

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 Listing 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 he/she 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 he/she meets the criteria of independence as required under Section 149(6) of the Act and as per Regulation 16(1)(b) of the SEBI Listing Regulations.

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

The Composition of the Board of Directors as on March 31, 2019 with their attendance at the Eight Board Meetings held during the year 2018-19 and at the last Annual General Meeting are as detailed below:

Name of the Director	Category	Number of Board meetings attended during the year 2018-19	Attendance at the last AGM held on November 28, 2018	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	8	Yes	NIL	NIL	2	NIL
Mr. Vijay Kancharla	Promoter & Executive	1	No	NIL	NIL	2	NIL
Mr. Allam Raghunath	Independent Non-Executive	8	Yes	NIL	NIL	NIL	3
Dr. K. Jayalakshmi Kumari	Independent Non-Executive	8	Yes	1	NIL	4	3
Dr. Surabhi Sinha	Independent Non-Executive	8	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, 2019.

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.

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 Eight times during the financial year 2018-19.

May 10, 2018	October 16, 2018
May 29, 2018	November 14, 2018
July 31, 2018	February 12, 2019
August 11, 2018	March 28, 2019

Independent Directors Meeting

During the year 2018-19, independent Directors of the Company met separately on November 14, 2018 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 Listing Regulations and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with the SEBI Listing Regulations. 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 Listing Regulations 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 29, 2018; August 11, 2018; November 14, 2018 and February 12, 2019 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, 2019 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	1 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.

During the year two meeting of the Committee was held on October 16, 2018 and March 28, 2019.

The composition of the Committee and the attendance details of the members as at March 31, 2019 are given below:

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

Board Evaluation

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 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 2018-2019.

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, 2019 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 31.03.2019 (Rs.)	No. of Shares held as on 31.03.2019
Mr. M. Suresh Kumar Reddy	NIL	NIL	75084653
Mr. Vijay Kancharla	NIL	NIL	3820946
Mr. Allam Raghunath	NIL	1,00,000	NIL
Dr. K. Jayalakshmi Kumari	NIL	1,00,000	NIL
Dr. Surabhi Sinha	NIL	60,000	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. Ms. V. Sri Lakshmi, Company Secretary was designated as the Compliance Officer.

One meeting of the Stakeholders Relationship Committee was held during the year on February 12, 2019.

The composition of the Committee and the attendance details of the members as at March 31, 2019 are given below:

Name	Status	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.

* Ms. V. Sri Lakshmi resigned w.e.f. July 15, 2019

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

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, 2019 is as below:

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

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
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.	Same location as above	To Re-appoint Mr. Raghunath Allamsetty as an Independent Director
2015-16	December 27, 2016 10:00 A.M.	Same location as above	Service of documents to members

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

Details of resolution(s) passed through postal ballot during Financial Year 2018-19 and details of the voting pattern

The Company sought the approval of shareholders by way of special resolution through notice of postal ballot dated August 1, 2018 to change the name of the Company from Lycos Internet Limited to "BRIGHTCOM GROUP LIMITED" and the results of which were announced on September 10, 2018. Mr. A. Sridhar, Practicing Company Secretary 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 Favor	No. of Votes Cast Against	% of Votes Cast in Favor on Votes Polled	% of Votes Cast Against on Votes Polled
To consider change in name of the company	100062418	100055505	6913	99.99%	0.01%

None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

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 Listing Regulations.

Certificate by Practicing Company Secretary

The Company has received certificate from Mr. A. Sridhar, Practicing Company Secretary, 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 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):	20 th Annual General Meeting of the Company is scheduled to be held on Friday, September 27, 2019 at 10:00 a.m. at Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad – 500032.
ii.	Financial Year:	April 1 to March 31. The results of every quarter beginning from April are declared within the time specified under the provisions of Listing Regulations.
iii.	Date of Book Closure:	Saturday, September 21, 2019 to Friday, September 27, 2019 (Both days inclusive).
iv.	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.
v.	Stock codes:	BSE – Scrip Code: 532368; Scrip Id: BCG NSE – Symbol: BCG
vi.	Company's ISIN:	INE425B01027

vii. 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 2018	5.9	4.3	5.75	4.25
May 2018	5.98	4.2	5.9	4.15
June 2018	4.97	3.78	4.8	3.8
July 2018	4.58	3.38	4.5	3.4
August 2018	4.99	3.65	4.9	3.65
September 2018	4.1	3.12	4.1	3.1
October 2018	4.51	3.02	4.75	3
November 2018	3.9	2.25	3.9	2.3
December 2018	3.15	2.6	3.15	2.6
January 2019	3.5	2.51	3.5	2.6
February 2019	3.4	2.41	3.5	2.75
March 2019	4.09	2.83	4.05	2.85

viii. Registrars and Transfer Agents

AARTHI CONSULTANTS PRIVATE LIMITED, (Unit: Brightcom Group Limited)(formerly Lycos Internet 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 Agents M/s. Arthi Consultants Private Limited, Hyderabad.

ix. Distribution of Shareholding as on March 31, 2019

Nominal Value of Shareholding (in Rs.)	No. of Shareholders	Percentage	No. of Shares	Percentage
Upto 5000	24413	76.04	16434030	3.45
5001 - 10000	3067	9.55	11873238	2.49
10001 - 20000	1843	5.74	14432203	3.03
20001 - 30000	690	2.15	8653933	1.82
30001 - 40000	446	1.39	8124353	1.71
40001 - 50000	257	0.8	5925473	1.24
50001 - 100000	606	1.89	21895339	4.6
100000 & Above	782	2.44	388912930	81.66
TOTAL	32104	100	476251499	100

Categories of Shareholding as on March 31, 2019:

	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	1145290	0.24
4	Bodies Corporate	38060273	7.99
5	Non Resident Individuals	44050554	9.25
6	Trusts	1481000	0.31
7	Employees – Trusts	213000	0.04
8	General Public	167376857	35.15
9	NBFCs Registered with RBI	36100	0.01
10	Clearing Members	4091827	0.86
	TOTAL	476251499	100.00

x. 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, 2019, a total of 475,223,814 equity shares which form 99.78% 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.

xi. Outstanding GDRs/ ADRs/ Warrants/ Convertible instruments

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

xii. Commodity Price Risk/ Foreign Exchange Risk and Hedging

The Company did not engage in hedging activities.

xiii. 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 and Abroad and does not have any manufacturing plant.

xiv. Address for Correspondence:

Company	Registrars and Transfer Agent
Investor Relations Brightcom Group Limited (formerly Lycos Internet Limited) Floor: 5, Holiday Inn Express & Suites, 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	Aarhi Consultants Private Limited, (Unit: Brightcom Group Limited) (formerly Lycos Internet 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 31st March, 2019 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 which are notified by the 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 31st March, 2019, 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, 2019.

Place: Hyderabad
Date: August 30, 2019

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