50,000	1,07,50,000
LGSL Foundation Trust	5,694,873	5,694,873

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

36. Lease:

The Group's lease asset classes primarily consist of leases for land and buildings. Effective April 1, 2019, the Group 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 right-of-use (ROU) asset of Rs. 1,48,09,241/-, and a lease liabilities of Rs 1,44,25,481/- at a consolidated level. The effect of this adoption is insignificant on the operating profit, net profit for the period and earnings per share

37. 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 st March,	
	2020	2019
Foreign Travelling	NIL	NIL
Total	NIL	NIL

38. Foreign Currency Inflows:

Foreign Exchange inflows as reported by the Company to Government of India and as certified by Management.

Particulars	(Amount in Rs.) Year Ended 31 st March,	
	2020	2019
Sales & Services	1,68,84,000/-	NIL
Realization from Trade Receivables out of Opening Balance	NIL	NIL
Total	1,68,84,000/-	NIL

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

39. Employee Benefits:

(i). 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-20	31-Mar-19
Present Value of Obligation as at beginning	50,12,610	58,51,580
Current Service Cost	4,27,072	7,11,700
Interest Expense or Cost	3,83,465	4,51,742
Re-measurement (or Actuarial) (gain) / loss arising from: others	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	(6,05,818)	(11,31,109)
- experience variance (Actual v assumptions)	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(3,18,360)	(8,71,303)
Acquisition Adjustment	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	48,98,969	50,12,610

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

b) Bifurcation of Net Liability

Particulars	As on	
	31-Mar-20	31-Mar-19
Current Liability (Short term)	16,83,922	18,29,303
Non-Current Liability (Long term)	32,15,047	31,83,307
Total Liability	48,98,969	50,12,610

c) Changes in the Fair Value of Plan Assets

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Fair Value of Plan Assets as at the beginning	39,803	36,906
OB difference	-	-
Investment Income	3,045	2,849
Employer's Contribution	-	-
Expenses	-	-
Employee's Contribution	-	-
Benefits Paid	-	-
Return on plan assets , excluding amount recognised in net interest expense	(60)	48
Acquisition Adjustment	-	-
Fair Value of Plan Assets as at the end	42,788	39,803

d) Change in the Effect of Asset Ceiling

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Effect of Asset Ceiling at the beginning	-	-
Interest Expense or Cost (to the extent not recognised in net interest expense)	-	-
Re-measurement (or Actuarial)	-	-

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

(gain)/loss arising because of change in effect of asset ceiling		
Effect of Asset Ceiling at the end	-	-

e) Expenses Recognised in the Income Statement

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Current Service Cost	4,27,072	7,11,700
Past Service Cost	-	-
Loss / (Gain) on settlement	-	-
Expected return on Asset	-	-
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	3,80,420	4,48,893
Actuarial Gain/Loss		-
Expenses Recognised in the Income Statement	8,07,492	11,60,593

f) Other Comprehensive Income

Particulars	For the period ending	
	31-Mar-20	31-Mar-19
Actuarial (gains) / losses	-	
- change in demographic assumptions	-	-
- change in financial assumptions	(6,05,818)	(11,31,109)
- experience variance (i.e. Actual experience vs assumptions)	-	
- others obd difference	-	
Return on plan assets, excluding amount recognized in net interest expense	60	(48)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

Components of defined benefit costs recognised in other comprehensive income	(6,05,758)	(11,31,157)
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g) Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-Mar-20	31-Mar-19
Government of India securities	-	-
State Government securities	-	-
High quality corporate bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	100%	100%
Bank balance	-	-
Other Investments	-	-
Total	100%	100%

h) Actuarial Assumptions:

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As on	
	31-Mar-20	31-Mar-19
Discount rate (per annum)	6.80%	7.65%
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.

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

40. Earnings Per Share:

Particulars	(Amount in Rs.)	
	Year Ended 31 st March	Year Ended 31 st March,
	2020	2019
Profits Attributable to Equity Share Holders	4,40,10,47,305	4,43,97,61,048
Weighted Average No. of Shares Outstanding for the Year ended		
Basic	47,62,51,499	47,62,51,499
Diluted	47,62,51,499	47,62,51,499
Earnings per Share - Basic	9.24	9.32
Earnings per Share - Diluted	9.24	9.32

The EPS of Rs.9.24 on a PAT of Rs. 4,40,10,47,305/- for the year ended 31 March 2020 for an Equity Capital i.e. Rs.95,25,02,998 /- consisting of 47,62,51,499 Equity Shares of Rs.2/- each fully paid up and whereas the EPS of Rs. 9.32 on a PAT of Rs. 4,43,97,61,048/- for the year ended 31 March 2019.

41. 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, and on unrealized amount the rate prevailing at the reporting date. Accordingly gain/ (Loss) from Foreign Exchange fluctuation amount of Rs. Rs. 43,87,483/- (net) has been recognised in statement Profit and Loss for the Year.

42. 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.

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

43. Intra branch Transactions:

The Intra Branch transactions have been eliminated while preparing the financial statements.

44. 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].

45. Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2020.

46. 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.

47. Contingent Liabilities & Guarantees:

(Amount in Rs.)

Particulars	Name of the Bank / Party	Year ending 31st March, 2020
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	14,60,05,131
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Hyderabad.	4,13,23,149
Disputed Income Tax Liability for the A.Y.2006-07 to A.Y. 2009-10.	CIT(Appeals) / ITAT	3,60,89,637

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

Disputed Income Tax Liability for the A.Y.2010-11 to A.Y. 2013-14.	CIT(Appeals)/ ITAT	23,77,62,757
Disputed Income Tax Liability for the A.Y.2014-2015 to A.Y. 2018-19.	CIT(Appeals)/ ITAT	49,20,03,002
Corporate Guarantee for Acquiring Lycos Inc (USD 4 Mn) *	Daum Global Holdings Corp, Republic of Korea	30,15,60,000
SE Investments Loan	SE Investments Mumbai (Principal loan amount was repaid. SE Investments has issued notice to pay the penalty & delay charges. Negotiations are in process to reduce and settle the account).	62,23,233

* Assumption: 1 USD = Rs.75.39 (Closing rate as on 31st March 2020)

48. Dividend Payable is pending for various financial years amounting to Rs.10,46,67,389/-

49. The client market segments we serve are faced with challenges and opportunities arising from the COVID-19 pandemic and its resulting impact on the company. We believe the investments we have made, and continue to make, in our strategy will enable us to tackle these market conditions, especially in the areas of digitization of processes, migration to cloud based technologies, workplace transformation, business model transformation, enhanced cyber security controls and cost structure optimization. Further, we have successfully enabled most of our employees worldwide to work remotely and securely – thus achieving the operational stability to deliver on client commitments and ensuring our own business continuity. At the group level, based on our assessment we believe that the forecasted transactions are not impacted by COVID-19 pandemic. The Group has also considered the effect of changes, if any. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

50. Subsequent event

Dividend declared by the Company is based on the profit available for distribution. On 25th June, 2020, the Board of Directors of the Company have proposed a final dividend

Brightcom Group Limited

Notes Forming part of Consolidated Financial Statements

of paisa 5 per share in respect of the year ended March 31, 2020 subject to the approval of shareholders at the Annual General Meeting.

51. The figures of previous year have been regrouped wherever necessary.

52. The figures have been rounded off to the nearest rupee.

53. 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 C N & ASSOCIATES
(Formerly Known as Chandra Babu Naidu & Co.,)
CHARTERED ACCOUNTANTS
FRN: 016016S**

**For and on behalf of the Board of
BRIGHTCOM GROUP LIMITED**

**K. Gopala Krishna
PARTNER
Membership Number: 203605**

**M.Suresh Kumar Reddy
Chairman & Managing
Director**

**Allam Raghunath
Independent Director**

**PLACE: HYDERABAD
DATE: 25th June, 2020**

**Y. Srinivasa Rao
Chief Financial Officer**

**Mollama Manohar
Company Secretary**

BRIGHTCOM GROUP LIMITED (NSE&BSE - BCG)			
REPORTING OF SEGMENT WISE REVENUE, RESULTS , SEGMENT ASSETS & SEGMENT LIABILITIES(CONSOLIDATED)			
All amounts in Indian Rupees Lakhs			
Sl.No.	Particulars	Year Ended	
		31-Mar-2020 (audited)	31-Mar-2019 (audited)
1	Segment Revenue		
	(a) Digital Marketing Segment	223,385.83	213,206.54
	(b) Software Development Segment	45,846.01	44,817.55
	Total Sales/ Income from Operations	269,231.84	258,024.09
	Less: Inter Segment Revenue		
	Net Sales/ Income from Operations	269,231.84	258,024.09
2	Segment Results - Profit (+) / Loss (-) before tax and interest		
	(a) Digital Marketing Segment	61,908.16	61,294.67
	(b) Software Development Segment	435.91	878.13
	Total	62,344.07	62,172.80
	Less: Interest	629.80	1,317.70
	Total Profit (+) / Loss (-) before tax	61,714.27	60,855.10
3	Segment Assets		
	(a) Digital Marketing Segment	297,013.95	312,593.93
	(b) Software Development Segment	29,986.34	33,836.25
	Total segment assets	327,000.29	346,430.18
	Segment liabilities		
	(a) Digital Marketing Segment	27,760.64	29,821.51
	(b) Software Development Segment	16,593.51	16,233.02
	Total segment liabilities	44,354.15	46,054.53

Annexure 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 total comprehensive income		% 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	Amount		
Parent	20.55%	5,808,088,074	-0.32%	(14,281,227)	0.13%	(7,819,151)	1.25%	(22,100,379)		India
Parent Subsidiaries										
Indian										
Yreach Media Pvt Ltd	0.00%	70,114	0.00%	40,505	0.00%	-	0.00%	40,505	100%	India
LIL Projects PVT LTD	0.00%	243,688	0.00%	54,373	0.00%	(3,379)	0.00%	50,994	100%	India
Foreign										
Dream Ad-Argentina	5.69%	1,607,755,076	9.66%	425,093,611	10.57%	(652,677,448)	12.84%	(227,583,838)	100%	Argentina
Dream Ad-Chile	2.94%	831,580,425	4.48%	197,009,204	8.95%	(552,827,198)	20.07%	(355,817,994)	100%	Chile
Dream Ad- Mexico	1.27%	359,733,508	2.59%	114,021,597	5.32%	(328,362,417)	12.09%	(214,340,820)	100%	Mexico
Dream Ad-Panama	1.93%	546,259,906	3.61%	158,843,406	6.48%	(399,964,670)	13.60%	(241,121,264)	100%	Panama
Dream Ad-Uruguay	0.18%	50,564,053	0.12%	5,079,707	-0.06%	3,943,715	-0.51%	9,023,421	100%	Uruguay
Dvomo Corporation, USA	9.90%	2,799,498,958	9.69%	426,425,091	5.69%	(351,316,071)	-4.24%	75,109,020	100%	USA
Frontier Data Management Inc. USA	23.71%	6,700,598,053	14.78%	650,620,520	12.87%	(794,785,801)	8.13%	(144,165,281)	100%	USA
International Expressions Inc. USA	13.38%	3,782,139,721	3.80%	167,443,815	6.24%	(385,198,176)	12.28%	(217,754,362)	100%	USA
Max Interactive Pty Ltd., Australia	1.82%	514,273,086	3.80%	167,412,645	8.52%	(526,001,789)	20.23%	(358,589,144)	100%	Australia
Online Media Solutions Limited , Israel	38.57%	10,900,464,730	43.74%	1,924,818,877	18.13%	(1,119,580,479)	-45.42%	805,238,401	100%	Israel
Ybrant Digital Services De Publicidade	1.74%	493,007,099	4.06%	178,465,181	15.77%	(973,515,697)	44.84%	(795,050,516)	100%	Brazil
Ybrant Digital (Brasil) Ltd., Singapore	0.00%	45	0.00%	-	0.00%	-	0.00%	-	100%	Singapore
Ybrant Media Acquisition Inc. USA	-3.68%	(1,041,038,992)	0.00%	-	1.39%	(85,890,206)	4.84%	(85,890,205)	100%	USA
LGS Global FZE, UAE	0.00%	243,650	0.00%	-	0.00%	-	0.00%	-	100%	Dubai
Joint Ventures(investment as per the										
Indian										
Total	118.00%	33,353,481,194	100.00%	4,401,047,305	100.00%	(6,173,998,767)	100.00%	(1,772,951,462)		
Less:										
Adjustments arising on account of	18.00%	5,088,867,585	0.00%		0.00%		0.00%			
Total	100.00%	28,264,613,609	100.00%	4,401,047,305	100.00%	(6,173,998,767)	100.00%	(1,772,951,462)		

refer note (a)

refer note (b)

a) Other comprehensive income is the net amount of impairment of assets reduced by the Foreign exchange fluctuation gain in each company.

a) Total Comprehensive income is the difference of net amount of PAT earned by each company and the net amount of impairment of assets reduced by the Foreign exchange fluctuation gain in each company.

Dream Ad-Argentina

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	8,558,897	170,157
b)	Reserves and Surplus	1,599,196,179	21,155,682
c)	Total Assets	1,734,498,333	23,007,008
d)	Total Liabilities	1,734,498,333	23,007,008
e)	Details of Investments	NIL	NIL
f)	Turnover	2,178,195,604	30,730,751
g)	Profit before tax	633,226,600	8,933,784
h)	Provision for tax	208,132,989	2,760,751
i)	Profit After Tax	425,093,611	6,173,033
	Other comprehensive income	(652,677,448)	(11,380,936)
	Total comprehensive income for the period	(227,583,837)	(5,207,903)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Dream Ad-Chile

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	142,349	2,830
b)	Reserves and Surplus	831,438,076	11,027,551
c)	Total Assets	891,512,116	11,825,336
d)	Total Liabilities	891,512,116	11,825,336
e)	Details of Investments	NIL	NIL
f)	Turnover	910,223,918	12,841,760
g)	Profit before tax	276,130,949	3,895,753
h)	Provision for tax	79,121,746	1,049,499
i)	Profit After Tax	197,009,204	2,846,254
	Other comprehensive income	(552,827,198)	(8,982,251)
	Total comprehensive income for the period	(355,817,994)	(6,135,998)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Get Media, Mexico Sociedad Anonima de Capital Variable, Mexico

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	1,517,652	30,172
b)	Reserves and Surplus	358,215,856	4,741,462
c)	Total Assets	401,639,884	5,327,495
d)	Total Liabilities	401,639,884	5,327,495
e)	Details of Investments	NIL	NIL
f)	Turnover	469,978,600	6,630,624
g)	Profit before tax	167,059,017	2,356,927
h)	Provision for tax	53,037,420	703,507
i)	Profit After Tax	114,021,597	1,653,420
	Other comprehensive income	(328,362,418)	(5,181,256)
	Total comprehensive income for the period	(214,340,820)	(3,527,836)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Dyomo Corporation, USA

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	467,300	10,000
b)	Reserves and Surplus	2,799,031,658	37,123,557
c)	Total Assets	2,931,552,021	38,885,157
d)	Total Liabilities	2,931,552,021	38,885,157
e)	Details of Investments	292,686,597	3,882,300
f)	Turnover	1,971,646,421	27,816,682
g)	Profit before tax	622,251,068	8,778,937
h)	Provision for tax	195,825,977	2,597,506
i)	Profit After Tax	426,425,091	6,181,431
	Other comprehensive income for the period	(351,316,071)	(8,434,746)
	Total comprehensive income for the period	75,109,020	(2,253,315)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Dream Ad-Panama

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	12,575,000	250,000
b)	Reserves and Surplus	533,684,906	6,995,787
c)	Total Assets	593,726,186	7,875,397
d)	Total Liabilities	593,726,186	7,875,397
e)	Details of Investments	NIL	NIL
f)	Turnover	604,209,327	8,524,398
g)	Profit before tax	215,884,517	3,045,775
h)	Provision for tax	57,041,111	756,614
i)	Profit After Tax	158,843,406	2,289,161
	Other comprehensive income for the period	(399,964,670)	(6,426,650)
	Total comprehensive income for the period	(241,121,264)	(4,137,489)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Dream Ad.-Uruguay

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	1,674,437	33,289
b)	Reserves and Surplus	48,889,616	637,411
c)	Total Assets	68,913,248	914,090
d)	Total Liabilities	68,913,248	914,090
e)	Details of Investments		
f)	Turnover	220,396,963	3,109,438
g)	Profit before tax	6,817,297	96,181
h)	Provision for tax	1,737,591	23,048
i)	Profit After Tax	5,079,707	73,133
	Other comprehensive income for the period	3,943,715	(2,992)
	Total comprehensive income for the period	9,023,421	70,141
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Frontier Data Management Inc., USA

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	1,298,071,206	28,919,389
b)	Reserves and Surplus	5,402,526,848	59,959,747
c)	Total Assets	6,872,772,974	91,162,925
d)	Total Liabilities	6,872,772,974	91,162,925
e)	Details of Investments	757,616,727	10,049,300
f)	Turnover	2,979,363,554	42,033,910
g)	Profit before tax	949,500,685	13,395,890
h)	Provision for tax	298,880,165	3,964,454
i)	Profit After Tax	650,620,520	9,431,436
	Other comprehensive income for the period	(794,785,801)	(19,507,966)
	Total comprehensive income for the period	(144,165,280)	(10,076,530)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

International Expressions Inc. USA

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	1,064,818,187	20,187,000
b)	Reserves and Surplus	2,717,321,534	29,980,657
c)	Total Assets	3,837,707,170	50,904,724
d)	Total Liabilities	3,837,707,170	50,904,724
e)	Details of Investments	594,815,792	7,889,850
f)	Turnover	1,155,061,211	16,296,010
g)	Profit before tax	242,732,481	3,424,555
h)	Provision for tax	75,288,667	998,656
i)	Profit After Tax	167,443,815	2,425,899
	Other comprehensive income for the period	(385,198,176)	(10,085,249)
	Total comprehensive income for the period	(217,754,362)	(7,659,350)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Max Interactive Pty Ltd., Australia

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	139	2
b)	Reserves and Surplus	514,272,947	6,821,500
c)	Total Assets	566,590,036	7,515,453
d)	Total Liabilities	566,590,036	7,515,453
e)	Details of Investments		
f)	Turnover	828,688,902	11,691,435
g)	Profit before tax	245,472,645	3,463,215
h)	Provision for tax	78,060,000	1,035,416
i)	Profit After Tax	167,412,645	2,427,799
	Other comprehensive income for the period	(526,001,789)	(8,225,384)
	Total comprehensive income for the period	(358,589,144)	(5,797,585)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Ybrant Media Acquisition Inc USA

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	1,219,040,000	27,000,000
b)	Reserves and Surplus	(2,260,078,992)	(40,808,715)
c)	Total Assets	614,590,308	8,152,146
d)	Total Liabilities	614,590,308	8,152,146
e)	Details of Investments		
f)	Turnover		
g)	Profit before tax		
h)	Provision for tax		
i)	Profit After Tax		
	Other comprehensive income for the period	(85,890,205)	-
	Total comprehensive income for the period	(85,890,205)	
j)	Proposed Dividend	NIL	NIL

Online Media Solutions Ltd, Israel

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	287,496,660	6,369,000
b)	Reserves and Surplus	10,612,968,070	138,218,674
c)	Total Assets	11,532,396,818	152,969,848
d)	Total Liabilities	11,532,396,818	152,969,848
e)	Details of Investments	866,345,617	11,491,519
f)	Turnover	10,208,319,904	144,022,572
g)	Profit before tax	2,544,476,889	35,898,376
h)	Provision for tax	619,658,011	8,219,366
i)	Profit After Tax	1,924,818,878	27,679,010
	Other comprehensive income for the period	(1,119,580,479)	(29,757,544)
	Total comprehensive income for the period	805,238,399	(2,078,534)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Ybrant Digital Servicos De Publicidade Ltda, Brasil

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	293,925	6,426
b)	Reserves and Surplus	492,713,173	6,532,998
c)	Total Assets	543,783,545	7,212,942
d)	Total Liabilities	543,783,545	7,212,942
e)	Details of Investments		
f)	Turnover	722,566,260	10,194,219
g)	Profit before tax	279,188,543	3,938,890
h)	Provision for tax	100,723,362	1,336,031
i)	Profit After Tax	178,465,181	2,602,859
	Other comprehensive income for the period	(973,515,697)	(14,685,058)
	Total comprehensive income for the period	(795,050,516)	(12,082,198)
j)	Proposed Dividend	NIL	NIL
k)	% of Share Holding	100%	

Ybrant Digital (Brasil) Limited, Singapore

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	45	1
b)	Reserves and Surplus	-	-
c)	Total Assets	45	1
d)	Total Liabilities	45	1
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%	

LGS Global FZE, UAE

S.No	Description	Amount In	
		INR	USD
a)	Share Capital	243,650	5,000
b)	Reserves and Surplus	-	-
c)	Total Assets	243,650	5,000
d)	Total Liabilities	243,650	5,000
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%	

LIL projects PVT LTD, Hyderabad, India

S.No	Description	Amount In
		INR
a)	Share Capital	100,000
b)	Reserves and Surplus	143,688
c)	Total Assets	566,962,943
d)	Total Liabilities	566,962,943
e)	Details of Investments	
f)	Turnover	14,309,891
g)	Profit before tax	32,964
h)	Provision for tax	(21,409)
i)	Profit After Tax	54,373
	Other comprehensive income for the period	(3,379)
	Total comprehensive income for the period	50,994
j)	Proposed Dividend	NIL
k)	% of Share Holding	

Yreach Media Pvt Ltd, Hyderabad, India

S.No	Description	Amount In
		INR
a)	Share Capital	100,000
b)	Reserves and Surplus	(29,886)
c)	Total Assets	13,786,664
d)	Total Liabilities	13,786,664
e)	Details of Investments	
f)	Turnover	4,327,937
g)	Profit before tax	15,532
h)	Provision for tax	(24,974)
i)	Profit After Tax	40,505
	Other comprehensive income for the period	-
	Total comprehensive income for the period	40,505
j)	Proposed Dividend	NIL
k)	% of Share Holding	99%



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