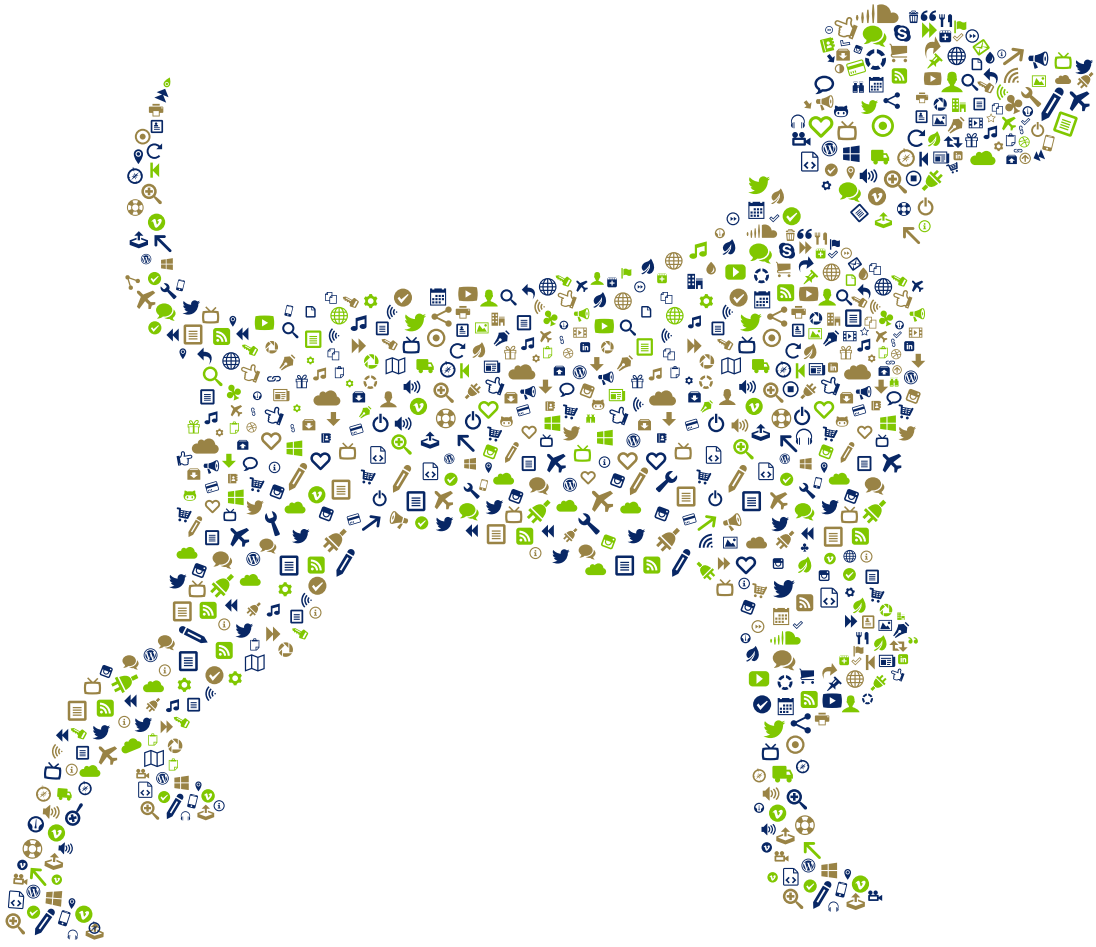
FORM A

Covering letter of the Annual Audit Report to be filed with the Stock Exchange

1.	Name of the Company	LYCOS INTERNET LIMITED (formerly, Ybrant Digital Limited)
2.	Annual financial statements for the year ended	31st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Whether appeared first time ..... / repetitive ..... / since how long period ..... - N. A. -
5.	To be signed by CEO / Managing Director CFO Auditor of the Company Audit Committee Chairman	For LYCOS INTERNET LIMITED M. Suresh Kumar Reddy Chairman & Managing Director For LYCOS INTERNET LIMITED Y. Srinivasa Rao Chief Financial Officer For P. Murali & Co., Chartered Accountants Partner For LYCOS INTERNET LIMITED Y. Ramesh Reddy Audit Committee Chairman

LYCOS INTERNET LIMITED HYDERABAD

LYCOS®
INTERNET LIMITED



SIMPLIFY YOUR DIGITAL LIFE

16th ANNUAL REPORT

FINANCIAL YEAR 2014-15

[INDEX]

Corporate Information 01
News during the year 04
Chairman's perspective 06
Profile - Board of Directors 08
Financial Highlights 12
Notice 27
Director's Report 33
Management Discussion & Analysis 47
Report on Corporate Governance 51
Standalone Financial Statements 62
Consolidated Financial Statements 89

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 forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

LYCOS

Registered Office

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Hyderabad - 500 034 Telangana, India.
Phone: +91 (40) 4567 8999 FAX: +91 (22) 66459677
CIN: L64203TG1999PLC030996
Email: ir@lycoscorp.com
www.lycos.com

Board of Directors

Mr. M Suresh Kumar Reddy
Mr. Vijay Kancharla
Mr. M Vijaya Bhasker Reddy
Mr. Y Ramesh Reddy
Mr. Raghunath Allamsetty
Mrs. S.V Rajyalaxmi Reddy
Mr. Subrato Saha
Mr. Michael Loren Mauldin

SUBSIDIARIES

Ybrant Media Acquisition Inc
1201, Orange St, Suite 600, Wilmington,
New Castle County, Delaware, 19801, USA.

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

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

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

Dream ad S.A , Argentina
Av. Corrientes, 327 Piso 11,
Buenos Aires, Argentina.

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

Yreach Media Pvt Ltd
Plot No.7A, Road No.12, MLA Colony,
Banjara Hills, Hyderabad - 500 034 AP, India.

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

Online Media Solutions Limited (Oridian)
Sapir 3 Herzlia 46733,
PO Box 12637, Israel.

Dream ad S.A, Panama
av. Samuel Lewis y Calle 50,
Panama city, Panama.

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

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

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

Dream ad S.A , Chile
Padre tMariano 103 Of. 207,
Providencia Santiago de Chile, Chile.

Dream ad S.A, Uruguay
Ellauri 357, Of. 50, 2Piso, Montevideo,
Uruguay CP. 11300.

Bankers
Axis Bank Limited
Canara Bank
State Bank of India
ICICI Bank Limited

Chief Financial Officer
CA Y. Srinivasa Rao

Company Secretary
CS K Anusha

Auditors
M/s. P. MURALI & CO
Chartered Accountants,
6-3-655/2/3, Somajiguda,
Hyderabad - 500 082,
Telangana, India

Registrar and Share Transfer Agent
Aarthi Consultants Private Limited,
1-2-285, Domalguda,
Hyderabad-500 029, Telangana, India
Phone: +91 (40) 2763 8111,
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Email: info@aarthiconsultants.com ; Fax:+91 (40) 2763 2184

INNOVATION

DETERMINED GROWTH

LYCOS Emphasizes INNOVATION

WE ENABLE INNOVATION FOR OUR LONG TERM FUTURE

- Ybrant Digital was officially renamed to Lycos Internet Limited.
- LYCOS Gets Listed on the National Stock Exchange of India
- EdNoel appointed as new GM of Lycos Media (US)
- Lycos TV–With Lycos TV implementation, we have added new channel for gaming using Social tron feed.

LYCOS ADVERTISING

- Compass (OneTag) - Compass is the new name of One Tag, our in-house solution for managing publishers using a new-generation system, providing a turn-key solution that simplifies the publisher's integration and monetization tracking through a single platform and single tag. The Compass solution enables traffic monetization through different platforms on a single click. Our Account managers are now able to manage all their publishers' traffic in one place instead of managing their activity on multiple platforms, such as different ad servers and trading exchanges. The platform also has advanced automatic capabilities to handle technical and optimization related tasks.

- Video-During Q2, we have signed a deal with"Yashi"– A platform focused on programmatic video advertising on large players, targeting the geographies US, UK, CA, AU. The activity with Yashi is expected to expand significantly in Q3 and Q4. We are also co operating with most of the leading Video Advertisers and Video Ad Networks (Including: Tremor, Bright Roll, Spot X change, Ad ap. Tv and Live Rail).

- Bright Roll Video Summit-The participation and sponsorship of this event has enabled the company to get the latest in sights from advertisers when it comes to implementing programmatic buying and view ability .With a strong and growing relationship with Bright Roll which is a major player on the Online Video Advertising industry, Ybrant present edits latest developments on the video advertising arena for a large audience comprising of brand marketers, top agency executives and top quality publishers and technology providers.

- Sequential Targeting-We have implemented Sequential Targeting ability to match the one announced by Facebook last quarter. The next leap in advertising is literally the ability to leap across screens. Picture a brand's multi part marketing story that begins on your tablet and ends on your smart phone.

- Business Intelligence-This integration allows pulling and presenting important data that could be analyzed in one place. Then ew BI solution saves crucial time on manual work mainly when it comes to analysis and optimization of multiple data sources. We competed our first Bi integration platform for its Display and Video divisions using cutting edge technology and end-to-end solution on Google eco system. The platform includes advanced DB technology (using Google Big Quarry) and is integrated with multiple tech platforms. Ybrant division is expected to release several more BI solutions during Q3 and during 2015.

- Yield optimization platform (Waterfall) – A new - generation platform that open the doors to premium market places (including tier 1& tier 2 world wide publishers). This new solution will enable Ybrant and its publishers to increase their profit ability and to get higher results.

LYCOS MEDIA

MediaBuying(Publishers/DSPs) –Some of the of leading publishers we added this year:

- Play Buzz' which is one of the most popular social content publishing platforms.
- 'The Denver Post' the leading daily news paper in Colorado and one of the largest circulated news papers in the US.
- 'Gannett Broadcasting',one of the largest local content providers in the US.
- 'MediaMath', one of the largest programmatic DSPs worldwide.

- Enhanced search advertising has reported a12% increase in revenue from last quarter.

- **MediaBuy(Publishers)-**
  The Media division has added strategic ally valuable direct Publishers to its portfolio. Among these publishers are "DailyNews" which is one of the top US news magazines ; "My FoxTV", a top entertainment US website; NY Post; and "Medula Networks", a big LATAM Media House that operates major websites across Latin America.

- **ExchangesTrading-**
  We have joined AOL's market place as a premium traffic provider through their Ad Tech exchange. With in this activity, we are able to sell traffic to some of the biggest Demand Side Platforms (DSP) in the industry, such as Turn, DoubleClick (Google) ,Casale Media, Rocket Fuel and more. The deal with AOL will expose LYCOS to many new opportunities with in the industry.

- **Brands(directcustomers)-**
  The company signed agreements with "eBay" a leading eCommerce arena and Mobileye",world leader for vehicle safety technology.

LYCOS LIFE

- A new division focused on consumer internet products (IoT) was launched on June 2015.
- New products launched, Lycos Band & Lycos Ring.

M Suresh Kumar Reddy
Chairman and Managing Director

Dear Shareholders,

It gives me immense pleasure to update you on your company's progress for the year 2014-15. We had a fantastic year and I am very happy with the overall performance of the company. We have achieved over 22% growth in revenues from Digital marketing and media division. All of our businesses have delivered on the promise of strong revenues for the quarters gone by.

Business Review:

During the year your company achieved a turnover of Rs.1957 crores as against Rs.1673 crores in the last year. This is an increase of 16.95% against last year. The profit after tax for the year was Rs.342.22 crores as against Rs. 262 crores (excluding extraordinary items) last year; an increase of over 30.6% year-on-year. The earnings per share for the year were Rs. 7.19 as against Rs.4.64 last year. We had free cash flow of Rs. 81 crores this year. We've used aboutRs. 68 crores of that money to pay banks. We paid off a sizeableportion of the long term and short term bank loans.

As you observe, the results for this financial year were very strong. Growth is never by mere chance; it is the result of forces working together.Our teams executed well in building solid revenue streams by aligning relevant technologies around best growth opportunities. We continue to focus on providing a simple yet powerful Internet experience to our users and clients. With the launch of LYCOS Life division, our entry into IoT space has opened upadditional avenues.

The name change of your company from Ybrant Digital to LYCOS Internet Limited is helping us capitalize on the popularity of the name 'LYCOS' in the global marketplace and the recognition we are getting among the media and marketers especially in the US is exciting.

The Internet of Things (IoT) is the next mega-trend. IoT is emerging as the third wave in the development of the Internet. The1990's fixed Internet wave connected 1 billion users while the 2000's mobile wave connected another 2 billion. The IoT has the potential to connect 10X as many (28 billion) 'things' to theInternet by 2020, ranging from bracelets to cars.

Gartner Inc., predicts today's 4.9 billion connected devices will grow five-fold to 25-28 billion by 2020. 'IoT services' spending is set to increase to $263 billion over the next five years from $69.5 billion in 2015. We are upbeat on IoT as a market and looking to capitalize on this growth opportunity.

With regards to digital media, around the world, advertisers will spend $592.43 billion in 2015, according to new figures from eMarketer, an increase of 6.0% over 2014.

Currently, the top five spenders in each advertising category -- total paid media, digital and mobile, are the US, China, Japan, Germany and the UK. While the UK lags Japan and Germany in total media spending, its digital ad market outpaces both, with digital and mobile ads representing significantly higher shares of overall advertising than its two predecessors in the overall market. Otherwise, the rankings are consistent across all media markets.

The US remains the dominant advertising market worldwide. Next year, marketers will spend $189.06 billion on ads in the US, an amount that represents 31.9% of the global ad market. That figure is also higher than the aggregated total for China, Japan, Germany and the UK. Through 2018, the US will essentially maintain that share, dipping to only 31.1%, and will continue to account for more in total media ad spending than the rest of the top five combined.

Mobile advertising is the key driver of growth around the world, and advertisers will spend $64.25 billion worldwide on mobile in 2015, an increase of nearly 60% over 2014. That figure will reach $158.55 billion by 2018, when mobile ads will account for 22.3% of all advertising spending worldwide.

The way the industry is progressing and the way the industry is changing, we believe that there is a paradigm shift. Our company being an Internet company, we have a clear sense of the direction the whole space is evolving into…

In an effort to sharpen our strategic focus on our deliverables with special attention to our organic growth, our business highlights include:

- Name change of the company to 'LYCOS Internet Limited' to capitalize on the brand 'LYCOS'.
- Listing of LYCOS on the NSE.
- Revamping of the Board. Significant being the inclusion of the Inventor and Founder of LYCOS, Michael L. Mauldin into your company board.
- LYCOS ranked 8th amongst the 'India's Next 500' companies.
- Launch of the LYCOS Life division focussed on consumer internet products.

Technology

- **Business Intelligence:** Platforms enabled by integration of first party data to online campaigns to optimize several video players were added.
- **Media Buying operation:** New enhanced solution to understand, evaluate and improve their performance on a daily basis was introduced.
- **Auto-tools development:** New auto tools, enabling advanced abilities were introduced for managing multiple publishers and advertisers with an added advantage of bid optimization which automatically finds the optimal bid in different demand side platforms.
- **Compass:** Investments on our in-house tool were focused on the deployment of the new Real Time Bidding technology as part of Compass Version 5.
- **Media Buying (Publishers):** Leading global publishers from various verticals such as entertainment, life-style, gaming, news, travel and more were added.
- **Video Advertising:** New RTB integration with one of the leading demand partners in US and partnership with Google were added for our video solutions.
- Mobile video advertising witnessed new partners. We also sponsored the 'BrightRoll summit' that took place in New York during April and participated in 'Ad-tech San Francisco' in order to meet new customers and to capitalize on new opportunities.
- Some of the of leading publishers were added this year by our Media Buying (Publishers/DSPs):

- PlayBuzz, one of the most popular social content publishing platforms. The Denver Post, the leading daily newspaper in Colorado and one of the largest circulated newspaper in the US. Gannett Broadcasting, one of the largest local content providers in the US. MediaMath, one of the largest programmatic DSP's worldwide. Daily News, one of the top US news magazines.
  MyFoxTV, a top entertainment US website. NY Post, one of US's top portals, and Medula Networks, a big LATAM Media House that operates major websites across Latin America.

LYCOS Media

- Improving on enhanced search advertising and increases in revenue has been noteworthy from last year.
- Exchanges Trading - We have joined AOL's marketplace as a premium traffic provider through their AdTech exchange.
- Brands (direct customers) –The division signed agreements with 'eBay' a leading eCommerce arena and Mobileye", world leader for vehicle safety technology.

LYCOS Life

- The new division focussing on consumer internet products (IoT) was launched in June 2015. LYCOS launched its IoT-enabled suite of products under the LYCOS Life label – The Band and the Ring along with an Android-based App.
- In July, LYCOS announced its LYCOS Life Band compatible with iOS devices and with advanced fitness features. The LYCOS Life activity tracker allows users to easily monitor steps, calories burned, distance and heart rate. LYCOS Life helps users meet their goals and its reminders motivate them to get up and get moving.
- Presently, the LYCOS Life products are available for purchase at: www.amazon.in

Moving Forward:

The video segment of our digital media business is being enhanced to capitalize on the fast growing video monetization segment. Presently, your company is streamlining its operations globally to focus more on the priority segments of business with renewed focus.

We will continue to test the high potential segment of IoT through its LYCOS Life products.The market has been very positive of the products both in India and in the US.

In summary, the game plan is continue to leverage the steady growth of the digital media markets and build out the IoT business to be ready for the explosive growth anticipated there. We intend to achieve this through smart and nimble teams that will innovate to create world class services and products.
Thank you all.

Warm Regards,
Suresh Reddy
Chairman and Managing Director

Mr. M Suresh Kumar Reddy
Chairman & Managing Director

Suresh is the Chairman & MD of Lycos. 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.

Suresh founded two successful companies USAGreetings and Ybrant Technologies. He maintains a global network of trusted relationships with peer entrepreneurs, corporates, partners, institutions and the media. He has consummated, completed and integrated 10 major acquisitions for Ybrant Digital (presently Lycos), 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.

Mr. Vijay Kancharla
Director

Vijay leads the innovations at Lycos. 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.

Mr.M. Vijaya Bhasker Reddy
Independent
Non-Executive Director

Mr. Vijaya Bhasker Reddy is an Independent Director of the Company. He has a Master's degree in Food Engineering from the Indian Institute of Technology, Kharagpur, and has done his Management Development programme from the Indian Institute of Management, Ahmedabad. He has over 23 years of experience in marketing and management and has worked as General Manager at Coca-Cola India.

Mr. Y Ramesh Reddy
Independent
Non-Executive Director

Mr. Yerradoddi Ramesh Reddy is an Independent Director of the Company. He holds a degree in Chemical Engineering from the Indian Institute of Technology, Chennai, and also holds a Management Degree in Finance&Marketing from XLRI,Jamshedpur. He has over 22 years of experience in thefield of IT, Manufacturing, Investment. Banking and heads the Finance Department at Cambridge Technology Enterprises Limited (CTE). Prior to joining CTE, he was a Strategic Business Unit head with VirinchiTechnologies Limited, a Hyderabad -based start-up.

Mr. Raghunath Allamsetty
Independent
Non-Executive Director

Mr. Raghunath Allamsetty is an Independent Director of the Company. He holds a degree in Bachelor of Technology in Electronics and Communication from Osmania University and a degree inmarketing from IGNOU. HE has over 21years of experience in the areas of project development, technical management and business development. Mr. Allamsetty is the Chief Executive Officer of AasraArchiventures Private Limited and Director of Apere India Private Limited. Prior to his joining Adaptec, he was the Managing Director of Adaptec India Private Limited,and was the co-founder and chief executive officer of various organizations, such as Plarys Communication India Pvt Ltd.

Mrs.S.V Rajyalaxmi Reddy
Director

Mrs.Rajyalaxmi Reddy is a Director of Lycos. A graduate in Computer Science from the Osmania University, she lives the quiet life of many women of purpose. Like how philanthropy has come from women involved in an array of professional pursuits, including business, politics, social services and entertainment, for her it's with complete activism and compassion.

Years ago, she gave up her profession as a software professional in FusionOne, USA, to go after where her heart took her – family and social service. Her service merits the place she has earned in social circles. An influential person in her own rights, her future plans are to get funding for the cause she believes in – education of the poor and shelter to the homeless.

Mr. Michael Loren Mauldin
Independent
Non-Executive Director

Mauldin, the inventor and founder of LYCOS in 1994 also served as the Chief Scientist of the Lycos Internet search engine company. Mauldin developed the Lycos Search Engine while working on the Informedia Digital Library project at Carnegie Mellon University. He is also former director of Conversive, Inc., an Artificial Intelligence Software company based in Malibu, California.

Since leaving LYCOS in 1998, Mauldin has written two books, ten refered papers and several technical reports on natural language, autonomous information agents, information retrieval and expert systems. He is also one of the authors of Rog-O-Matic and Julia.

The Verbot program is based on Mauldin's early work in natural language processing and Chatterbots.He is an active competitor in the Robot Fighting League and has been involved with Robot Combat for over a decade.

Mr. Subrato Saha
Independent
Non-Executive Director

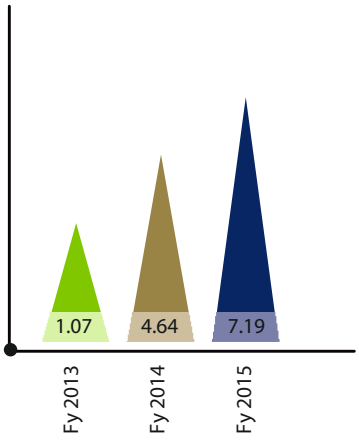
Subrato holds a degree in Chemical Engineering from IIT Kharagpur. He has over 26 years of experience, with 14 years in the Corporate world and 12 years managing his own businesses. He has held several responsible positions in group companies of select Fortune 100 multinationals viz. Shell, ExxonMobil, Sabic and General Electric.

Besides General Administration & Management, functionally he is trained in the areas of Process Engineering, Project & Production Management, Process Integration & Business Automation along with Operations Research.

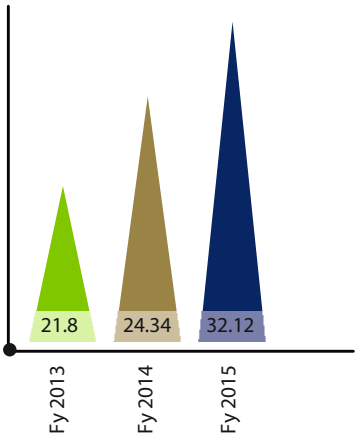
Currently, he is based in Dubai, UAE. With his partner Anand, he runs a Chemical Supply & Distribution company – Aquachemie. Formed in 2008, AquaChemie operates throughout the GCC countries with multiple corporate offices, blending plants & warehouses. It works with over 100 large corporates in Oil & Gas Drilling, Refineries, Petrochemicals, Polymers, Power & Desalination Industry.

Subrato is also a keen follower of Real Estate investment.

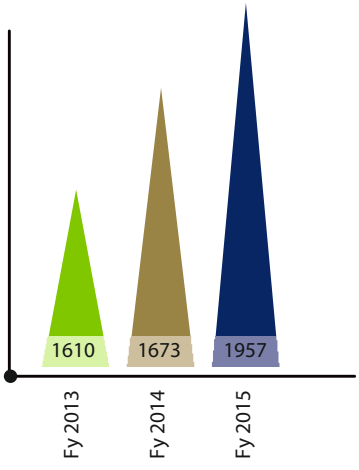
EPS (in INR)



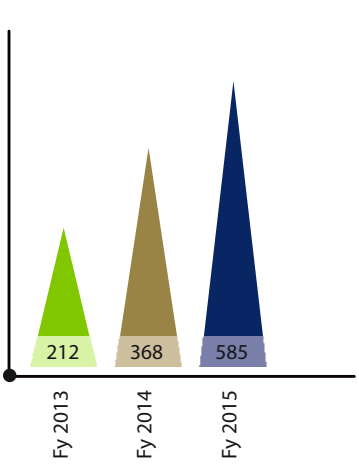
BOOK VALUE PER SHARE (in INR)



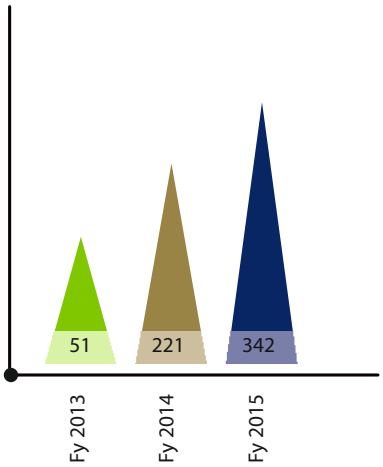
REVENUE (in INR Crores)



EBIDTA (in INR Crores)

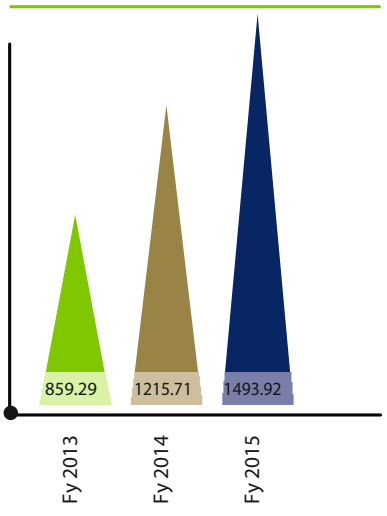


PAT (in INR Crores)

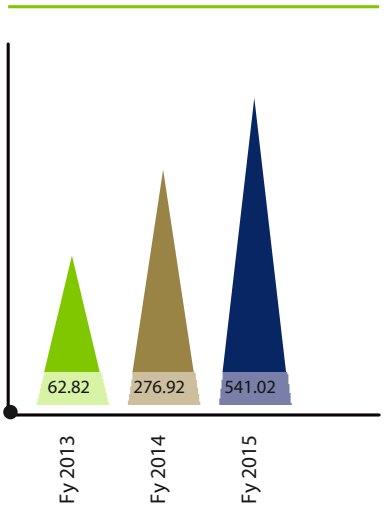


DIGITAL MARKETING REVENUE

REVENUE (in INR Crores)

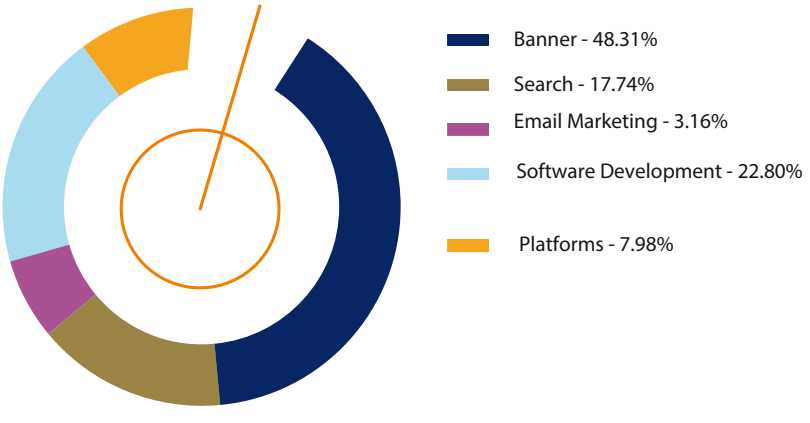


PBIT (in INR Crores)



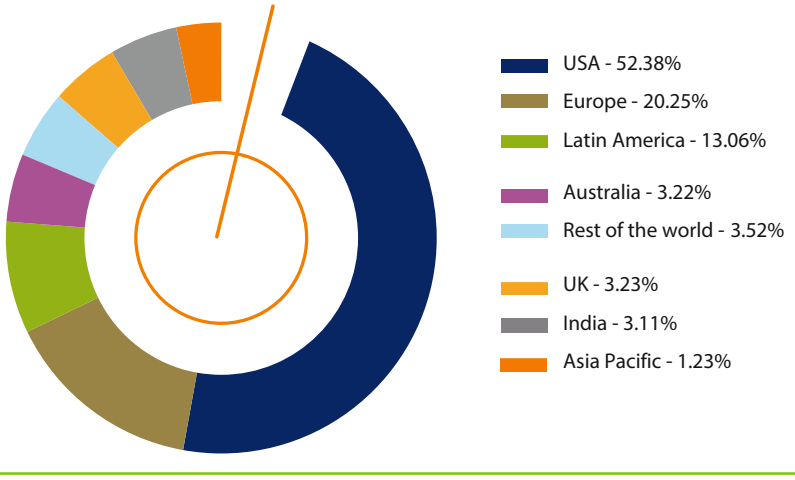
SEGMENT WISE REVENUE

FY 2014-2015



GEOGRAPHY WISE REVENUE

FY 2014-2015



DIGITAL FIRMS ARE CHANNELIZING ADVERTISERS TO EFFECTIVELY UTILISE BENEFITS OF MULTI-CHANNEL ONLINE ADVERTISING

ADVERTISERS
- Brands

AGENCIES
- Integrated
- Digital

IMPLEMENTERS
- Advertising Networks
- Technology providers
- Outsourcers

DISPLAY ADVERTISING MARKETING
- Buy ad space from publishers and sell to agencies
- Create banners for varying ad spaces
- Advertising network automated exchange operation

SEARCH MARKETING
- Key word optimisation
- Buy banner space on search platforms
- Web page optimisation
- Consulting

SOCIAL MARKETING
- Delivering digital campaigns through social media platforms

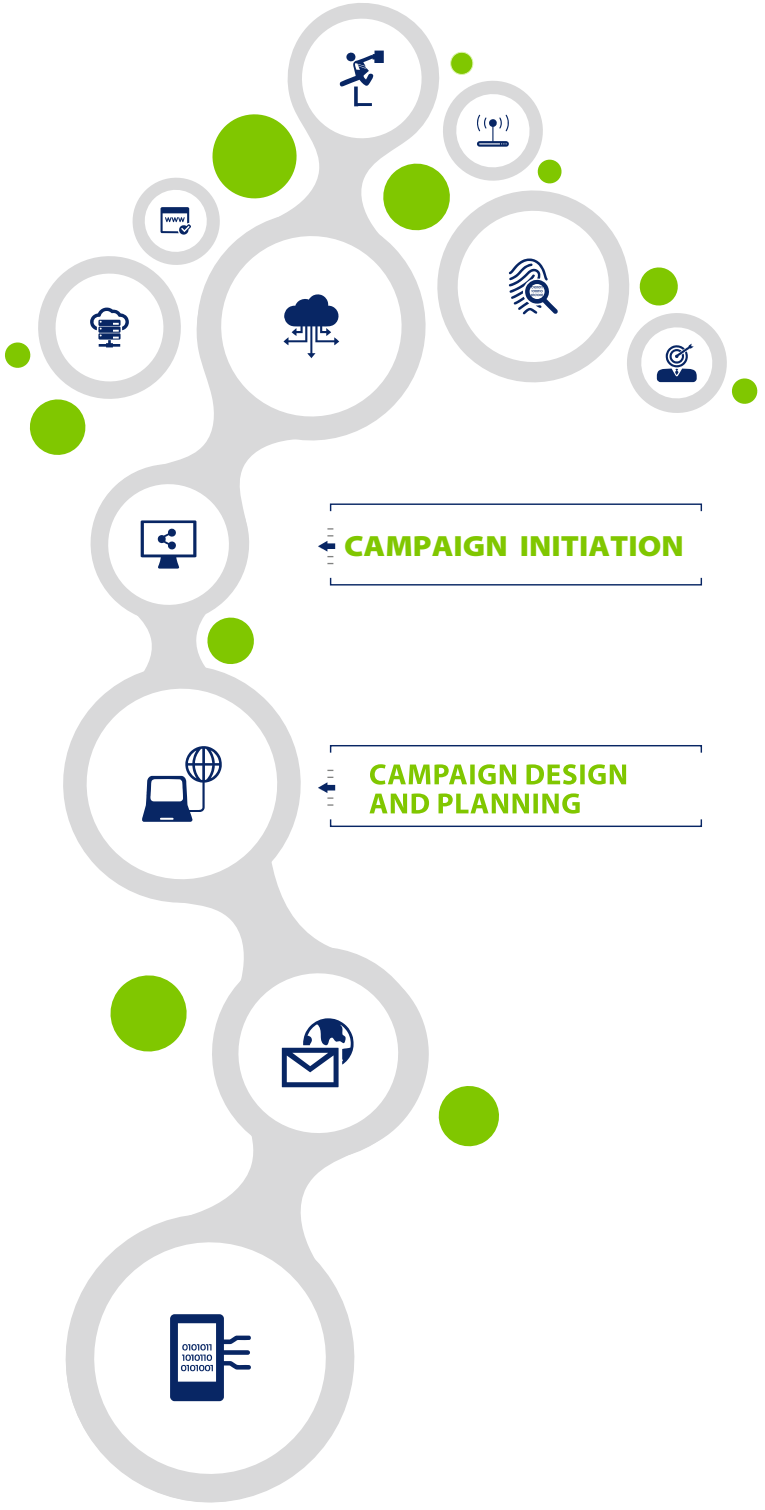
MOBILE MARKETING
- Execution of messaging, banner advertising, search, rich media and video advertising through mobile platform

E-MAIL MARKETING
- Create emails
- Consumer database profiling
- Email mass delivery

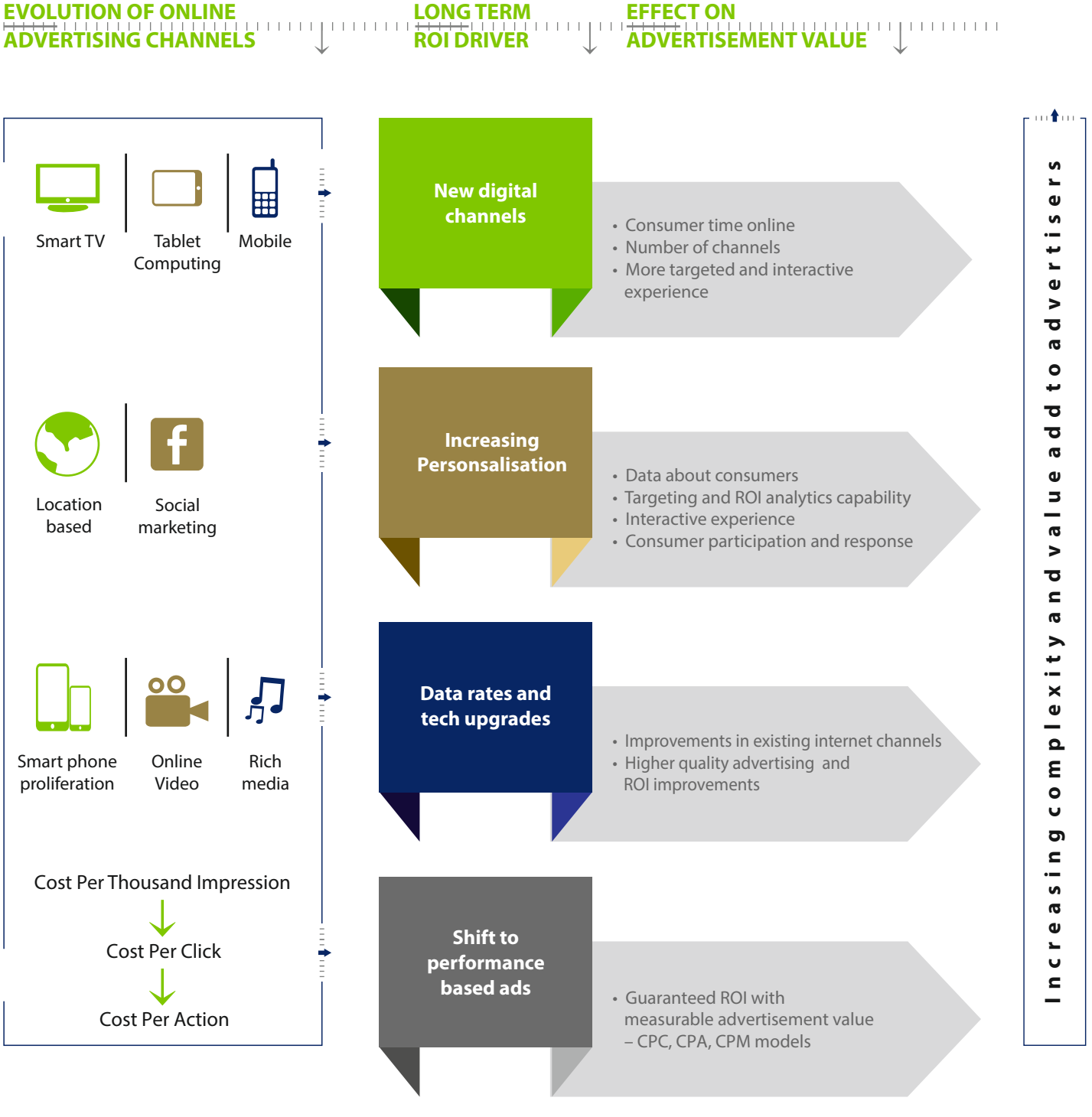
ANALYTICS TOOLS AND SERVICES

PUBLISHERS
- Search engines
- Website owners
- Social networks
- Affiliates

INTERNET USERS



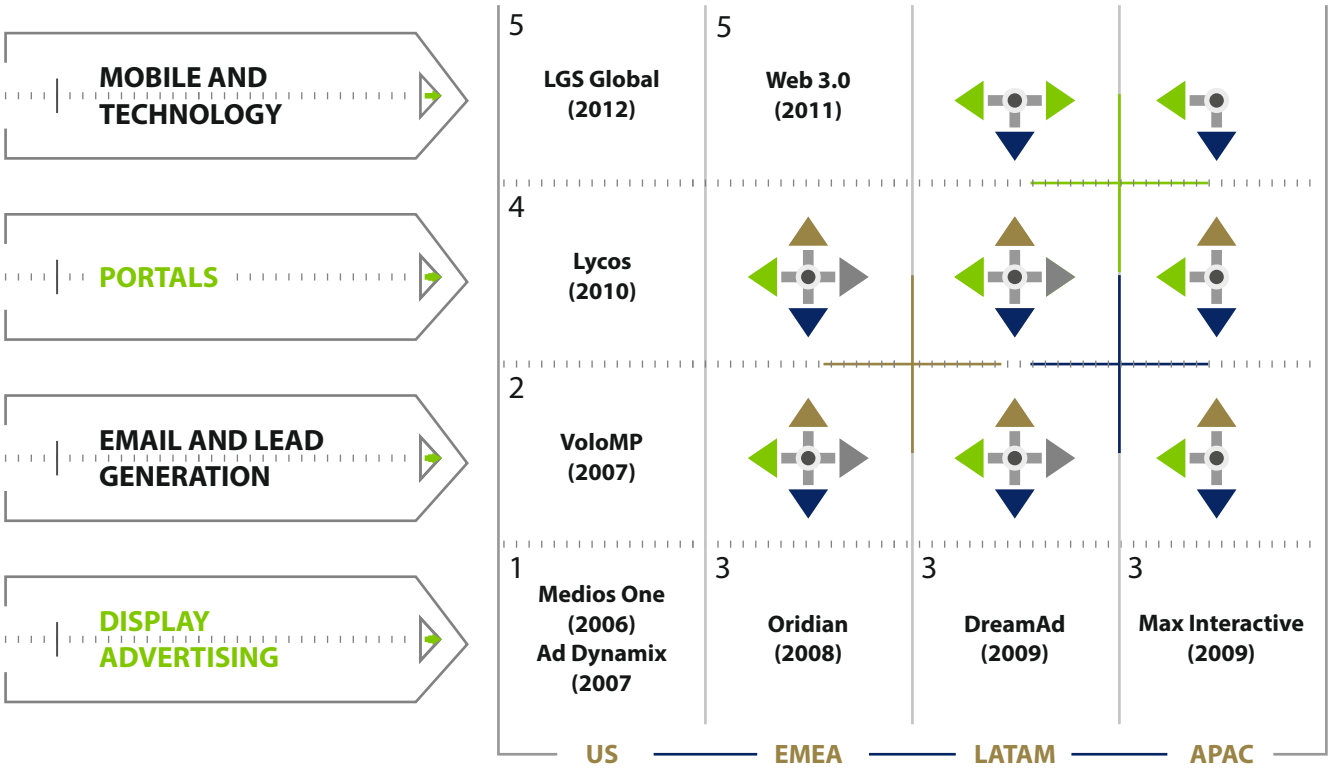
THIS WIDENING DIGITAL EXPERIENCE & COMPLEXITY OF OPTIONS SHOULD EXTEND RELEVANCE OF DIGITAL MARKETING SPECIALISTS



- More targeted advertising, increasing interactivity, a richer internet experience and increasing number of internet channels improves advertising ROI but increases complexity
- As a result, internet advertising implementers are increasingly important to an effective campaign

ESTABLISHED TRACK RECORD OF M&As TO EXTEND OFFERING AND GEOGRAPHIC REACH

LYCOS'S ABILITY TO IDENTIFY, ACQUIRE AND INTEGRATE INVESTMENTS HAS ENABLED THE COMPANY TO BUILD A GLOBAL END-TO-END IP RICH OFFERING



01 **US display advertising**
- Medios One and AdDynamix bolster ad network reach and add execution and targeting technology

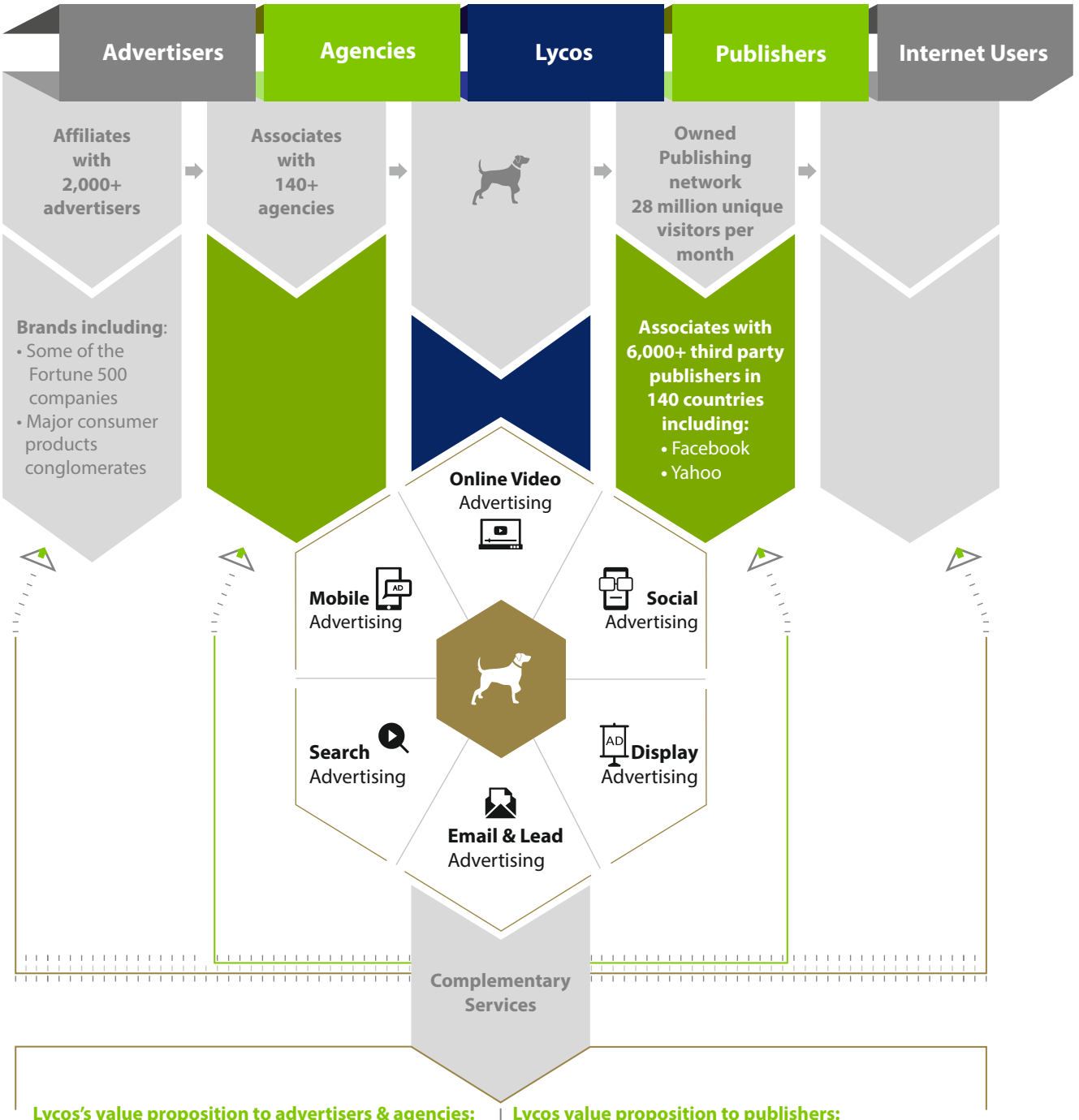
02 **Email marketing**
- VoloMP adds email marketing software

03 **Geographic expansion in display ads**
- Oridian, DreamAd and Max Interactive contribute ad networks across Europe, Middle East, South America and Asia

04 **Portals and search syndication**
- Lycos adds search functionality, 70m users and a search syndication platform

05 **Major technology expansion**
- Web 3.0 provide technology and reach for mobile marketing
- LGS Global add development capability for mobile and cloud computing

LYCOS HAS ESTABLISHED A RELEVANT PRESENCE IN THE GLOBAL DIGITAL MARKETING ECO SYSTEM



Lycos's value proposition to advertisers & agencies:

- Access to publishers across the globe
- Ad campaign optimisation technology to maximize ROIs
- One-stop shop service to cover all digital advertising channels
-500 + staff base to provide complementary services

Lycos value proposition to publishers:

- Multi-platform server optimizes advertising inventory usage
- Access to major advertisers and advertising agencies across the globe
- Dedicated account management service to manage multiple clients on a single platform

AND COMPLEMENTARY SERVICES BASED ON IN-HOUSE TECHNOLOGIES

COMPLEMENTARY SERVICES

Digital Media Planning and Buying
Campaign Optimization and Analysis

User Data Collection and Aggregation
Ad Serving and traffic monitoring

Customizable Applications and Widgets
Licensed technology software

Digital Media Planning and Buying
Technical advice for digital marketing strategy

Search Optimization support and management
Multi-time-zone support structure

IN-HOUSE TECHNOLOGY EXAMPLES

Facebook Marketing
An elaborate and developed ad-optimization system for Facebook which leverages API connection to enhance campaign results

Ybrant Digital AdCenter
24/7 online access centralized campaign reporting and management console for client activity on all digital platforms provided by Ybrant Digital

Web Site Creator
Website building tool with intuitive interface allowing the placement of content or media anywhere on the website

Campaign Analytics Report
Automatically-generated digital campaign summaries providing stats, highlights, strengths and weaknesses, and providing future insights

Bank of Creatives
An easily browsed and managed database of visual creative, arranged according to the attached performance capabilities

Mobile Ad Server
Owned server for mobile ads of all available formats, able to centrally control and prioritize global mobile ad serving

Eureka Search Service
A full Search-on-Site solution for publishers of all sizes with various customizable search features and content monetization tools

Auto-Optimization Tools
Automatic optimization tools for online campaigns which learn, mimic and multiply the best practices of campaign management

Publisher One-Tag
Single piece of code for websites which presents, monitors and optimizes the advertising feed from all media sources

OFFERED ACROSS ALL DIGITAL SCREEN REVENUE SEGMENTS

Select platforms

Display | Social | Mobile | Video | Search

Cross-optimize with technology

Location | Timing | Interests | Segment | Target

Show on all devices

PC | Tablet | Phone | SmartTV

Find your Audience

THEREBY CREATING A VERITABLE DATA MANAGEMENT PLATFORM

200 MILLION UNIQUE VISITORS ACROSS 2000+ PUBLISHERS

900 MILLION IMPRESSIONS/DAY ON NETWORK

Significant keyword transaction data

Display across platforms

RTB Display

Social Platform

Mobile

Search

Email

Pixel Conversion Tracking

Real-Time Reporting

Maximum Optimization

App Download tracking

Rich Media Creation

Customer Data → In-house Data Management Platform

In-house technology designed to deliver,

maximize optimization across platforms for best results

AND EMERGE A VALUE ADDED PLAYER IN THE ECO SYSTEM, FROM A BACK-END TECHNOLOGY PROVIDER TO DIGITAL NETWORKS

From a small share on account of offering technology services **LYCOS** now captures a significant share of advertisers' budget as it offers greater depth and breadth of digital marketing solutions and complementary services to advertisers, advertising agencies and publishers

TODAY
TODAY
TODAY
TODAY
TODAY

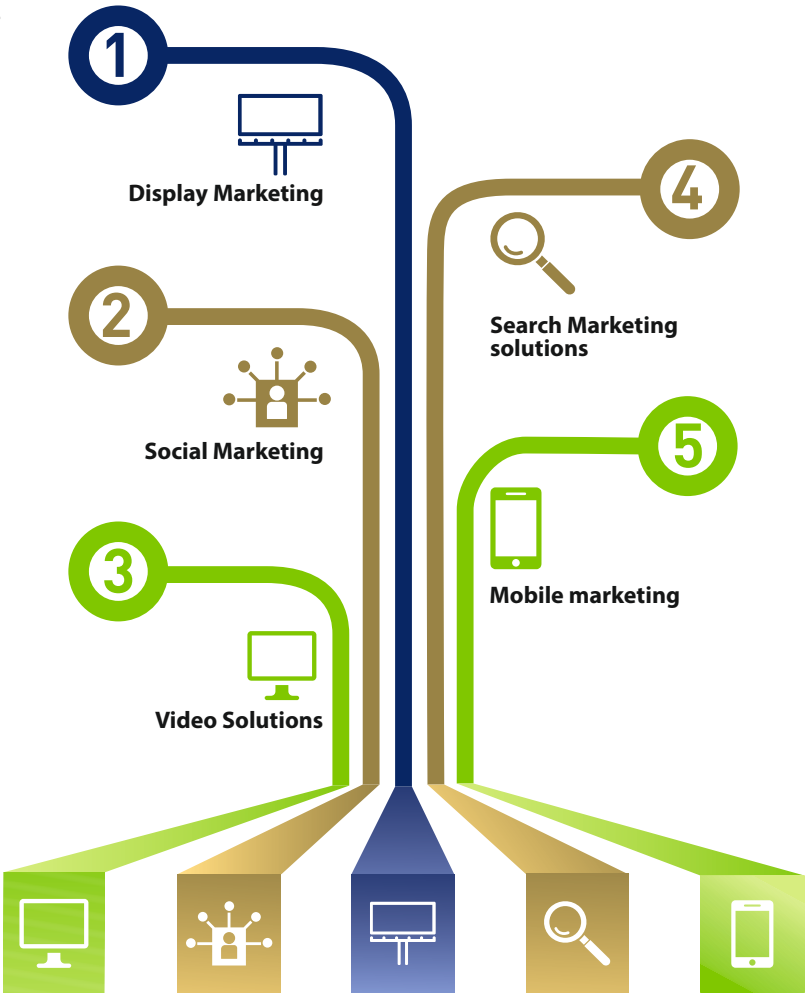
LYCOS DIVISIONS

LYCOS Advertising

Lycos Advertising is one-stop digital media solutions, with unique technology platforms and guaranteed cross-border traffic. The Division also develops technologies and technological platforms for the Company.

Its unique applications are designed to help online businesses connect more efficiently. Lycos's platforms serve and support advertisers, publishers, networks and affiliates through web analytics and the latest user interfaces

Lycos Advertising includes



Lycos deploys a mix of open source and commercially-available software, using the following technology platforms:

OneTag:
Lycos's Flagship platform display advertising. It is serving 0.9 billion impressions per month globally and designed to scale more. It integrates seamlessly with Lycos CRM and popular Ad exchanges like Yax (formerly Yahoo Right Media), AppNexus and ConvertMedia. Publishers can shift the traffic to any of the desired ad exchanges based on simplerules. It collects data, measures performance and reports campaign metrics.

Pangea:
Special Tool to manage Facebook campaigns.

Data Management Platform (DMP):
Lycos can access first party data from 1500 publishers.
We leverage this data to improve campaign performance and better targeting It's a Bigdata platform to collect, store, analyze and track an online user. We Offer the platform for third party consumption.

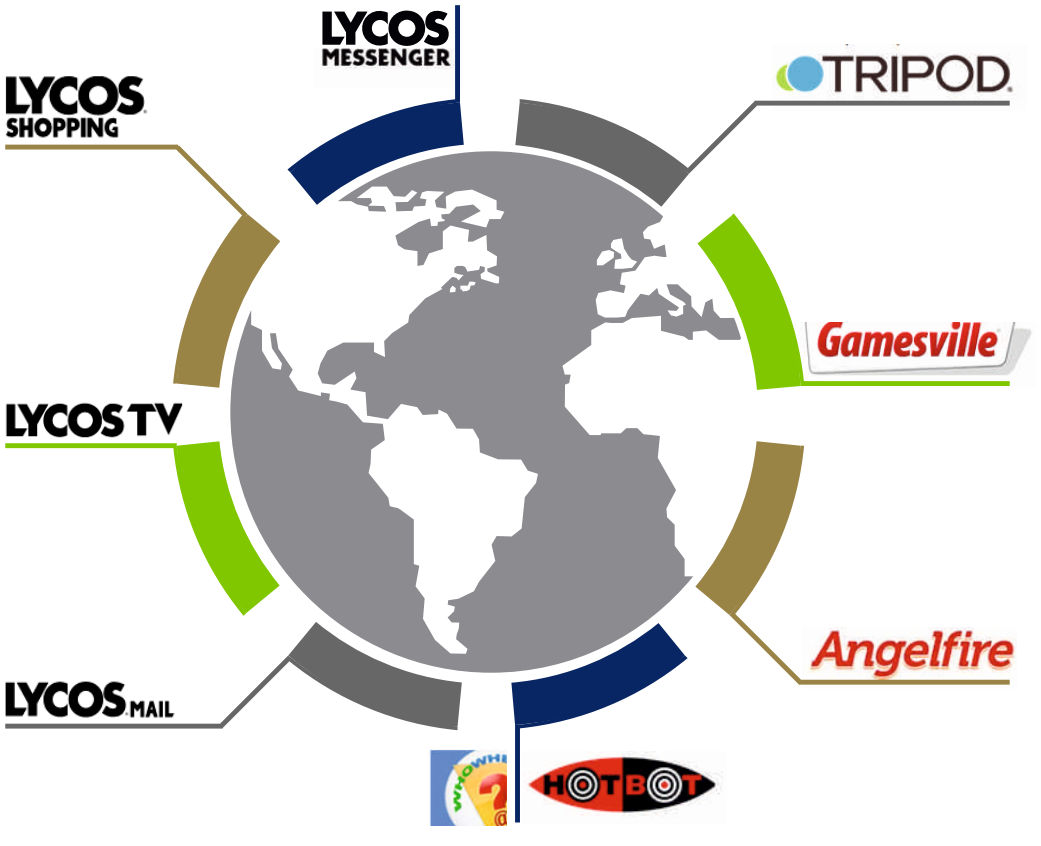
Real Time Bidding Exchange (RTB):
RTBs integrate with SSPs (Supply Side Platforms- Publisher side) and DSPs (Demand Side Platforms Advertiser side) to deliver impressions with highest in real time (sub milli second latencies). Advertisers / Agencies are increasingly seeking effective budget utilization RTB is a natural progression for Lycos with a perfect ecosystem. With DMP and a Tag Management System in place, LYCOS can switch into a new orbit.

LYCOS Media

Administers and operates Lycos's owned media channel by deploying a range of global digital properties, web portals, gaming entities and mobile platforms. The division aims to expand its user base by partnering with global media owners and other digital entities.

Lycos: One of the most recognized global search brands. Lycos operates a networkof globally branded media properties that provide online products and services toconsumers and businesses.

Lycos has presence in



Through Angelfire and Tripod, Lycos offers two of the longest-running web publishing and hosting sites on the Internet, providing users with free tools to build web sites, blogs, and photo albums. The easy-to-use web building tools allow users to create a web presence in minutes.

Gamesville.com specializes in massively multiplayer online game shows. Like TV game shows, Gamesville game shows are free to play, give winners prizes, and are supported by sponsors. Members can chat while they play, creating a sense of community and involvement. Lycos Shopping and Daily Deals allow users to find the best online shopping deals, find coupons, compare products from thousands of merchants.

LYCOS Life

LYCOS Life is a LYCOS's Wearables division, serving as a single point of entry into your digital life. LYCOS Life was launched in Hollywood, CA (June 8th) and Mumbai, India (June 16th) with many celebrities from both countries. LYCOS Life transforms everyday products into futuristic, state of the art accessories with the power to increase the effectiveness of your workout, seamlessly login to your phone and favorite apps, and share messages and contact information with a single tap.

LYCOS Band:

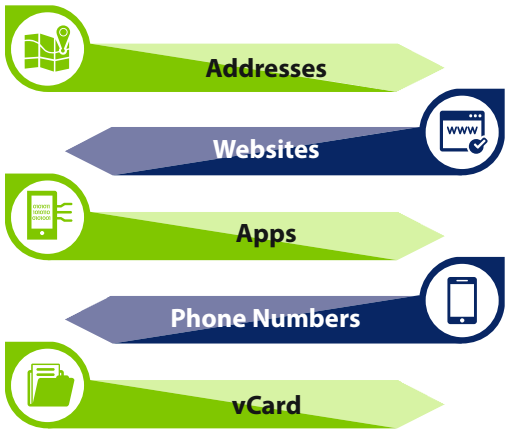
The adjustable Life Band fits comfortably on any size wrist. The interactive smart band impacts a range of facets in your everyday life.

- Personal Security Manager and advanced options for mobile device security
- Wireless Tap to Transfer Function (T2T)
- Unlocks phone with no password, just a Tap of the band
- Advanced Fitness Monitor
- Pedometer and calorie counter are utilized to help you reach your Life fitness goals
- EKG/ECG Live Readout to monitor health
- Monitor the quality and duration of your sleep with Automatic Sleep Tracking
- Vibrating, silent alarms for wake-up calls or notifications

LYCOS Ring:

With the LYCOS Life ring, wrap the power of security and accessibility around your finger. With a single tap transfer messages, share contact information and simplify the way you communicate.

- Tap the ring to your phone to unlock the phone and apps instantly
- Personal Security Manager and advanced options for mobile device security
- Wireless Tap to Transfer Function (T2T)
- Unlocks phone with no password, just a Tap of the ring
- Instantly and wirelss read/write to the ring with
- Tap 2 Transfer from your ring to your friends:



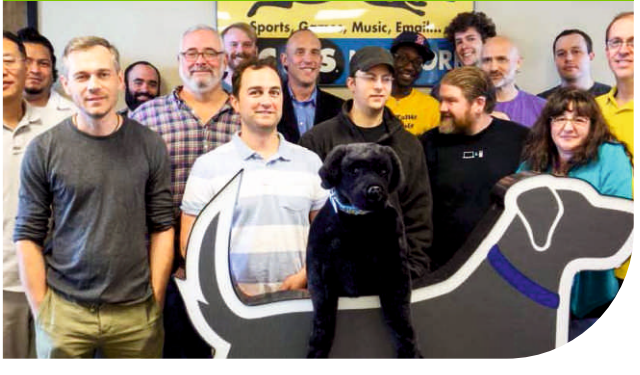
LYCOS Pictures

LYCOS Israel Video Campaigns Managers Team

LYCOS Israel Media Programmatic Team

Suresh Reddy,Vijay Kancharla & Michael Mauldin at Wearable Tech Expo

LYCOS US TEAM



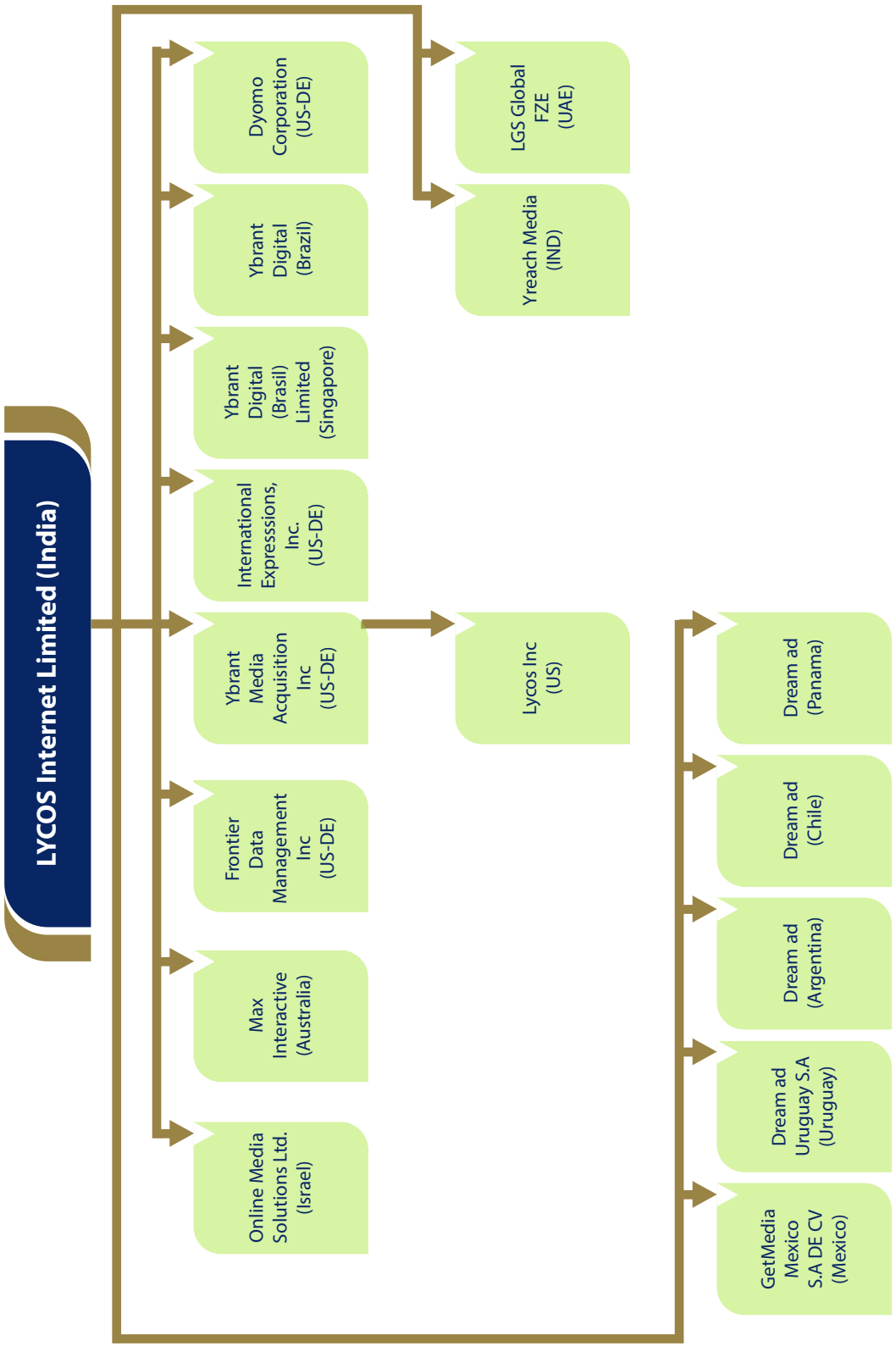
Lycos LIFE Launch Party Mumbai

Lycos Life Launch Party LA

Lycos Life Launch Party in Los Angeles

Lycos Life Launch Hyderabad

OPERATIONAL MATRIX



NOTICE

NOTICE is hereby given to the members of LYCOS Internet Limited (formerly known as Ybrant Digital Limited) that the Sixteenth Annual General Meeting of the Company will be held on Monday, 28th September, 2015 at 10:00 A.M at Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad - 500032 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended 31st March, 2015, together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. M. Suresh Kumar Reddy (DIN: 00140515), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. P. Murali & Co., Chartered Accountants as Statutory Auditors.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended, from time to time, M/s.P.Murali & Co., Chartered Accountants bearing Registration no. 007257S, the retiring Statutory Auditors be and is hereby re-appointed as Statutory Auditors of the Company to hold the office from the conclusion of this 16th Annual General Meeting until the conclusion of the next Annual General Meeting, at such remuneration as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. **To Re-appoint Mr. Y. Ramesh Reddy as an Independent Director.**

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

   "**RESOLVED THAT** pursuant to provisions of Section 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder read with Schedule IV of the Act, as amended from time to time, and Clause 49 of the Listing Agreement entered with Stock Exchanges, Mr.Y.Ramesh Reddy, (DIN: 01483626), who qualifies for being re-appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five years commencing from September 28, 2015."

5. **To Appoint Mrs.S.V.Rajyalaxmi Reddy as Director.**

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

   "**RESOLVED THAT** Mrs.S.V.Rajyalaxmi Reddy, (DIN: 02547795), who was appointed by the Board of Directors as an Additional Director of the Company with effect from March 27, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

6. **To Appoint Mr. Subrato Saha as an Independent Director.**

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

   "**RESOLVED THAT** Mr. Subrato Saha,(DIN:07288929), who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 24, 2015 and who holds the office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold the office for a term of five years commencing from September 28, 2015."

7. **To Appoint Mr. Michael Loren Mauldin as an Independent Director.**

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

   "**RESOLVED THAT** Mr.Michael Loren Mauldin, (DIN: applied), who was appointed by the Board of Directors as an Additional Director of the Company with effect from August 24, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of five years commencing from September 28, 2015."

8. To Alter Articles of Association of the Company.

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

RESOLVED THAT pursuant to provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended, from time to time, consent of the members of the Company be and is hereby accorded to alter the Articles of Association of the Company in the following manner:

Insertion of Article 117A. after Article 117.

117.A. There shall be no for feiture of unclaimed dividends before the claim becomes barred by law.

Insertion of Article 7(4) after Article 7(3).

The issue of share certificates and duplicates and the issue of new share certificates on consolidation or sub-division or in replacement of share certificates which are surrendered for cancellation due to their being defaced, torn, old or worn out or the cages for recording the transfer have been fully utilized or share certificates which are lost or destroyed, shall be in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit for giving effect to this resolution.

By Order of the Board of
LYCOS INTERNET LIMITED
(Formerly, Ybrant Digital Ltd)

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

Dated: August 24, 2015

Registered Office:
Plot No.7A, Road No.12,
MLA Colony, Banjara Hills,
Hyderabad – 500 034,
Telangana, India.
CIN:L64203TG1999PLC030996
Email:ir@lycoscorp.com
www.lycos.com
Tel:+91 40 45678999 efax: +91 22 66459677

NOTES:

1. Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 for the resolutions at items No(s). 4 to 8 is given below. The relevant details, as required under Clause 49 of the Listing Agreement with Stock Exchanges, of the person seeking appointment/re-appointment as Directors under Item No.(s) 4 to 7 of the notice are also annexed.
2. A member entitled to attend and vote at the annual general meeting, is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from September 22, 2015 to September 28, 2015 (both days inclusive).
6. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depository Participant, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
7. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with your Depository Participant(s).
8. Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. Members attending the Meeting are requested to complete and bring the attendance slip enclosed with the Annual Report and hand over the same, duly signed, at the entrance of the meeting hall.
10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

11. All documents referred to in the accompanying Notice are open for inspection at the Registered office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
12. In compliance with the provisions of section 108 of the Act and the Rules framed hereunder and Clause 35B of the Listing Agreement, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

The instructions for shareholders for voting electronically are as under:

(I) The voting period begins on September 25, 2015 at 09:00 a.m. and ends on September 27, 2015 at 05:00 p.m..During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 21, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) 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.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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 first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If 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 instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu where in they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <LYCOS INTERNET LIMITED> on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- 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.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- 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.

(xix) In case you have any queries or issues regarding 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.

(xx) In case of queries connected to the e-voting, please contact Mr. Wenceslaus Fernando, Deputy Manager, CDSL, P. J. Towers, 16th Floor, Dalal Street, Fort, Mumbai – 400001. Phone: 1800 200 5533, e-mail: helpdesk.evoting@cdslindia.com

The Board of Directors has appointed Mr. S. Siva Sankar Reddy, Practicing Chartered Accountant, Hyderabad as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman & Managing Director of the Company.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.lycos.com ; CDSL website www.evotingindia.com and will be forwarded to the Stock Exchanges where shares of the company are listed.

By Order of the Board of
LYCOS INTERNET LIMITED
(Formerly, Ybrant Digital Ltd)

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

Dated: August 24, 2015

Registered Office:
Plot No.7A, Road No.12,
MLA Colony, Banjara Hills,
Hyderabad – 500 034,
Telangana, India.
CIN:L64203TG1999PLC030996
Email:ir@lycoscorp.com
www.lycos.com
Tel:+91 40 45678999 efax: +91 22 66459677

EXPLANATORY STATEMENT

(Pursuant to provisions of Section 102 of the Companies Act, 2013)

Item no. 4

Mr.Y.Ramesh Reddy was appointed as an Independent Directors at the Annual General Meeting held on September 30, 2014 for a period of one year pursuant to provisions of Companies Act, 2013 and Listing Agreement and their term of office as Independent director will expire on September 29, 2015.

Notice has been received from the members proposing the candidature of aforesaid Director for the office of Independent director along with requisite deposit.He had given declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he had fulfilled the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director.

None of the Directors or Key Managerial Personnel or relatives of directors and KMPs except Mr. Y. Ramesh Reddy and his relatives, is concerned or interested in the resolution at Item No. 4 of the Notice relating to his appointment.

The Board recommends the Special Resolution as set out at item no. 4 of the Notice for approval of the Members.

Item no. 5

Mrs.S.V.Rajyalaxmi Reddy was appointed as Additional Director of the Company w.e.f. March 27, 2015 and will hold the office till the conclusion of the ensuing Annual General Meeting.

A Notice has been received from a member proposing the candidature of aforesaid Director for the office of director along with requisite deposit. The Board of Directors of the Company recommends the appointment of aforesaid additional director as Director of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, except Mrs.Rajya Laxmi Reddy and Mr.M.Suresh Kumar Reddy, is concerned or interested, in the aforesaid Resolution.

The Board recommends the Ordinary Resolution as set out at item no. 5 of the Notice for approval of the Members.

Item no. 6 & 7

Mr. Subrato Saha and Mr. Michael Loren Mauldin were appointed as Additional Directors of the Company w.e.f. August 24, 2015 and will hold the office till the conclusion of the ensuing Annual General Meeting.

Notice has been received from the members proposing the candidature of aforesaid Directors for the office of Independent director along with requisite deposit. They had given declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, they had fulfilled the conditions specified in the Act and the Rules framed there under for appointment as Independent Director.

None of the Directors or Key Managerial Personnel or relatives of directors and KMPs except Mr. Subrato Saha and Mr. Michael Loren Mauldin and their relatives, is concerned or interested in the respective resolutions at Item No.6 & 7 of the Notice relating to their appointment.

The Board recommends the Ordinary Resolutions as set out at item no. 6 & 7 of the Notice for approval of the Members.

Item no. 8

The existing Articles of Association (AoA) of the Company were adopted by the Members of the Company at the AGM held on September 30, 2014. As per the direct listing requirements of National Stock Exchange of India Limited, the Company has given an undertaking to amend AOA to include certain Articles as mentioned at the resolution no. 8, at the ensuing AGM.

Accordingly Board of Directors of the Company has approved to insert the said Articles in AOA of the Company in the manner as detailed in the resolution set out at item no 8.

None of the Directors, Key Managerial Personnel and their respective relatives is concerned or interested, in the Special Resolution set out at Item No. 8 of the Notice.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval of the Members.

By Order of the Board of
LYCOS INTERNET LIMITED
(Formerly, Ybrant Digital Ltd)

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

Dated: August 24, 2015
Registered Office:
Plot No.7A, Road No.12,
MLA Colony, Banjara Hills,
Hyderabad – 500 034,
Telangana, India.
CIN:L64203TG1999PLC030996
Email:ir@lycoscorp.com
www.lycos.com
Tel:+91 40 45678999 efax: +91 22 66459677

Additional Information on Directors seeking appointment / re-appointment at the ensuing Annual General Meeting as per Clause 49 of the Listing Agreement

Name of Director	Mr. M. Suresh Kumar Reddy	Mr. Y. Ramesh Reddy	Mrs. S. V. Rajyalaxmi Reddy	Mr. Subrato Saha	Mr. Michael Loren Mauldin
Date of Birth	25.10.1966	24.10.1966	28.02.1972	23.10.1966	23.03.1959
Date of Appointment on the Board of the Company	26.06.2012	26.06.2012	27.03.2015	24.08.2015	24.08.2015
Category	Chairman & Managing Director	Independent Director	Director	Independent Director	Independent Director
Relationship with other Directors	Husband of Mrs. S.V. Rajyalaxmi Reddy	None	Wife of Mr. M. Suresh Kumar Reddy	None	None
Expertise in specific function area	Software Industry and Business Intelligence Development	IT, Manufacturing and Investment Banking	Computer Storage	Process Management	Artificial Intelligence and Information Retrieval
Qualification	Master of Science from Iowa State University and B.Tech., from IIT, Kharagpur	Chemical Engineering from IIT, Chennai and Management Degree in Finance and Marketing from XLRI, Jamshedpur	Bachelor Degree in Computer Science	B. Tech (Hons.), Chemical Engineering from IIT, Kharagpur	"Ph.D., in Computer Science from Carnegie Mellon University"
List of other directoships held as on 31.03.2015 (Excluding Private, Section 25 Companies & Foreign Companies)	NIL	NIL	NIL	NIL	NIL
Chairman / Member of the Committee of the Board of Directors of the Company	Chairman of Corporate Social Responsibility Committee; Member of Stakeholders Relationship Committee	Chairman of Audit Committee, Member of Nomination & Remuneration Committee	NIL	NIL	NIL
Chairman / Member of the Committees in other companies in which he is a Director	NIL	NIL	NIL	NIL	NIL
Number of shares held in the Company as on 31.03.2015	74777435	NIL	4834000	NIL	NIL

DIRECTOR'S REPORT

To

The Members,

Your Directors are pleased to present the 16th Annual Report of the Company for the financial year 2014-15.

1. Financial Highlights

(Rupees in Lakhs)

Particulars	Consolidated FY 2014-15	Consolidated FY 2013-14	Standalone FY 2014-15	Standalone FY 2013-14
Total Revenue	197117.32	167487.28	50282.72	61006.68
Gross Profit before Interest, Depreciation & Tax	58588.99	36864.98	2994.66	9038.85
Less: Interest	2252.30	2694.40	1929.78	2375.45
Depreciation	4137.70	6883.36	1052.58	5287.98
Profit before Tax	52198.99	27287.23	12.30	1375.41
Less: Provision for Tax	18038.60	5113.26	3.99	468.08
Less: Deferred Tax Liability	(61.38)	77.69	(166.13)	(8.32)
Profit after Tax	34221.77	22096.28	174.44	915.66
Balance Brought forward from the previous year	59512.92	37444.11	13034.53	12146.34
Profit available for appropriations	93734.69	59540.39	13208.98	13062.00
Less: Amount transferred to retained earnings as per Schedule II of Companies Act 2013	2054.18	0	331.27	0
Less: Transferred to General Reserve	5.23	27.47	5.23	27.47
Profit Carried to Balance Sheet	91675.27	59512.92	12872.47	13034.53

2. DIVIDEND

In order to strengthen the financial viability and in view of the future plans of the company, your directors have expressed their inability to recommend any dividend for the financial year 2014-15.

3. TRANSFER TO GENERAL RESERVE

The Company proposes to transfer an amount of Rs.5.23 lakhs/- to the General Reserve out of the amount available for appropriations.

4. PERFORMANCE REVIEW

On consolidation basis, your company achieved revenue from operations Rs.195700.36 lakhs for the financial year 2014-15 as against Rs.167337.38 lakhs in the previous financial year, an increase of around 16.95% year on year basis. Earnings before Interest, Tax, Depreciation and amortisation (EBITDA) increased by 58.93% to Rs.58588.99 lakhs as compared to Rs.36864.98 lakhs for the previous financial year. Profit after Tax (PAT) stood at Rs.34221.77 lakhs as compared to Rs.22096.28 lakhs for the previous financial year. The digital segment revenues grew by 22.88% and overall revenue growth is about 16.95% compared to previous year.

During the year under review, there is no change in nature of business of the company and no material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

5. BUSINESS REVIEW

The Management Discussion and Analysis Section of the Annual Report presents a detailed business review of the company.

6. SUBSIDIARY COMPANIES

There has been no material change in nature of business of the Subsidiaries. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 (hereinafter referred as "Act).

Pursuant to Proviso to Section 129(3) of the Act, a statement containing the brief details of performance and financials of the Subsidiary Companies, for the financial year ended March 31, 2015 is attached to Financial Statements of the Company.

Pursuant to Section 136 of the Act, the financial statements including consolidated financial statements and other relevant documents are available at website of the company www.lycos.com under Investor section.

During the year under review, none of the Companies have become nor ceased to be subsidiaries or associates or Joint Ventures of the Company.

7. CONSOLIDATED FINANCIAL STATEMENTS

In terms of Section 129(3) of the Companies Act, 2013 and Clause 32 of the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Company prepared in accordance with Accounting Standards issued by Institute of Chartered Accountants of India, are attached and forms part of the Annual Report.

8. FIXED DEPOSITS

During year under review, your company has neither invited nor accepted any Fixed Deposits from the public.

9. CORPORATE GOVERNANCE

Your Company is committed to adhere to the standards of corporate governance as set out by the Listing agreement. The majority of the decisions of the Board are taken at the Board meetings and the Board has constituted certain committees to enable better management of the affairs of the Company. The details relating to number of Board meetings held during the year under review and composition of the committees are disclosed in Corporate Governance Report.

The requisite certificate from the Auditors of the Company confirming the compliance of the conditions stipulated under Clause 49 of the Listing Agreement is attached to the Report on Corporate Governance.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, the Report on Management Discussion and Analysis is annexed to this report and forms part of the Annual Report.

11. POLICY ON CODE OF CONDUCT

The Company has laid down a "Code of Conduct & Ethics" for all Board members and Senior Management Personnel. Pursuant to Clause 49(II)(E)(ii) of the Listing Agreement, the Declaration by the Chairman and Managing Director affirming the compliance with the Code of Conduct & Ethics is attached to the Report on Corporate Governance.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to provisions of Section 152 of the companies Act, 2013, Mr.M.Suresh Kumar Reddy, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Board of Directors re-appointed Mr.Y.Ramesh Reddy as an Independent Director of the Company, for tenure of five years, at the forthcoming Annual General meeting, pursuant to provisions of the Section 149 of the Companies Act, 2013 (Act) and Clause 49 of the Listing Agreement.

Pursuant to provisions of Section 149(1) and 161 of the Act and Clause 49(II)(A)(1) of the Listing agreement, Mrs.S.V.Rajyalaxmi Reddy has been appointed as an Additional Director of the Company w.e.f March 27, 2015.

The Board of Directors appointed Mr. Michael Loren Mauldin and Mr. Subrato Saha as an Additional Directors (Independent Directors) of the Company w.e.f August 24, 2015.

The resolutions seeking approval of the Members for the reappointment / appointment of Mr. Y. Ramesh Reddy, Mrs. S. V. Rajyalaxmi Reddy, Mr. Michael Loren Mauldin and Mr. Subrato Saha have been incorporated in the notice of the forthcoming annual general meeting of the Company.

The Company has received notices under Section 160 of the Act along with the requisite deposit proposing the appointment of Mrs. S. V. Rajyalaxmi Reddy as Director, Mr. Y. Ramesh Reddy, Mr. Michael Loren Mauldin and Mr. Subrato Saha as Independent Directors.

All the Independent Directors of the company have given declaration to the Company that they meet the criteria of independence as specified under Section 149(6) of the Act and Clause 49 of the Listing agreement.

During financial year under review, Mr.Amreek Singh Sandhu has resigned as CFO w.e.f December 31, 2014 and Mr.Y.Srinivasa Rao has been appointed as CFO w.e.f January 1, 2015. Ms.K.Anusha has been appointed as CS w.e.f. May 28, 2014.

The Policy on appointment and remuneration for Directors, Key Managerial Personnel and other employees as specified under Section 178(3) of the Act has been disclosed in Corporate Governance Report.

13. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its committees and individual directors, as per the requirements of the Act. The performance of the Board was evaluated at a meeting wherein all the Directors has discussed about the performance of the Board, effectiveness of board process, flow of information, execution of the decisions of the Board and contribution of individual directors etc. The performance of the Committees was evaluated by the Board by considering the effective recommendations made by the Committees, from time to time, to the Board of the Directors of the Company and effectiveness of Committee meetings etc.

As per Schedule IV of the Act, Independent Directors of the Company at a separate meeting evaluated the performance of non-independent directors, the Board as a whole and the Chairman of the company taking into account the views of executive and non-executive directors. Independent Directors also reviewed the quality, quantity and timeliness of flow of information between management of the Company and the Board, for the effective performance of the board.

14. AUDITORS AND THEIR REPORTS

Statutory Auditors

M/s.P.Murali & Co., Statutory Auditors of the company holds the office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received a letter from the Statutory Auditors that their appointment, if made, would be within the limits prescribed under the provisions of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Board of Directors recommends the reappointment of M/s.P.Murali & Co., as Statutory Auditors of the Company.

The Auditor's Report on the financial statements of the Company for financial year 2014-15 does not contain any adverse remark, qualifications.

Secretarial Audit

As per provisions of Section 204 of the Act, the Board of Directors of the company have appointed M/s.Jaipal Reddy N & Associates, Practicing Company Secretaries as Secretarial Auditor for the purpose of auditing the Secretarial activities of the Company for the financial year 2014-15. The Secretarial audit report issued by the said auditor has been annexed to this report as Annexure A.

The Secretarial Audit Report does not contain any adverse remarks or qualifications.

15. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

The particulars of loans, investments made and guarantees issued under Section 186 of the Act, during year under review are provided in notes to accounts of financial statements.

16. RELATED PARTY TRANSACTIONS

As per the requirement of provisions of the Act and Clause 49 of the Listing agreement, the Company has formulated a policy on related party transactions to ensure the transparency in transactions between the company and related parties. The said RTP Policy is also available at Company's website at www.lycos.com under Investors Section.

All Related Party Transactions entered by the Company during the year under review were in ordinary course of business and on Arm's length basis. There were no materially significant related party transactions entered by the company during year under review.

Since all the related party transactions were in ordinary course of business and were on Arm's length basis, disclosure in form AOC-2 as required under Section 134(3) (h) of the Act is not applicable.

17. INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT

The details relating to internal financial controls and their adequacy and Risk Management are included in the Management Discussion and Analysis Report.

18. WHISTLE BLOWER POLICY

The Board has adopted a Vigilance Policy as stipulated under Section 177(9) of the Act and Clause 49 of the Listing agreement to report the genuine concerns of the employees. Protected disclosures can be made by the employees of the company to the Ombudsperson appointed by the Board for this purpose and can also have access to the Chairman of Audit Committee.

19. EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the company as provided under section 92(3) of the Act is annexed as Annexure B to this Report.

20. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or orders or tribunals impacting the going concern status and Company's operations in future.

21. PARTICULARS OF EMPLOYEES

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(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration to Key Managerial Personnel) Rules, 2014 is not applicable.

The statement containing particulars of employees of the company who are in receipt of remuneration in excess of the limits specified under Rule 5(2) of Companies (Appointment and Remuneration of Key Managerial Personnel) Rules 2014 is annexed to this report. Further, this report and accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the registered office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

22. SEXUAL HARASSMENT

During the year under review, there were no cases field pursuant to the Sexual Harassment of women at work space(Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The particulars, as prescribed under Section 134(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014, are as following:

(I) 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.

(ii) 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.

(iii) 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.

24. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) policy of the company and the initiatives undertaken by the company on CSR activities during the year as required to be disclosed under Annexure ii of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure C to this Report.

25. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors hereby state that:

(a) In preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(b) Selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

(c) Have 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) Prepared the annual accounts on a going concern basis; and

(e) The company had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively

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

26. ACKNOWLEDGEMENTS AND APPRECIATIONS

We thank our Customers, Vendors, governmental authorities, Banks, Financial Institutions and esteemed Shareholders for their continued support. We place on record our appreciations of the contribution made by the employees at all levels.

For and on behalf of the Board of Directors
LYCOS INTERNET LIMITED
(Formerly, Ybrant Digital Ltd)

Place: Hyderabad
Date: August 24, 2015

M. Suresh Kumar Reddy
Chairman & Managing Director

ANNEXURE - A

FORM NO. MR-3

Secretarial Audit Report

(For the period from 01.04.2014 to 31.03.2015)

[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,
M/s. Lycos Internet Limited,
(Formerly known as M/s. Ybrant Digital Limited)
CIN: L64203TG1999PLC030996,
Hyderabad.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Lycos Internet Limited** (Formerly known as M/s. Ybrant Digital 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 our verification of the Company 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, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31.03.2015** (from 01.04.2014 to 31.03.2015), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent applicable:

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 Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

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

d. 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;

e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

g. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited and Madras Stock Exchange Limited;

h. Secretarial Standards issued by The Institute of Company Secretaries of India, and

i. The Memorandum and Articles of Association.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

We further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

a. Maintenance of various statutory registers and documents and making necessary entries therein;

b. Closure of the Register of Members.

c. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

d. Service of documents by the Company on its Members, Auditors and the Registrar of Companies;

e. Notice of Board meetings and Committee meetings of Directors;

f. The meetings of Directors and Committees of Directors including passing of resolutions by circulation;

g. The 15th Annual General Meeting held on 30th September, 2014;

h. Minutes of proceedings of General Meetings and of the Board and its Committee meetings;

i. Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;

j. Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director;

k. Payment of remuneration to Directors including the Managing Director;

l. Appointment and remuneration of Auditors;

m. Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares, if any;

n. Not declared dividend during the period;

o. No amount is required to be transferred under the Act to the Investor Education and Protection Fund;

p. Borrowings and registration, modification and satisfaction of charges wherever applicable;

q. Investment of the Company's funds including investments and loans to others wherever applicable;

r. Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;

s. Directors'Report;

t. Contracts, common seal, registered office and publication of name of the Company; and

u. Generally, all other applicable provisions of the Act and the Rules made under the Act.

We further report that:

i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

iii. The Company has obtained all necessary approvals under the various provisions of the Act; and

iv. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

v. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.

We further report that based on the information received and records maintained 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.

For **Jaipal Reddy. N & Associates**
Company Secretaries

N. Jaipal Reddy
Practising Company Secretary
ACS: 28546; CP: 10280

Place : Hyderabad
Date : August 24, 2015

ANNEXURE -B

FORM NO. MGT - 9

Extract of annual return as on the financial year ended on 31-03-2015

[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: LYCOS INTERNET LIMITED
iv) Category / Sub-Category of the Company:
Company Limited by Shares / Non-Government Company
v) Address of the Registered office and contact details:
Plot No. 7A, Road No. 12,
MLA Colony, Banjara Hills,
Hyderabad – 500034.
Ph. +91 40 4567 8999
e-Mail: ir@lycoscorp.com
Website: www.lycos.com
vi) Whether listed company: Yes
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

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	U92412TG2012PTC082116	Subsidiary	99	2(87)
2.	Frontier Data Management Inc., USA	-	Subsidiary	100	2(87)
3.	International Expressions Inc., USA	-	Subsidiary	100	2(87)
4.	Online Media Solutions Limited, Israel	-	Subsidiary	100	2(87)
5.	Ybrant Media Acquisition Inc., USA	-	Subsidiary	100	2(87)
6.	Dyomo Corporation, USA	-	Subsidiary	100	2(87)
7.	Max Interactive Pty Ltd., Australia	-	Subsidiary	100	2(87)
8.	DreamAd, Argentina	-	Subsidiary	100	2(87)
9.	DreamAd, Chile	-	Subsidiary	100	2(87)
10.	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	-	Subsidiary	100	2(87)
11.	DreamAd, Panama	-	Subsidiary	100	2(87)
12.	DreamAd, Uruguay	-	Subsidiary	100	2(87)
13.	Ybrant Digital Services De Publiciade Ltda ., Brasil	-	Subsidiary	100	2(87)
14.	Ybrant Digital (Brasil) Ltd, Singapore	-	Subsidiary	100	2(87)
15.	LGS Global FZE, UAE	-	Subsidiary	100	2(87)

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

I) Category-wise Share Holding

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	76830908	0	76830908	16.13	84343461	0	84343461	17.71	+1.58
(b) Central Govt.,	0	0	0	0	0	0	0	0	
(c) State Govt.(s)	0	0	0	0	0	0	0	0	
(d) Bodies Corp.	0	0	0	0	0	0	0	0	
(e) Banks / FI	0	0	0	0	0	0	0	0	
(f) Any Other	0	0	0	0	0	0	0	0	
Sub-total (A) (1)	76830908	0	76830908	16.13	84343461	0	84343461	17.71	+1.58
(2) Foreign									
(a) NRIs – Individuals	73740510	0	73740510	15.48	73740510	0	73740510	15.48	0
(b) Other – Individuals	0	0	0	0	0	0	0	0	
(c) Bodies Corp.	9588088	0	9588088	2.01	2186487	0	2186487	0.46	-1.55
(d) Banks / FI	0	0	0	0	0	0	0	0	
(e) Any Other									
Overseas corporate bodies	32500000	0	32500000	6.82	26397766	0	26397766	5.54	-1.28
Sub-total (A) (2)	115828598	0	115828598	24.32	102324763	0	102324763	21.49	-2.83
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**192659506**	**0**	**192659506**	**40.45**	**186668224**	**0**	**186668224**	**39.20**	**-1.25**

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	
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks / FI	2900000	0	2900000	0.61	0	0	0	0	-0.61
(c) Central Govt.,	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	78540	0	78540	0.02	+0.02
(g) FIIs	5775014	0	5775014	1.21	2411030	0	2411030	0.51	-0.7
(h) Foreign Venture Capital Funds	99808710	0	99808710	20.96	94999938	0	94999938	19.95	-1.01
(i) Others (specify)									
Sub-total (B) (1)	108483724	0	108483724	22.78	97489508	0	97489508	20.47	-2.31
2. Non Institutions									
(a) Bodies Corp.,	17184104	3207228	20391332	4.28	59116685	25500	59142185	12.42	+8.14
(b) Individuals									
I) Individual shareholders holding nominal share capital upto Rs. 1 lakh	13336052	219673	13555725	2.85	26566711	187040	26753751	5.62	2.77
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	36371893	498000	36869893	7.74	43984597	75000	44059597	9.25	+1.51
(c) Others (specify)									
Non Resident Individuals	1987194	3622860	5610054	1.18	4783600	1125000	5908600	1.24	+0.06
Overseas Corporate Bodies	59123380	12400398	71523778	15.02	44320157	2826360	47146517	9.9	-5.12
Trusts	17218509	765000	17983509	3.78	5962108	765000	6727108	1.41	-2.37
Employees	0	900000	900000	0.19	0	900000	900000	0.19	0
Clearing Members	5022386	0	5022386	1.05	1456009	0	1456009	0.31	-0.74
Foreign Nationals	0	3251592	3251592	0.68				0	-0.68
Sub-total (B) (2)	150243518	24864751	175108269	36.77	186189867	5903900	192093767	40.34	+3.57
Total Public Shareholding (B) = (B)(1) + (B)(2)	258727242	24864751	283591993	59.55	283679375	5903900	289583275	60.80	+1.25
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A + B + C)	**451386748**	**24864751**	**476251499**	**100**	**470347599**	**5903900**	**476251499**	**100**	

ii) Shareholding of promoters

Sl. No.	Category of Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during 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	
1.	M. Suresh Kumar Reddy	65573882	13.77	0.15	74777435	15.70	1.91	+1.93
2.	Vijay Kancharla	65865510	13.83	0	65865510	13.83	0	0
3.	Redmond Investments Ltd.,	32500000	6.82	6.82	26397766	5.54	4.72	-1.28
4.	Geetha Kancharla	6534000	1.37	0	6534000	1.37	0	0
5.	S.V. Rajyalaxmi Reddy	6534000	1.37	0	4834000	1.02	0	-0.35
6.	Fiora Enterprises Ltd.,*	4321108	0.91	0	-	-	-	-
7.	Fingrowth Co. Ltd.,	2478016	0.52	0.41	1414534	0.30	0.19	-0.22
8.	Palle Suguna Reddy	2020000	0.42	0	2027000	0.43	0	+0.01
9.	Probus Capital Ltd.,	1668482	0.35	0.35	605000	0.13	0.13	-0.22
10.	M. Shashidhar Reddy	1341000	0.28	0	1341000	0.28	0	0
11.	M. Gangi Reddy	1146800	0.24	0	1146800	0.24	0	0
12.	Mundi Enterprise Ltd.,	1120482	0.24	0.22	166953	0.04	0	-0.2
13.	Karusala Venkata Subba Rao	713963	0.15	0.15	713963	0.15	0	0
14.	Venkateswara Rao	713963	0.15	0.15	713963	0.15	0	0
15.	M. Subhadra Reddy	126500	0.03	0	128500	0.03	0	0
16.	K. Mohan Rao	1800	0	0	1800	0	0	0
	Total	**192659506**	**40.45**	**8.26**	**186668224**	**39.20**	**6.95**	**-1.25**

* Classified under public category from September 1, 2014

(iii) Change in Promoters' 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	65573882	13.77	9203553	-	74777435	15.70
2.	Vijay Kancharla	65865510	13.83	-	-	65865510	13.83
3.	Redmond Investments Ltd.,	32500000	6.82		6102234	26397766	5.54
4.	Geetha Kancharla	6534000	1.37	-	-	6534000	1.37
5.	S.V. Rajyalaxmi Reddy	6534000	1.37	-	1700000	4834000	1.02
6.	Fiora Enterprises Ltd.,	4321108	0.91	-	4321108	0	0
7.	Fingrowth Co. Ltd.,	2478016	0.52	-	1063482	1414534	0.30
8.	Palle Suguna Reddy	2020000	0.42	7000	-	2027000	0.43
9.	Probus Capital Ltd.,	1668482	0.35	-	1063482	605000	0.13
10.	M. Shashidhar Reddy	1341000	0.28	-	-	1341000	0.28
11.	M. Gangi Reddy	1146800	0.24	-	-	1146800	0.24
12.	Mundi Enterprise Ltd.,	1120482	0.24	-	953529	166953	0.04
13.	Karusala Venkata Subba Rao	713963	0.15	-	-	713963	0.15
14.	Venkateswara Rao	713963	0.15	-	-	713963	0.15
15.	M. Subhadra Reddy	126500	0.03	2000	-	128500	0.03
16.	K. Mohan Rao	1800	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.	Everest Capital (M) Ltd	65179080	13.69	-	3700216	61478864	12.91
2.	Oak India Investments	34629630	7.27	-	1108556	33521074	7.04
3.	Sansar Capital (Mauritius) Ltd.	33563430	7.05	-	3647190	29916240	6.28
4.	Sansar Special Opportunities (Mauritius) Ltd	16159950	3.39	-	1756033	14403917	3.02
5.	Nakshatra Foundation / Sanjeev Kumar Yadav	9850000	2.07	-	3888892	5961108	1.25
6.	Suntek Global Enterprises	8821818	1.85	-	8821818	0	0
7.	Ybrant Employees Welfare Trust	7350000	1.54	-	6585000	765000	0.16
8.	Fiora Enterprises Limited	5400000	1.13	4321108	9721108	0	0
9.	ITF Mauritius	4852517	1.02	-	4852517	0	0
10.	Transartica Company Limited	4000000	0.84	-	4000000	0	0

(v) Shareholding of Directors and Key Managerial Personnel:

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
	Directors						
1.	M. Suresh Kumar Reddy	65573882	13.77	9203553	-	74777435	15.70
2.	Vijay Kancharla	65865510	13.83	-	-	65865510	13.83
3.	M. Vijaya Bhasker Reddy	180000	0.04	-	105055	74945	0.02
4.	Raghunath Allamsetty	-	-	-	-	-	-
5.	Y. Ramesh Reddy	-	-	-	-	-	-
6.	S.V. Rajyalaxmi Reddy	6534000	1.37	-	1700000	4834000	1.02

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	113.47	121.81		235.28
ii) Interest due but not paid	4.05	0.00		4.05
iii) Interest accrued but not due	0.00	0.00		0.00
Total (i + ii + iii)	**117.52**	**121.81**		**239.33**
Change in Indebtedness during the financial year				
• Addition				
• Reduction	19.01	39.31		58.32
Net Change	19.01	39.31		58.32
Indebtedness at the end of the financial year				
i) Principal Amount	94.46	82.50		176.96
ii) Interest due but not paid	3.86	0.00		3.86
iii) Interest accrued but not due	0.00	0.00		0.00
Total (i + ii + iii)	**98.32**	**82.50**		**180.82**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager Suresh Kumar Reddy Muthukuru
1.	Gross Salary	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 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 (A)	NIL
	Ceiling as per the Act	

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (in Rs.)
		Y. Ramesh Reddy(Rs.)	Raghunath Allamsetty(Rs.)	M. Vijaya Bhasker Reddy(Rs.)	
	Independent Directors				
	• Fee for attending board and committee meetings	30,000	30,000	30,000	90,000
	• Commission				
	• Others, please specify				
	Total (1)	**30,000**	**30,000**	**30,000**	**90,000**
	Other Non-Executive Directors	S.V.Rajyalaxmi Reddy			
	• Fee for attending board and committee meetings				
	• Commission				
	• Others, please specify				
	Total (2)	NIL	NIL	NIL	NIL
	Total (B) = (1+2)	**30,000**	**30,000**	**30,000**	**90,000**
	Total Managerial Remuneration	**30,000**	**30,000**	**30,000**	**90,000**
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total Amount
1.	Gross Salary	NA			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		Mrs.Anusha.K Rs.5,74,245	Mr. Amreek Singh Sandhu (Apr'14 to Dec'14)– Rs.53,71,850 Mr.Y.Srinivasa rao (Jan'15 to Mar'15) - Rs.4,89,782	Rs.64,35,877
	(b) Value of perquisites u/s 17(2) of of the Income Tax Act, 1961		NIL	4500	4500
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		NIL	NIL	
2.	Stock Option		NIL	NIL	
3.	Sweat Equity		NIL	NIL	
4.	Commission		NIL	NIL	
	- As % of profit		NIL	NIL	
	- Others, specify		NIL	NIL	
5.	Others, please specify		NIL	NIL	
	Total		**5,74,245**	**58,66,132**	**Rs.64,40,377**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

For and on behalf of the Board of Directors
LYCOS Internet Limited
(Formerly, Ybrant Digital Limited)

Sd/-
M Suresh Kumar Reddy
Chairman & Managing Director

Place: Hyderabad
Date: August 24, 2015

ANNEXURE - C

Annual report on CSR activities

1. **A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

   LYCOS balances commerce and social responsibility in a way of giving to the world for a better place for 'You and for Me'. A brand like LYCOS that has defined itself and its core values, outlines social responsibility initiatives in alignment with its authentic brand story. In line with traditional financial metrics that businesses hold both compelling reasons to be responsible and perform better, LYCOS believes that social responsibility is a business imperative rather than anything else. For LYCOS, it makes good business sense not just to be socially responsible but to make a serious social mission intrinsic to our business. Towards this, respecting applicable laws and with the involvement of our global teams at large, we just don't stop with value creation for stakeholders but, help in activities like educating the poor within our limits etc. withholding our very purpose of business to social responsibility of simplifying the everyday life of people at large through our services. The company's CSR Policy intends to strive for the economic development that positively impacts the society at large with minimum resource footprint. The Projects undertaken or to be undertaken by the Company will be within the broad framework of Schedule VII of the Companies Act, 2013. The CSR Policy of the Company is available at the website of the Company www.lycos.com under investors Section.

2. **The Composition of CSR Committee:** The Company has a CSR Committee of Directors comprising of Mr.M.Suresh Kumar Reddy, Chairman & Managing Director, Mr.Vijay Kancharla, Director and Mr.M.Vijaya Bhasker Reddy, Director.

3. **Average of Net Profits of the company for last three financial years for the purpose of computation of CSR: Rs. 9,36,41,787/-**

4. **Prescribed CSR Expenditure (two per cent of the amount specified at point 3): Rs.18,72,836/-**

5. **Details of the CSR spent during financial year : NIL**
   a. **Total amount to be spent for the financial year : Rs.18,72,836/-**
   b. **Amount unspent : Rs.18,72,836/-**
   c. **Manner in which the amount spent during the financial year : Not Applicable**

6. In case Company has failed to spend the two percent of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in Boards Report: The company is in the process of identifying and finalizing the suitable ways for spending the said average profits towards CSR activities. Once it is finalised, the said amount will be spent in the FY 2015-16.

7. A responsibility statement of the CSR committee that the Implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the company.

   We hereby declare that implementation and monitoring of the CSR Policy are in compliance with CSR objectives and Policy of the company.

   Sd/-
   M Suresh Kumar Reddy
   Chairman of CSR committee and Managing Director.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Review

Globally, spending on advertising will rise from $538.75 billion in 2012 to $676.17 billion in 2016, as the advertising industry has proved quietly resilient despite ongoing economic hurdles worldwide.

Worldwide, digital ad spending passed the $100-billion mark for the first time last year, according to new eMarketer estimates, and will increase by a further 15.1% in 2015 to $118.4 billion. Much of the growth is coming from Asia-Pacific, where, more than 1 billion people will use the web at least once per month. By 2016, this audience will number almost 1.4 billion. Asia-Pacific will be home to some 2.15 billion mobile phone users this year. In China alone, the mobile consumer base will top 1 billion in 2014.

That will put worldwide digital ad spending levels-including online and mobile advertising spending, other than messaging-based formats-at 21.7% of the total spent on ads in all media this year, and on track to account for more than one-quarter of all ad spending by 2016.
As a percent of total ad spending, Western Europe's digital spending is slightly ahead of North America's, at 24.9% this year vs. 24.6%. Asia-Pacific is not far behind, though in the world's lagging region, the Middle East and Africa, just 7% of all ad dollars go to digital media. eMarketer expects this percentage to nearly double by 2016, but the region will still be far behind the near-30% of ad spending devoted to digital in Western Europe and North America.

North America and Western Europe also boast the highest regional levels of digital ad spending per internet user, at $168 and $112 this year, respectively. The fastest growth in spending will come from the emerging markets of Indonesia, India and Mexico—though that growth is coming from a relatively small base of spending.

North America

Economically speaking, the US and Canada were both characterized by "firming momentum" in early 2014, according to the International Monetary Fund's "World Economic Outlook." In 2014, North America will remain the largest single contributor to the global ad economy and represent 35.6% of the worldwide total, eMarketer estimates, as regional spending reaches $193.86 billion. With the online population still growing, as well as time spent with digital platforms climbing, digital ad budgets will leap again this year. Spending on internet and mobile ads in North America will rise more than 17% to $54.34 billion, eMarketer predicts—almost 39% of the worldwide total. Growth will continue in the double digits through 2018, ensuring that digital also expands its share of total media ad spending during that period.

Europe

Digital ad budgets in Central and Eastern Europe will grow 23% to $4.55 billion this year, or 3.9% of the total spent on paid digital media worldwide, new figures from eMarketer show. This relatively low spending level will help boost the region to the second-highest growth rate in the world this year, behind only the Middle East and Africa, with a further 16% increase in digital ad spending projected for 2014. Digital advertising has evolved at different speeds in the leading Western European nations. Germany, the largest Continental market, is more mature than France in this respect, and both are more advanced than Italy and Spain. In most of Western Europe's major ad markets, expenditure on search ads is diminishing as a share of total digital ad spending, while display advertising is increasing. The popularity of video ads among both consumers and advertisers is a major driver of display's growth in the region.

Total Media Ad Spending Share Worldwide,by Region,2013-2018
% of Total

	2013	2014	2015	2016	2017	2018
North America	35.7%	35.6%	35.5%	35.5%	35.5%	35.5%
Asia-Pacific	27.7%	27.9%	28.1%	28.2%	28.5%	28.6%
Western Europe	21.7%	21.0%	20.4%	19.8%	19.3%	18.8%
Latin America	6.8%	7.3%	7.6%	8.0%	8.2%	8.4%
Central & Eastern Europe	4.4%	4.5%	4.6%	4.7%	4.7%	4.9%
Middle East & Africa	3.7%	3.8%	3.8%	3.8%	3.8%	3.8%

Note:includes digital(desktop/laptop and mobile), directories, magazines, newspapers, outdoor, radio and TV; number may not add up to 100% due to rounding

Source: eMarketer, Sep 2014

Asia Pacific

Digital advertising spend in Asia-Pacific is expected to rise 30.3% to total $46.59 billion this year. Just like in 2012 and 2013, the region will boast the second-biggest share of digital ad spending worldwide, trailing only North America. This trend will continue through 2016, though Asia-Pacific will gain share during that period at the expense of North America. In 2017, Asia-Pacific will pass North America in total digital ad spending share worldwide, at 36.9% vs. 35.7%. With investments in online and mobile advertising totaling $23.70 billion this year, China will maintain the largest share of the region's digital ad market, at 50.9%—a trend that will continue through 2018. Japan and Australia will rank second and third, with respective digital ad spending totals of $9.07 billion and $4.52 billion this year, eMarketer estimates.

Digital Ad Spending in Asia-Pacific, by Country,2013-2018

	2013	2014	2015	2016	2017	2018
Digital ad spending (billions)						
China*	$16.34	$23.70	$30.81	$39.44	$48.51	$57.24
Japan	$8.47	$9.07	$9.61	$10.12	$10.63	$11.11
Australia	$3.83	$4.52	$5.02	$5.51	$5.95	$6.37
South Korea	$2.18	$2.51	$2.83	$3.17	$3.49	$3.87
India	$0.59	$0.77	$0.97	$1.20	$1.48	$1.78
Indonesia	$0.27	$0.53	$0.95	$1.61	$2.66	$3.99
Other	$4.08	$5.50	$6.65	$8.33	$10.01	$12.05
Asia-Pacific	**$35.76**	**$46.59**	**$56.84**	**$69.38**	**$82.73**	**$96.40**
Digital ad spending growth (% change)						
Indonesia	90.0%	98.0%	80.0%	70.0%	65.0%	50.0%
China*	43.0%	45.0%	30.0%	28.0%	23.0%	18.0%
India	33.0%	30.0%	26.0%	24.0%	23.0%	20.0%
Australia	19.3%	18.0%	11.0%	9.8%	8.0%	7.0%
South Korea	13.0%	15.0%	13.0%	12.0%	10.0%	11.0%
Japan	8.0%	7.1%	6.0%	5.3%	5.0%	4.5%
Other	6.5%	34.9%	21.0%	25.2%	20.2%	20.4%
Asia-Pacific	**17.0%**	**30.3%**	**22.0%**	**22.1%**	**19.2%**	**16.5%**
Digital ad spending share (% of total)						
China*	45.7%	50.9%	54.2%	56.8%	58.6%	59.4%
Japan	23.7%	19.5%	16.9%	14.6%	12.8%	11.5%
Australia	10.7%	9.7%	8.8%	7.9%	7.2%	6.6%
South Korea	6.1%	5.4%	5.0%	4.6%	4.2%	4.0%
India	1.7%	1.7%	1.7%	1.7%	1.8%	1.8%
Indonesia	0.7%	1.1%	1.7%	2.3%	3.2%	4.1%
Other	11.4%	11.8%	11.7%	12.0%	12.1%	12.5%

Note: indudes advertising that appears on desktop and laptop computers as Well as mobile phones and tablets, and includes all the various formats of advertising on those platforms; excludes SMS, MMS and P2P messaging-based advertising : *excludes Hong Kong

Source : eMarketer, Dec 2014

Latin America

This year, Latin America is expected to boast of the highest total media ad spending growth globally. Magna Global forecasts that advertising expenditures in the region would improve by 9.9% in 2015, down slightly from 11.3% in 2014. Though Latin America's growth rate will clearly surpass those of Asia-Pacific (6.3%) and the nascent Middle East and Africa (5.4%), the region will still be far behind all others when it comes to share of total ad dollars globally. Latin America accounted for just 7% of the total media ad spending worldwide last year. Looking forward, Latin America is the only region worldwide in which double-digit growth rates for total media ad spending will continue through the end of our forecast period. Such heated growth will bring total regional spend to $65.54 billion in 2019, but it will not result in any ranking changes, given that Latin America's higher growth in this metric comes from a significantly smaller base than the more advanced markets in North America, Asia-Pacific and Western Europe.

Business Review:

During the year, your company achieved a turnover of Rs. 1957 crores as against Rs. 1673 crores in the last year. This is an increase of 16.95% against last year. The EBITDA for the year was Rs. 585.89 crores as against Rs. 368.65 crores last year; an increase of over 58.92% year on year. The profit after tax for the year was Rs. 342.22 crores as against Rs 262 crores (excluding extraordinary items) last year; an increase of over 30.6% on year on year. The earnings per share for the year was Rs. 7.19 as against Rs. 4.64 last year.

Strategic Initiatives:

Business:

During the year, Ybrant Digital Limited was officially renamed to Lycos Internet Limited and was listed on the NSE. A new division focused on consumer internet products (IoT) was launched in June 2015. Lycos Band & Lycos Ring were launched. Lycos TV was also implemented with new channel added for gaming using Socialtron feed. Ed Noel was appointed as new GM of Lycos Media (US).

Lycos Media :

MediaBuy (Publishers)-

The Media division has added strategically valuable direct Publishers to its portfolio. Among these publishers are "DailyNews" which is one of the top US news magazines; "MyFoxTV", a top entertainment US website; "NYPost"; "Medula Networks", a big LATAM Media House that operates major websites across Latin America; Play Buzz' which is one of the most popular social content publishing platforms; 'The Denver Post' the leading daily newspaper in Colorado and one of the largest circulated newspapers in the US.

Technology :

Compass(OneTag)-

Compass is the new name of One Tag, our in-house solution for managing publishers using a new-generation system, providing a turn-key solution that simplifies the publisher's integration and monetization tracking through a single platform and single tag.

Video-

During Q2, we have signed a deal with "Yashi" –a platform focused on programmatic video advertising on large-players, targeting the geographies - US,UK,CA,AU.

Bright Roll Video Summit-

The participation and sponsorship of this event has enabled the company to get the latest insights from advertisers when it comes to implementing programmatic buying and viewability.

Sequential Targeting-

We have implemented Sequential Targetting ability to match the one announced by Facebook during the year.

Research & Development:

During the year, the company has incurred Rs. 269.74 Crores on enhancing and creation of existing and new products respectively, that are as follows:

Lycos Media:

- We had made significant enhancement on our Ad deployment platform to increase efficiency with Bot traffic filtering technologies and algorithms.
- We have developed LYCOS TV to incorporate 3rd party content acceptance systems for Video feed (CNN, Reuters).
- Specific enhancements were made to the following legacy properties: TRIPOD, WHOWHERE, HOTBOT and ANGELFIRE.
- The following Channels were developed during the course of this year: News, Business, Education, Health, HGTV & DIY, Humor, Learning, Life and Leisure, Local Movies, Nature, Politics, RAM country, Science and Technology, Travel Channel and Viral videos.

Lycos Entertainment:

We have developed and deployed LYCOS TV during the year.
Significant developments were :

- Content management system, Showbiz, Drone Landscape, Entertainment, Fashion, Food, News, Entertainment Network, Featured Videos, Hooplaha and Sports Videos.

Lycos Life:

Developed a base intelligence system for IOT endeavor of the company.

1. LYCOS Life App
2. Android OS
3. iOS

- LYCOS Life Band: Firmware and design integration
- LYCOS Life Ring: Design Integration.

Intellectual Property Development:

IP development effort was made in the following areas:

- Web Search: During the year IP development was done on various Lycos Search platform and whowhere.
- Programmatic buying/advertising: Programmatic Buying integratation with SSPs (Supply Side Platforms - Publisher side) and DSPs (Demand Side Platforms Advertiser side) to deliver impressions with highest in real time (sub milli second latencies). Advertisers / Agencies are increasingly seeking effective budget utilization RTB is a natural progression for Lycos with a perfect ecosystem. With DMP and a Tag Management System in place, LYCOS can switch into a new orbit.
- Internet of Things (IOT): Lycos has launched Lycos Life products i.e Lycos Band and Lycos Ring which come under Inter of Things.

Lcu @p_laf Bctcjmnkclr8

During the year, we have enhanced the sales infrastructure and branch offices in the following countries:

a. Brazil
b. Argentina
c. Chile

Financial Review:

During the year, your company has taken affirmative action and has decreased the consolidated trade receivable days from 171 days to 158 days. For digital division the number of days Account Receivables is reduced from 110 days to 106 days. For Software division the number of Account Receivables days is reduced from 336 days to 325 days.

During the year, Rs.80.91 Crores was the free cash flow generated. Out of which Rs. 67.85 Crores was used to repay long term bank debt and bank working capital loans during the year. The balance amount of Rs. 13.06 Crores is in the form of bank balance with banks.

Risk management

The Company has identified major focus areas for risk management and mitigation, ensuring smooth organizational functioning.

The major concerns for the company and their mitigation are briefly discussed below:

Risk

Enhanced competition in the US market may reduce price and revenue margin.

Mitigation

The Company is expanding globally, and penetrating into potential markets like Brazil and China. Going forward, it would focus more.

Risk

Consolidation of service providers may affect the Company.

Mitigation

The Company has also ventured into strategic acquisitions and tie-ups to capitalize current market opportunities.

Risk

Rapid technology upgradation may entail huge capital investment and jeopardize business sustainability.

Mitigation

The Company focuses on technology upgradation and innovation to keep abreast of evolving customer requirements. Lycos has launched innovative services like One Tag and Lycos TV.

Risk

Business can be affected by privacy legislations and other regulations.

Mitigation

The Company discloses all its collection statements and dissemination practices in a published privacy statement in its website.

Risk

The new acquisition and tie-ups may create problems of integration.

Mitigation

Lycos enters into an agreement after extensive research, both internally and externally.

Human Resources:

The Company firmly recognizes the importance of its human resources to achieve its vision. Lycos 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, Lycos also focuses on providing a stimulating and multi-cultural work environment.

Internal control System:

Lycos has a proper and adequate internal control system to ensure authorized business transactions. 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

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The basic philosophy of Corporate Governance of the Company is to achieve business excellence and enhance shareholder value keeping in view the interest of all stake-holders. The Company stands by transparency in all its dealings and strict regulatory compliance.

BOARD OF DIRECTORS

Composition

The Company has optimum combination of Executive, Non-Executive and Independent directors on the Board in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchanges. The Company has total strength of 6 directors consisting of 1 Executive Director, 2 Non Executive Non Independent Directors and 3 Non Executive Independent directors. The Composition of Board and the Category of the Directors as on March 31, 2015 are as follows:

Category	Name of the Director
Promoter Executive Director	Mr.M.Suresh Kumar Reddy
Promoter Director	Mr.Vijay Kancharla
Promoter Director	Mrs. S. V. Rajyalaxmi Reddy
Non-Executive Independent Director	Mr.M.Vijaya Bhasker Reddy
Non-Executive Independent Director	Mr.Y.Ramesh Reddy
Non-Executive Independent Director	Mr.A.Raghunath

All the Directors annually furnish a declaration that they have not been disqualified to act as Directors pursuant to provisions of Companies Act. Further all the Independent Directors annually furnish a declaration that they meet the criteria laid down in Listing Agreement for being Independent. No director is related to any other Director on the board in terms of definition "Relative" given under Companies Act, 2013 except Mrs.S.V.Rajyalaxmi Reddy who is wife of Mr.M.Suresh Kumar Reddy.

The details of Directorship, Membership and Chairmanship of the Directors in the other companies as on March 31, 2015 are as follows:

Name of the Director	Designation	No. of Directorships in other Public Companies	No. of Committees positions held in other Public Companies	
			Chairman	Member
Mr. M.Suresh Kumar Reddy	Chairman & Managing Director	NIL	NIL	NIL
Mr. Vijay Kancharla	Director	NIL	NIL	NIL
Mrs. S. V. Rajyalaxmi Reddy*	Additional Director	NIL	NIL	NIL
Mr. M.Vijaya Bhasker Reddy	Director	NIL	NIL	NIL
Mr. A. Raghunath	Director	NIL	NIL	NIL
Mr. Y.Ramesh Reddy	Director	NIL	NIL	NIL

*Appointed as Additional Director w.e.f March 27, 2015.

Other directorships do not include alternative directorships, directorships of Private Limited Companies, Section 25 companies and of companies incorporated outside India. Chairmanship / membership of Board Committees include only Audit Committee and the Stakeholders Relationship Committee.

Board Meetings

The Board meetings are generally held at least once in a quarter, for consideration of the financial results amongst other items. Besides this, additional Board meetings are also convened to address the specific requirements of the Company, as and when the need arises. The urgent items, if any, are approved by passing resolutions through circulation by the Board. Agenda papers along with detailed notes are circulated to the Directors in advance for each of these meetings. All the information which is required to be placed before the Board in terms of Clause 49 of the Listing Agreement is made available to the Board, from time to time.

During the year under review, seven Board Meetings were held on April 9, 2014; May 28, 2014; July 16, 2014; July 26, 2014; October 28, 2014; February 2, 2015 and March 27, 2015. The details of attendance of the Directors in the Board meetings and last Annual General Meeting are provided below:

Name of the Director	No. of Board Meetings		Whether attended last AGM held on 30.09.2014
	Held	Attended	
Mr. M.Suresh Kumar Reddy	7	7	YES
Mr. Vijay Kancharla	7	7	NO
Mr. M.Vijaya Bhasker Reddy	7	6	NO
Mr. A.Raghunath	7	6	NO
Mr. Y.Ramesh Reddy	7	6	YES
Mrs.S.V.Rajyalaxmi Reddy	1	0	NA

BOARD COMMITTEES

To enable better management of the affairs of the Company and ensure expedient resolution of diverse matters, the Board has constituted a set of committees with specific terms of reference/scope. The proceedings of the meetings of the Committees are circulated to the Board for its noting/ratification.

I. Audit Committee

The Audit Committee of Board of Directors comprises of three Independent Directors, i.e., Mr.Y.Ramesh Reddy, Mr.M.Vijaya Bhasker Reddy and Mr.A.Raghunath. All the members of the Committee are financially literate and the Chairman of the Committee has accounting or related financial management expertise. The constitution of the Audit Committee is in compliance with the requirements of the Companies Act, 2013 and Listing Agreement with the Stock Exchanges. The Chairman of the Audit Committee attended the previous Annual General Meeting of the Company.

The terms of reference/role of the Committee covers accounting matters, financial reporting, internal controls and the matters as contained in Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, as amended from time to time.

The Audit Committee meetings are usually attended by the Statutory Auditors, Chief Financial Officer (CFO) apart from Committee members. Other functional heads and special invitees are invited to the meetings, as required. The Company Secretary acts as Secretary of the Committee.

The Quarterly, Half yearly and Annual financial results of the Company were reviewed by the Audit Committee before consideration and approval by the Board of Directors. The Committee reviews the adequacy of Internal Control Systems and the various compliances.
During the period under review, four Audit Committee Meetings were held on May 28, 2014; July 26, 2014; October 28, 2014 and February 2, 2015.
The composition of the Audit Committee as on date and particulars of meetings attended by the members of the Audit Committee are given below:

Name of the Member	Status in the Committee	No. of Meetings	
		Held	Attended
Mr. Y.Ramesh Reddy	Chairman	4	4
Mr. M.Vijaya Bhasker Reddy	Member	4	3
Mr. A.Raghunath	Member	4	3

II. Nomination & Remuneration Committee

The Composition of the Nomination & Remuneration Committee is as given below:

Name of the Member	Status in the Committee
Mr. M. Vijaya Bhasker Reddy	Chairman
Mr. A. Raghunath	Member
Mr. Y. Ramesh Reddy	Member

The terms of references of the 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 under review, two meetings were held on May 28, 2014 and October 28, 2014.

Name of the Member	Status in the Committee	No. of Meetings	
		Held	Attended
Mr. M.Vijaya Bhasker Reddy	Chairman	2	1
Mr. Y.Ramesh Reddy	Member	2	2
Mr. A.Raghunath	Member	2	2

Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its Remuneration policy, the Company endeavors to attract, retain, develop and motivate a high performance workforce. Individual performance pay including Key Managerial Personnel's pay is determined by business performance and the performance of the individuals is measured through annual appraisal policy of the Company.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and Executive Directors. Annual increments, if any, within the salary scale approved by the members, will be decided by the Nomination & Remuneration Committee. The Nomination & Remuneration Committee decides the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013 based on the performance of the Company as well as that of the Managing Director and each Executive Director.

The Company does not pay any remuneration to Non-Executive Directors other than Sitting fee of Rs. 5000/- for attending the meetings of Board and Audit committee. There are no performance linked incentives payable to any directors of the Company. The Company reimburses the out-of pocket expenses incurred by the Directors for attending the meetings.

The Details of remuneration paid to Managing Director, Non-Executive Non-Independent Directors & Independent Directors during year ended March 31, 2015 and shareholding of directors in the Company as on March 31, 2015 are as given below:

Name	Remuneration paid (Rs.)	Sitting fee paid during the period ended 31.03.2015 (Rs.)	No. of Shares held as on 31.03.2015
Mr. M.Suresh Kumar Reddy	NIL	NIL	74777435
Mr. Vijay Kancharla	NIL	NIL	65865510
Mr. M.Vijaya Bhasker Reddy	NIL	30,000	74945
Mr. A.Raghunath	NIL	30,000	NIL
Mr. Y.Ramesh Reddy	NIL	30,000	NIL
Mrs. S. V. Rajyalaxmi Reddy	NIL	NIL	4834000

III. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of Board of Directors comprises of three Directors, i.e., Mr.M.Vijaya Bhasker Reddy, Mr.M.Suresh Kumar Reddy and Mr.A.Raghunath.

The terms of reference of the Committee includes considering and resolving the grievances of security holders of the Company.

During the year under review 9 (nine) meetings were held on May 15, 2014; May 20, 2014; June 13, 2014; July 09, 2014; July 22, 2014; August 25, 2014; December 31, 2014; January 28, 2015 and March 27, 2015 .

The composition of the Stakeholders Relationship Committee as on date and particulars of meetings attended by the members of the Committee are given below:

Name of the Member	Status in the Committee	No. of Meetings	
		Held	Attended
Mr. A.Raghunath	Chairman	9	9
Mr. M.Suresh Kumar Reddy	Member	9	9
Mr. M.Vijaya Bhasker Reddy	Member	9	8

Ms. K. Anusha, Company Secretary is the Compliance Officer nominated for this purpose under Clause 47(a) of the Listing Agreement.
During the period under review, seventeen complaints have been received from Investors and the sixteen were resolved to their satisfaction.

IV. CSR Committee

As per the requirement of Section 135 of the companies Act, 2013, the Board has constituted the CSR Committee to formulate, implement and monitor the CSR Policy. The composition of CSR committee is as given below:

Name of the Member	Status
Mr. Mr.M.Suresh Kumar Reddy	Chairman
Mr. Vijay Kancharla	Member
Mr. M.Vijaya Bhasker Reddy	Member

SUBSIDIARY COMPANIES

The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to have any Independent Director of the Company on the Board of any of the non-listed subsidiary company.

GENERAL BODY MEETINGS

I. Location and time, where last three Annual General Meetings held are as follows:

Year	Location	Date	Time
2013-14	Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad – 500032.	September 30, 2014	10:00 A.M.
2012-13	K L N Prasad Auditorium, FAPCCI,Federation House, 11-6-841, Red Hills, Hyderabad – 500004.	September 26, 2013	10:30 A.M.
2011-12	Same location as above	December 26, 2012	10:30 A.M.

(II) Special Resolutions passed in the previous three Annual General Meetings:

Date	Description of Special Resolution passed
30.09.2014	1. To adopt new Articles of Association of the Company 2. To consider change in Name of the Company 3. To consider the Employees Stock Option Scheme 4. To consider Grant of options to the employees of subsidiaries of Ybrant Digital Limited and to grant options, during any one year, equal to or exceeding 1% of the issued capital of the company
26.09.2013	No Special Resolution was passed in this AGM
26.12.2012	Special Resolution was passed for raising of funds by issue of further securities u/s 81(1A) of the Companies Act, 1956.

(III) Extra-Ordinary General Meetings held during the last three years:

Year	Location	Time & Date
2012	The Golkonda Hyderabad Hotel, Banjara Hills, Masab Tank, Hyderabad , A. P.	11:00 A.M., August 20, 2012
2012	K L N Prasad Auditorium, FAPCCI, Federation House, 11-6-841, Red Hills, Hyderabad, A. P.	11:30 A.M., June 30, 2012 (Adjourned Meeting)
2012	K L N Prasad Auditorium, FAPCCI, Federation House, 11-6-841, Red Hills, Hyderabad, A. P.	11:30 A.M., June 23, 2012 (Meeting Adjourned to 30.06.2012)

(IV) Resolutions passed in the above said Extra-Ordinary General Meetings:

Date	Description of Resolutions passed
20.08.2012	(I) Issue of Equity Shares on preferential basis to the persons other than promoters (ii) Issue of Optionally Convertible Loans (OCL) to persons other than promoters
30.06.2012	Issue of Optionally Convertible Loans (OCL) to persons other than promoters
23.06.2012	Meeting adjourned to June 30, 2012

Postal Ballot:

During the year under review, the Company has conducted a postal ballot vide notice dated July 16, 2014, to obtain the approval of the members by way of special resolution for the following item of business:

1. Authority to the Board of Directors to borrow.
2. Authority to the Board to create charge/mortgage on the assets of the Company.

DISCLOSURES

I) There were no materially significant related party transactions i.e transactions of the company of material nature with its promoters, the directors or the management, their relatives etc that may have potential conflict with the interests of the company at large. The related party transactions areduly disclosed in the Notes to Accounts.

ii) There were no cases of non-compliance by the company and no penalties, strictures were imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

iii) No treatment different from the Accounting Standards prescribed by the Institute of Chartered Accountants of India, has been followed in the preparation of financial statements.

iv) The Company has complied with all the mandatory requirements as to Corporate Governance.

v) The Company at present has adopted the non-mandatory requirements in regard to the constitution of Remuneration Committee. The Company has adopted Vigilance policy and no person has been denied access to the Audit Committee.

MEANS OF COMMUNICATION

I) The quarterly and half yearly unaudited financial results and annual audited results of the Company were published in the national level English newspapers as well as regional language newspapers circulating in the state of Telangana. The results are also displayed on the Company's website www.lycos.com. Official news releases, detailed presentations made to media, analyst, Institutional Investors etc. are displayed on the company's website www.lycos.com. Official media releases are sent to Stock Exchanges.

ii) Designated exclusive E-mail ID: The Company has designated the following E-mail ID exclusively for investor servicing ir@lycoscorp.com.

iii) Management Discussion & Analysis: The detailed report is forming part of this Annual Report.

GENERAL SHAREHOLDERS INFORMATION

Sixteenth Annual General Meeting:

Day & Date : Monday, September 28, 2015
Time : 10:00 A.M.
Venue : Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad – 500032
Financial year : April 1 to March 31.

Financial Calendar for the Year 2015-16 (tentative)

Financial reporting for the quarter ended	On or Before
June 30, 2015	August 14, 2015
September 30, 2015	November 14, 2015
December 31, 2015	February 14, 2016
March 31, 2016	May 30, 2016
AGM for the year ending March 31, 2016	September 30, 2016

Book Closure Dates : September 22, 2015 to September 28, 2015 (both days inclusive) for the purpose of Annual General Meeting.

Dividend Payment Date : No Dividend has been recommended.

Listing on Stock Exchanges : BSE Limited (BSE), Mumbai;
National Stock Exchange of India Limited, Mumbai
Madras Stock Exchange Limited (MSE), Chennai

Listing fee : The Company has paid the listing fee for the financial year 2015-16

Stock Code : BSE – Scrip Code: 532368; Scrip Id: LYCOS
NSE – Symbol: LYCOS

ISIN Code : INE425B01027

Corporate Identity Number (CIN): L64203TG1999PLC030996

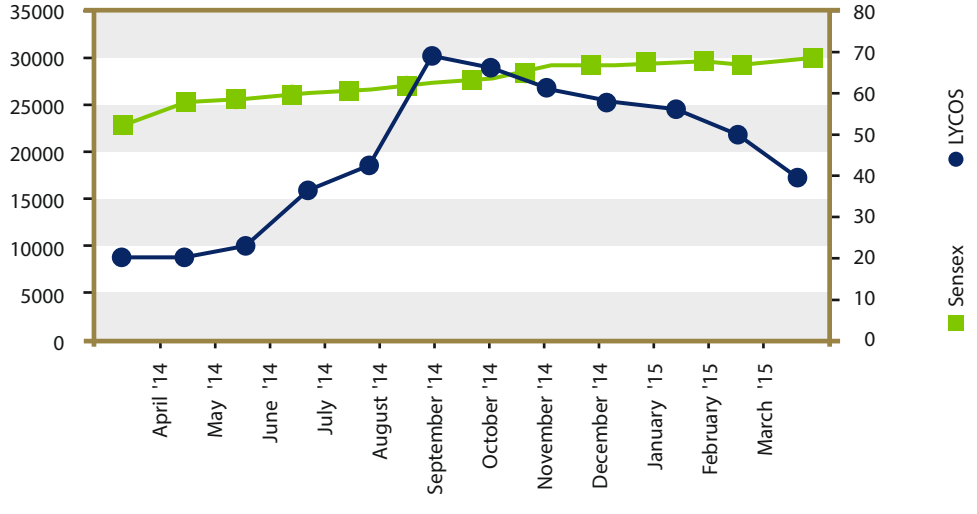
Stock Market Data : Monthly High/Low of Market price of the Company's shares traded in BSE and performance in comparison to BSE Sensex during the period from April, 2014 to March, 2015 is furnished below.

BSE Limited, Mumbai
Share Prices of the LYCOS Internet Ltd (In Rs.)

BSE Sensex

Month	High	Low	High	Low
April '14	20.1	13.75	22939.31	22197.51
May '14	20.35	14.05	25375.63	22277.04
June '14	23	15	25725.12	24270.2
July '14	36.4	17.5	26300.17	24892
August '14	42.1	26.7	26674.38	25232.82
September '14	68.9	42.4	27354.99	26220.49
October '14	66.2	47	27894.32	25910.77
November '14	60.9	51	28822.37	27739.56
December '14	57.9	40.1	28809.64	26469.42
January '15	56.1	44	29844.16	26776.12
February '15	50	26.7	29560.32	28044.49
March '15	39.45	25.65	30024.74	27248.45

Share Price Movement of LYCOS vis-à-vis Sensex



Registrar & Share Transfer Agent (RTA)

Aarthi Consultants Private Limited, whose address is given below, is the Registrar & Share Transfer Agent of the Company for looking after the work related to share registry.

AARTHI CONSULTANTS PRIVATE LIMITED,

(Unit: LYCOS Internet Limited); 1-2-285, Domalguda, Hyderabad - 500 029.
Phone : +91-40-27634445, 27638111, 27642217, 66611921; Fax : +91-40-27632184,
Email : info@aarthiconsultants.com; aarthiconsultants@gmail.com
Website: www.aarthiconsultants.com

Share Transfer System

Share transfers are processed and share certificates duly endorsed are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The transfers, transmissions, duplicate share certificates etc, matters are generally placed before the Stakeholders Relationship Committee for its approval. The Registrar & Share Transfer Agent (RTA) is authorized to do endorsement on Transfer of Shares which is duly approved by the committee. Requests for dematerialization of shares are processed and confirmation given to the respective depositories i.e National Securities Depositories Ltd (NSDL) and Central Depository Services (India) Ltd., (CDSL) within seven days.

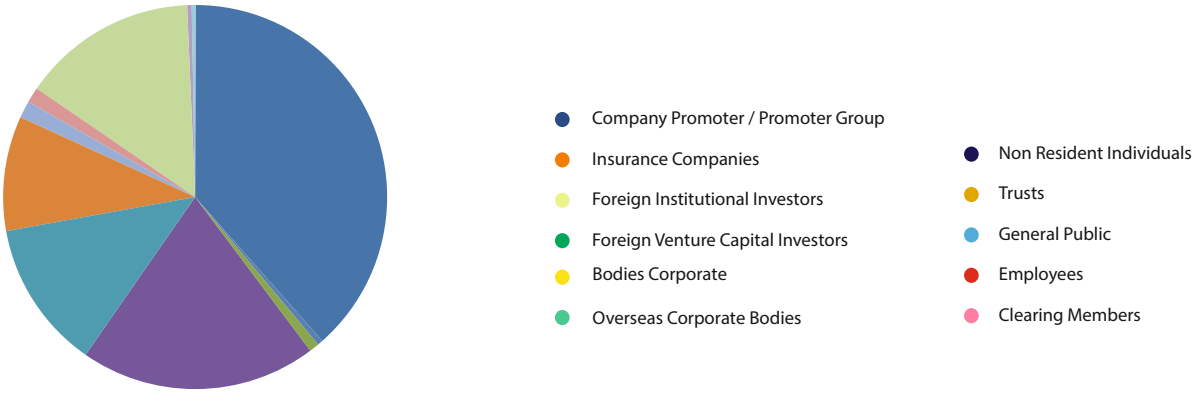
The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchanges.

Distribution of Shareholding as on March 31, 2015

Nominal Value of Shareholding (in Rs.)	No. of Shareholders	Percentage	No. of Shares	Percentage
Upto 5000	12518	82.45	6561617	1.38
5001 - 10000	978	6.44	3687088	0.77
10001 - 20000	642	4.23	4882524	1.03
20001 - 30000	245	1.61	3087998	0.65
30001 - 40000	145	0.96	2600129	0.55
40001 - 50000	85	0.56	1927136	0.4
50001 - 100000	237	1.57	8512477	1.79
100000 & Above	330	2.18	444992530	93.44
TOTAL	**15180**	**100**	**476251499**	**100**

Shareholding pattern as on March 31, 2015:

	Category	Total	% Equity
1	Company Promoter / Promoter Group	186668224	39.20
2	Insurance Companies	78540	0.02
3	Foreign Institutional Investors	2411030	0.51
4	Foreign Venture Capital Investors	94999938	19.95
5	Bodies Corporate	59142185	12.42
6	Overseas Corporate Bodies	47146517	9.90
7	Non Resident Individuals	5908600	1.24
8	Trusts	6727108	1.41
9	General Public	70813348	14.87
10	Employees	900000	0.19
11	Clearing Members	1456009	0.31
	GRAND TOTAL	**476251499**	**100.00**



Dematerialization of Shares and Liquidity: 98.76% of the total shares have been dematerialized up to March 31, 2015.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: No such instruments were outstanding.

Code of Conduct for Directors and Senior Management:

A copy of the Code has been put on the Company's website www.lycos.com.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Chairman and Managing Director is given below:

DECLARATION

I hereby confirm that :

The Company has obtained from all the members of the Board and Senior Management affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year ended March 31, 2015.

M.Suresh Kumar Reddy
Chairman & Managing Director

Investor Correspondence

For queries relating to Shares:

Aarthi Consultants Private Limited,
(Unit: LYCOS Internet Limited)
1-2-285, Domalguda, Hyderabad - 500 029.
Phone : +91-40-27634445, 27638111, 27642217, 66611921
Fax : +91-40-27632184,
Email: info@aarthiconsultants.com; aarthiconsultants@gmail.com

For queries relating to Financial Statements and other contents of Annual Reports:

Investor Relations
LYCOS Internet Limited
Plot No. 7A, Road No. 12, MLA Colony,
Banjara Hills, Hyderabad - 500 034.
Phone No. +91 40 4567 8999;
eFax No. +91 22 6645 9677
Email: ir@lycoscorp.com;
Website: www.lycos.com

Locations:

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.

For and on behalf of the Board of Directors
LYCOS INTERNET LIMITED

Place : Hyderabad
Date : August 24, 2015

M. Suresh Kumar Reddy
Chairman & Managing Director

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
LYCOS INTERNET LIMITED
(formerly, Ybrant Digital Limited)
Hyderabad.

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate governance of LYCOS INTERNET LIMITED ("the company") for the year ended March 31, 2015 as stipulated in Clause 49 of the listing agreement of the said company with the Stock Exchanges.

The compliance of the conditions of the corporate governance is the responsibility of the management. Our examination, conducted in the manner described in the Guidance note on "Certification of Corporate Governance" issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance.

Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

for **P. Murali & Co.,**
Chartered Accountants

P. Murali Mohana Rao
Partner
FRN: 007257S
Membership No.23412

Place: Hyderabad
Date: August 24, 2015

CHAIRMAN & CFO CERTIFICATE

(Pursuant to clause 49 (IX) of the Listing Agreement)

To

The Board of Directors
LYCOS INTERNET LIMITED
(formerly, Ybrant Digital Limited)

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer of 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, 2015 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 statement 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 for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting 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.

(e) We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with Code of Conduct as adopted by the Company.

For LYCOS INTERNET LIMITED

Y.Srinivasa Rao
Chief Financial Officer

Place: Hyderabad
Date : 25.05.2015

Suresh Kumar Reddy Muthukuru
Chairman & Managing Director

INDEPENDENT AUDITORS' REPORT

To

The Members of
LYCOS INTERNET LIMITED
(Formerly known as Ybrant Digital Limited)

Report on the standalone Financial Statements

We have audited the accompanying standalone financial statements of Lycos Internet Limited (Formerly known as Ybrant Digital Limited)("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements:

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its profitand its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order , to the extent applicable.

2. As required by section 143(3) of the Act, we further 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 purpose of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financialposition in itsfinancial statements – Refer Note 36 to the standalone financial statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For P.Murali& Co.,
Firm Registration Number: 007257S
Chartered Accountants

P.Murali Mohana Rao
Partner
Membership No. 023412

Place : Hyderabad
Date : 25-05-2015

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 1 of our report of even date to the members of Lycos Internet Limited (Formerly known as Ybrant digital limited)for the year ended 31st March, 2015 under "Report on other Legal & Regulatory Requirements"

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies between the book records and physical inventory have been noticed on such verification.

ii. The Company is a service company, primarily rendering digital marketing and software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

iii. The company has not granted any loans, secured or unsecured tocompanies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of sub clauses (a) and (b) of Clause (iii) of paragraph 3 of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness in the aforesaid internal control system has been noticed or reported.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

vii. (a) In our opinion the company is generally regular in depositing the undisputed statutory dues, except in few cases where there was delay in remitting the statutory dues and in the case of Provident Fund the Company is in arrears for an amount of Rs. 16,98,882/-for a period of more than 6 months as at 31st March 2015 from the date they became payable.

(b) According to the information and explanations given to us, the following dues have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of Dues	Period to which the amount relates	Amount (Rs.)	Forum where the dispute is pending
Service Tax	Service Tax	May 2008 to Sep 2011	14,60,05,131	CESTAT, Bangalore
Income TaxAct,1961	Income tax	2006-07 to 2013-14	20,13,55,044	CIT(Appeals),ITAT,Hyderabad

(c) According to the information and explanation given to us, there are no amounts that are due to be transferred to the Investors Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 [1 of 1956] and rules madethere under.

viii. The Company has been registered for a period of not less than 5 years, and the company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and in the immediately preceding financial year.

ix. In our opinion, and according to the information and explanations given to us, the company has defaulted in repayment of dues to financial institution/banks. The unpaid outstanding amount as at 31st March 2015 towards interest and principle is Rs. 2.86 Crores and Rs. 6.31 Crores respectively. The company has not issued any debentures.

x. In our opinion and according to the information and the explanations given to us, the Company has given corporate guarantees for loans taken by its subsidiaries as mentioned in Note. 36 of notes to Financial Statements.

xi. According to the information and explanations given to us, the term loans obtained by the Company were applied for the purpose for which such loans were obtained.

xii. To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

For P.Murali& Co.,
Firm Registration Number: 007257S
Chartered Accountants

P.Murali Mohana Rao
Partner
Membership No. 023412

Place : Hyderabad
Date : 25-05-2015

BALANCE SHEET AS AT 31st MARCH, 2015

Particulars	Note No	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I. Equity And Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	1	95,25,02,998	95,25,02,998
(b) Reserves and Surplus	2	5,10,55,92,498	5,17,17,42,727
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	88,50,26,786	1,39,93,63,729
(b) Deferred Tax Liabilities (Net)	4	6,65,84,907	8,31,98,133
(c) Long Term Provisions	5	4,72,72,228	7,41,21,398
(3) Current Liabilities			
(a) Short-Term Borrowings	6	71,02,05,069	82,54,43,656
(b) Trade Payables	7	87,36,66,115	1,28,06,91,544
(c) Other Current Liabilities	8	77,10,81,177	83,99,44,890
(d) Short-Term Provisions	9	19,73,40,603	19,73,97,934
Total		**9,60,92,72,381**	**10,82,44,07,009**
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	7,04,04,144	20,76,53,163
(ii) Intangible assets	10	16,89,126	5,14,089
(b) Non-current investments	11	5,10,87,67,605	5,10,87,67,605
(c) Long Term Loans and advances	12	2,18,22,577	2,32,52,577
(2) Current assets			
(a) Trade receivables	13	2,95,16,28,599	3,62,69,79,364
(b) Cash and Cash Equivalents	14	50,00,983	48,94,573
(c) Short-Term Loans and Advances	15	1,44,99,59,347	1,85,23,45,638
Total		**9,60,92,72,381**	**10,82,44,07,009**

Significant Accounting Policies and the accompanying notes are an integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali& Co.,

Firm Registration Number: 007257S

Chartered Accountants

P.Murali Mohana Rao

Partner

Membership No. 023412

Place : Hyderabad

Date : 25-05-2015

For Lycos Internet Limited

(Formerly Ybrant Digital Limited)

M.Suresh Kumar Reddy

Chairman & Managing Director

Y.Srinivasa Rao

Chief Financial Officer

Vijay Kancharla

Director

K.Anusha

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No	Year Ending 31st March, 2015 Rupees	Year Ending 31st March, 2014 Rupees
Revenue from Operations	16	4,91,58,04,771	6,03,83,67,654
Other Income	17	11,24,67,241	6,23,00,529
Total Revenue		**5,02,82,72,012**	**6,10,06,68,183**
Expenses			
Cost of Revenue	18	3,97,56,02,748	4,42,60,44,909
Employee Benefit expenses	19	33,70,01,222	31,86,08,765
Other Operating Expenses	20	6,74,19,873	6,38,36,147
Administrative Expenses	21	34,87,82,067	38,82,93,763
Finance Costs	22	19,29,78,124	23,75,45,034
Depreciation and amortization expense	10	10,52,57,533	52,87,98,204
Total Expenses		**5,02,70,41,567**	**5,96,31,26,822**
Profit before Extraordinary items and tax		12,30,445	13,75,41,362
Extraordinary Items		-	-
Profit Before Tax		**12,30,445**	**13,75,41,362**
Tax expense			
(1) Current tax		3,99,218	4,68,07,667
(2) Deferred tax		(1,66,13,226)	(8,32,163)
Profit After Tax For The Period		**1,74,44,453**	**9,15,65,858**
Earning per equity share			
(1) Basic		0.04	0.19
(2) Diluted		0.04	0.19

Significant Accounting Policies and the accompanying notes are an integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali& Co.,

Firm Registration Number: 007257S

Chartered Accountants

P.Murali Mohana Rao

Partner

Membership No. 023412

Place : Hyderabad

Date : 25-05-2015

For Lycos Internet Limited

(Formerly Ybrant Digital Limited)

M.Suresh Kumar Reddy

Chairman & Managing Director

Y.Srinivasa Rao

Chief Financial Officer

Vijay Kancharla

Director

K.Anusha

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2015

Particulars			Year ended 31st March 2015	Year ended 31st March 2014
A.	**Cash Flow from Operating Activities**			
	Net Profit Before Tax		12,30,445	13,75,41,362
	Adjustment for :			
	Add: Depreciation		10,52,57,533	52,87,98,204
	Interest Paid		5,45,88,259	4,51,99,622
	Operating Profit before Working Capital Changes		**16,10,76,237**	**71,15,39,188**
	Adjustment for Working Capital Changes:			
	Increase/(Decrease) in Short term Borrowings		(11,52,38,587)	(36,70,26,077)
	Increase/(Decrease) in Trade Payables		(40,70,25,429)	(84,70,55,010)
	Increase/(Decrease) in other Current Liabilities		(6,88,63,713)	(6,27,32,263)
	Increase/(Decrease) in Short-Term Provisions		(4,56,549)	9,00,10,200
	Decrease/(Increase) in Trade Receivables		67,53,50,765	24,83,31,125
	Decrease/(Increase) in Short-Term Loans and Advances		40,23,86,291	(2,93,72,120)
	Net Cash Flow from Operating Activities	**A**	**64,72,29,015**	**(25,63,04,957)**
B.	**Cash Flow from Investing Activities**			
	Purchase/Increase of assets		(23,10,625)	(12,90,963)
	Investment in Subsidiary		-	-
	Net cash from investing activities	**B**	**(23,10,625)**	**(12,90,963)**
C.	**Cash Flows from Financing Activities**			
	Interest Paid		(5,45,88,259)	(4,51,99,622)
	Increase/(Decrease) in Long Term Loans		(51,43,36,943)	14,26,01,827
	Increase/(Decrease) in Capital Reserve		-	-
	Increase/(Decrease) in share warrants		-	-
	Increase/(Decrease) in Foreign Currency Fluctuation Reserve		(5,04,67,608)	(11,69,04,955)
	Increase/(Decrease) in long term provision		(2,68,49,170)	3,54,31,195
	Increase/(Decrease) in Other Long term Liabilities		-	1,77,01,000
	Decrease/(Increase) in Long term loans and advances		14,30,000	2,31,24,552
	Decrease/(Increase) in Other Non - Current Assets		-	11,08,04,838
	Net cash from financing activities	**C**	**(64,48,11,980)**	**16,75,58,835**
	Cash and cash equivalents at beginning of year		48,94,573	9,49,31,658
	Net change in cash and cash equivalents (A+B+C)		1,06,410	(9,00,37,085)
	Cash and cash equivalents at year ended 31st March, 2015		50,00,983	48,94,573

AS PER OUR REPORT OF EVEN DATE

For P.Murali& Co.,

Firm Registration Number: 007257S

Chartered Accountants

P.Murali Mohana Rao

Partner

Membership No. 023412

Place : Hyderabad

Date : 25-05-2015

For Lycos Internet Limited

(Formerly Ybrant Digital Limited)

M.Suresh Kumar Reddy

Chairman & Managing Director

Y.Srinivasa Rao

Chief Financial Officer

Vijay Kancharla

Director

K.Anusha

Company Secretary

SIGNIFICANT ACCOUNTING POLICIES TO STANDALONE FINANCIALS

Company Overview:

Lycos Internet Limited (Formerly known as Ybrant Digital limited), offers digital marketing solutions to businesses, agencies and online publishers worldwide. Lycos Internet 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. Lycos Internet Limited has a global presence, with offices in over 24 countries.

Lycos Internet 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. 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. Lycos Provides End-to-end Enterprise Solution Offerings and Specializing in ERP Solutions, Microsoft and Open Source Systems development.

Basis of Preparation:

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards specified under section 133of the Companies Act,2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared as a going concern on accrual basis under the historical cost convention. The Accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation

Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Significant estimates used by the management in the preparation of these financial statements include estimates of the economic useful lives of fixed assets and provisions for bad and doubtful debts. Any revision to accounting estimates is recognized prospectively.

1. Revenue Recognition :

a) 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.

iv) Revenue from product sale and licensing arrangements are recognized on delivery and installation.

b) 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.

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 on fixed price contracts is recognized in accordance with percentage of completion and method of account.

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.

2. Foreign Exchange Transaction :

Realized gains & loss in foreign exchange transactions are recognized in Profit & Loss Account.

Transactions in foreign currency will be recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency will be translated at the rate of exchange as at Balance Sheet date and resultant gain or loss is recognized in the profit and loss account. Non-Monetaryassets and liabilities are translated at the rate prevailing on the date of transaction and foreign exchange fluctuation gain or loss arised on account of translation of non-Monetaryitems like long term loans and advances are accumulated in a reserve account.

Revenue, expense and cash flow items denominated in foreign currency are translated into the relevant functional currencies using the exchange rate in effect on the date of transaction.

3. Investments :

Investments are either classified as current or long term, based on the management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the value of each investment.

4. Fixed Assets :

Tangible assets

Tangible assets are stated at actual cost less accumulated depreciation and accumulated impairment losses. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.

Intangible assets

Intangible assets are recorded at consideration paid for acquisition and other direct costs that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use.

5. Depreciation and Amortization :

Depreciation is provided on straight line method on pro-rata basis and at the rates and manner specified in the Schedule II of the Companies Act, 2013 and there is no change in the method of Depreciation during the year.
Preliminary Expenses are amortized over the period of 5 years.

6. Taxation :

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax asset and liability is recognized for future tax consequences attributable to the timing differencesthat result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset & liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and asset can be measured reliably.

7. Earnings Per Share:

The earnings considered in ascertaining the companies earning per share comprise netprofit after taxand includes the post tax effect of any extra-ordinary/exceptional item is considered.The numberof shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

The no. of shares used in computing diluted earnings per share comprises the weighted average no. of shares considered for deriving basic earnings per share and also the weighted average no. of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

8. Gratuity and Leave Encashment :

In accordance with the Payment of Gratuity Act,1972, the company provides for gratuity, a defined benefit retirement plan covering eligible employees of the company. The Gratuity provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of the employment with the group. The company has a made a provision for gratuity to its employees on the basis of independent actuarial valuation, in accordance with AS-15. The actuarial liability is determined with reference to employees at the end of each financial year.

The provision for Leave Encashment is calculated as per accrual method.

9. Borrowing Cost :

Borrowing cost relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/sale. Borrowing cost that is attributable to the projects is charged to the respective projects. All other borrowing costs, not eligible for inventorisation/capitalisation, are charged to revenue

10. Cash Flow Statement :

The Company has prepared Cash Flow Statement as per the AS-3. Cash flows are reported using the Indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

11. Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a) The Company has a present obligation as a result of a past event;
b) A probable outflow of resources is expected to settle the obligation; and
c) The amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received

Contingent Liability is disclosed in the case of:

a) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation;
b) A possible obligation, unless the probability of outflow of resources is remote. Contingent Assets are neither recognized nor disclosed.

12. Impairment of Assets:

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sale price or present value as determined above.

13. Related Party Disclosures :

The Company furnishes the details of Related Party Disclosures as given in Para 23 and 26 as required by AS-18

14. Lease Rentals

Operating Lease:

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. The company charges Lease rentals in respect of assets taken under operating leases to profit and loss account on a straight line basis over the lease term.

Finance Lease:

A Finance lease is a lease that transfers substantially all the risks and rewards incidental to the ownership of an asset.

15. Claims:

Claims made by the company are recognized to the extent the Company deems them recoverable. Claims against the Company, including liquidated damages, are recognized only on acceptance basis. Claims which are contingent in nature are not recognized in the books but are disclosed separately in the Notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE NO. 1 : SHARE CAPITAL

S. No	Particulars			As on 31stMarch,2015 Rupees	As on 31stMarch,2014 Rupees
I	**Equity Share Capital**				
	(a) Authorised				
	(975,000,000 Equity Shares of Rs.2/- each)			1,95,00,00,000	1,95,00,00,000
	(b) Issued, Subscribed & Fully Paid Up				
	(476,251,499 Equity Shares of Rs.2/- each)			95,25,02,998	95,25,02,998
	(c) Subscribed & not fully paid up				
	(Issue of Equity Shares in Current year - NIL-)			NIL	NIL
	(Issue of Equity Shares in Previous year - NIL-)			NIL	NIL
	(d) Par Value per share			2	2
	Total Equity Share capital			**95,25,02,998**	**95,25,02,998**
II	**A Reconcilation of the number of shares outstanding at the beginning and at the end of the reporting period:**				
	Equity Shares of Rs.2/- Each, Fully paid up				
	At the Beginning			47,62,51,499	47,62,51,499
	Issued during the year - NIL -			-	-
	At the end			**47,62,51,499**	**47,62,51,499**
III	**Details of Shareholder holding more than 5% shares of the company:***				
	Equity Shares of Rs. 2/- each Held By	**No.of Equity Shares**		**% of Share Holding**	
		As on 31-03-2015	**As on 31-03-2014**		
	M.SureshKumarReddy	74,777,435	65,573,882	15.70%	13.77%
	VijayKancharla	65,865,510	65,865,510	13.83%	13.83%
	EverestCapital(M)Ltd	61,478,864	65,179,080	12.91%	13.69%
	RedmondInvestmentsLtd	26,397,766	32,550,000	5.54%	6.82%
	Oak India Investments	33,521,074	34,629,630	7.04%	7.27%
	SansarCapital(Mauritius)Ltd	29,916,240	33,563,430	6.28%	7.05%

NOTE NO. 2 : RESERVES AND SURPLUS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Reserves And Surplus**		
	a) Capital reserve		
	As at the commencement of the year	4,16,78,11,992	4,16,78,11,992
	Add: Additions during the year	-	-
		4,16,78,11,992	**4,16,78,11,992**
	b) General Reserves		
	As at the commencement of the year	3,91,90,882	3,64,43,906
	Add: Additions during the year	5,23,334	27,46,976
		3,97,14,216	**3,91,90,882**
	c) Surpuls :		
	Opening Balance - Profit and Loss Account	1,30,34,53,208	1,21,46,34,326
	Add: Transfer from Profit & Loss Account	1,74,44,453	9,15,65,858
	Add: Prior period Adjustment	-	-
	Less: Amount transferred to retained earnings as per Schedule II of Companies Act 2013 (refer Note No.37A & 37D)	3,31,27,074	-
	Less: Transfer To General Reserve	5,23,334	27,46,976
		1,28,72,47,254	**1,30,34,53,208**
	d) Foreign Currency Translation Reserve		
	Foreign Currency Translation Reserve	(38,91,80,963)	(33,87,13,355)
	Total Reserves and Surplus	**5,10,55,92,498**	**5,17,17,42,727**

NOTE NO. 3 : LONG TERM BORROWINGS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Long Term borrings**		
	a) Term Loans Secured		
	SBI Term Loan(Refere Note No. 3(a))	6,00,00,000	18,00,00,000
	Canara bank Term Loan(Refere Note No. 3(b))	-	12,50,000
		6,00,00,000	**18,12,50,000**
	b) Loans and advances from related parties Un Secured		
	Dream Ad, Panama	6,88,49,000	6,61,10,000
	Frontier Data Management Inc, USA	8,14,03,616	7,81,65,159
	International Expressions Inc, USA	6,58,26,905	6,32,08,132
	Online Media Solutions Limited , Israel	9,87,04,430	9,47,77,700
	Ybrant Media Acquisition Inc, USA	51,02,42,835	91,58,52,738
		82,50,26,786	**1,21,81,13,729**

Notes:

Note No. 3(a):Working Capital Term Loan of Rs 3450 Lakhs, and Bank Guarantee of Rs 1000 lakhs from State Bank of India are secured by current assets, Fixed Assets, Pledge of Promoters shares and personal guarantee of Promoter Directors

Note No. 3(b): Term Loan of Rs. 450 lakhs from Canara Bank are secured by current assets, Fixed Assets, Pledge of Promoters shares and personal guarantee of Promoter Directors

	Total Long Term Borrowings	**88,50,26,786**	**1,39,93,63,729**

NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Opening Deferred tax Liability**	8,64,04,161	8,64,04,161
	Add:		
	Deferred Tax Liability for the year (Due to SLM and WDV Difference)	-	-
	Gross Deferred tax Liability	**8,64,04,161**	**8,64,04,161**
	Opening Deferred tax Asset	32,06,028	23,73,865
	Deferred Tax Asset for the year (Due to SLM and WDV Difference)	1,51,95,961	7,52,802
	Provision for Gratuity and Compensated Absences	14,17,265	79,361
	Gross Deferred tax Asset	**1,98,19,254**	**32,06,028**
	Deferred Tax Liability/ (Asset) - Net	**6,65,84,907**	**8,31,98,133**

NOTE NO. 5 : LONG TERM PROVISIONS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	a) **Provisions for employee benefits**		
	- Provision for Gratuity	1,00,13,930	63,45,723
	- Provision for Leave Encashment	17,17,818	15,70,450
	b) **Other**		
	- Super annuation and Post retirement benefits.	3,55,40,480	6,62,05,225
	Total Long Term Provisions	**4,72,72,228**	**7,41,21,398**

NOTE NO. 6 : SHORT TERM BORROWINGS.

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Short term borrowings**		
	a) **Cash Credits and Working Capital from Banks**		
	Secured		
	Axis Bank - Cash Credit Facility-(Refer Note No 6(a))	36,02,05,069	45,00,00,000
	Canara Bank - OD Facility-(Refer Note No 6(b))	35,00,00,000	35,00,00,000
	b) **Loans and advances from other parties**		
	Secured by Pledge of Promoter Shares	-	2,54,43,656
	Notes:		
	Note No 6(a): Working Capital of Rs 4500 lakhs and Bank Guarantee / LC of Rs 400 Lakhs,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 6(b):Working Capital of Rs 3500 lakhs and Bank Guarantee of Rs 1000 Lakhs from Canara Bank are secured by charge on current assets, Fixed Assets, Pledge of promoters shares and personal Guarantee of Promoter Directors.		
	Total Short Term Borrowings	**71,02,05,069**	**82,54,43,656**

NOTE NO. 7 : TRADE PAYABLES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	a) Trade Payables	87,36,66,115	1,28,06,91,544
	Total Trade Payables	**87,36,66,115**	**1,28,06,91,544**

NOTE NO. 8 : OTHER CURRENT LIABILITES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	a) Current maturities of long term debt	17,43,75,000	12,79,83,731
	b) Interest accrued and due on borrowings.	3,85,73,663	4,05,14,932
	c) Unpaid dividend.	9,58,95,628	9,58,95,628
	d) Other Current Liabilities	46,22,36,886	57,55,50,599
	Total Other Current Liabilites	**77,10,81,177**	**83,99,44,890**

NOTE NO. 9 : SHORT TERM PROVISIONS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**a) Provisions for employee benefits**		
	Employee Benefit Payable	2,79,45,249	1,06,29,043
	b) Others		
	Other Provisions	16,85,82,771	13,54,46,559
	c) Provision for Expenses		
	Provision for Expenses	4,13,365	45,14,665
	Provision for Income Tax	3,99,218	4,68,07,667
	Total Short Term Provisions	**19,73,40,603**	**19,73,97,934**

NOTE NO 10 :TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2015

Sl. No	Particulars	Gross Block				Depreciation/Amortization						
		As on 1st April, 2014	Additions during the year	Sale / Deletions/ Transfers during the year	As on 31st March, 2015	Dep. As on 1st April, 2014	Depreciation for the year 2014-15	Sale / Deletions during the year	Transfered to Retained Earnings	Total Depreciation	Net Block as on 31.03.2015	Net Block as on 31.03.2014
	TANGIBLE FIXED ASSETS											
1	Land	21,95,210	-	-	21,95,210	-	-	-	-	-	21,95,210	21,95,210
2	Lease Hold Building	31,69,609	-	-	31,69,609	-	-	-	31,69,609	31,69,609	-	31,69,609
3	Electrical Equipment	2,33,11,870	-	-	2,33,11,870	91,48,641	39,40,330	-	8,93,365	1,39,82,336	93,29,534	1,41,63,229
4	Office Equipment	5,24,06,156	6,72,428	-	5,30,78,584	1,90,63,533	13,15,607	-	2,87,65,389	4,91,44,529	39,34,055	3,33,42,623
5	Air conditioners	71,57,738	1,06,981	-	72,64,719	25,97,209	5,09,793	-	-	31,07,002	41,57,717	45,60,529
6	Computers	29,86,97,162	1,45,809	-	29,88,42,971	24,17,82,381	5,08,79,375	-	-	29,26,61,756	61,81,215	5,69,14,781
7	Furniture	10,29,31,944	98,470	-	10,30,30,414	4,83,22,786	1,31,12,990	-	2,58,657	6,16,94,434	4,13,35,980	5,46,09,158
8	Vehicles	10,78,482	-	-	10,78,482	5,78,063	1,71,658	-	40,053	7,89,774	2,88,708	5,00,419
9	Assets At USA Branch	5,96,34,488	-	-	5,96,34,488	2,14,36,883	3,52,15,880	-	-	5,66,52,763	29,81,725	3,81,97,605
	INTANGIBE FIXED ASSETS											
1	Intangible Assets	18,14,45,503	-	18,14,45,503	-	18,14,45,503	-	8,14,45,503	-	-	-	-
2	Computer Products / Rights	33,73,40,122	12,86,937	33,68,09,464	18,17,595	33,68,26,033	1,11,900	33,68,09,464	-	1,28,469	16,89,126	5,14,089
3	Goodwill	15,86,17,906	-	15,86,17,906	-	15,86,17,906	-	15,86,17,906	-	-	-	-
	TOTAL	**1,22,79,86,190**	**23,10,625**	**67,68,72,873**	**55,34,23,942**	**1,01,98,18,938**	**10,52,57,533**	**67,68,72,873**	**3,31,27,074**	**48,13,30,672**	**7,20,93,270**	**20,81,67,252**
	PREVIOUS YEAR	1,22,66,95,227	12,90,963	-	1,22,79,86,190	49,10,20,734	52,87,98,204	-		1,01,98,18,938	20,81,67,252	73,56,74,493

NOTE NO. 11 : NON- CURRENT INVESTMENTS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Non- Current Investments**		
	Investment in Subsidiaries		
	Equity Shares		
	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
	Dream Ad Companies	54,32,40,000	54,32,40,000
	Max Interactive Pty Ltd., Australia	41,74,90,000	41,74,90,000
	Dyomo Corporation, USA	4,67,300	4,67,300
	Ybrant Digital Services De PublicidadeLtda,Brasil	2,65,932	2,65,932
	Ybrant Digital (Brasil) Ltd., Singapore	45	45
	Yreach Media Pvt.Ltd	99,000	99,000
	LGS Global FZE, UAE	2,43,650	2,43,650
II	**Unquoted**		
	Lanco Net Ltd , 2000000 shares of Rs 10/- each	2,00,00,000	2,00,00,000
	Total Non - Current Investments	**5,10,87,67,605**	**5,10,87,67,605**

NOTE NO. 12 : LONG TERM LOANS AND ADVANCES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Loans & Advances to Related Parties**		
	Unsecured Considered Good		
	Ybrant Employees Welfare Trust A/c	1,37,50,000	1,48,50,000
	LGSL Foudation Trust	60,14,873	60,14,873
	Sub Total	**1,97,64,873**	**2,08,64,873**
II	**Unsecured, Considered Good**		
	Security Deposit	20,57,704	23,87,704
	Sub Total	**20,57,704**	**23,87,704**
	Total Long Term Loans and Advances	**2,18,22,577**	**2,32,52,577**

NOTE NO. 13 : TRADE RECEIVABLES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Outstanding for a period exceeding six months from**		
	the date they are due for payment		
	Unsecured, Considered Good	1,05,42,54,082	1,07,64,06,957
II	**Other Receivables:**		
	Unsecured, Considered Good	1,89,73,74,517	2,55,05,72,407
	Less : Allowance for bad & doubtful debts	-	-
	Total Trade Receivables	**2,95,16,28,599**	**3,62,69,79,364**

NOTE NO. 14 : CASH AND CASH EQUIVALENTS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Cash and cash equivalents :**		
	a) Balances with banks :		
	1) On Current Accounts	43,01,292	38,08,342
	2) Unpaid Dividend Account	6,98,521	6,98,521
	b) Cash on hand	1,170	3,87,710
	Total Cash and Bank Balances	**50,00,983**	**48,94,573**

NOTE NO. 15 : SHORT TERM LOANS AND ADVANCES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**a) Secured, Considered Good**	-	-
	b) Unsecured, Considered Good		
	Rental Deposits	42,43,808	17,58,847
	Other Deposits	34,66,278	1,93,03,977
	Advances to Employees	13,23,119	13,69,886
	Other Advances	1,38,00,27,141	1,76,92,58,949
	TDS Receivables	46,10,651	43,65,629
	MAT Credit	5,62,88,350	5,62,88,350
	Total Short Term Loans and Advances	**1,44,99,59,347**	**1,85,23,45,638**

NOTE NO. 16 : REVENUE FROM OPERATIONS

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	**Revenue from operations**		
	(a) Sale of Software Exports	4,63,07,82,453	4,57,23,24,767
	(b) Sale of Services Exports	27,63,25,831	1,43,11,71,594
	(c) Sale of Services Domestic	86,96,487	3,48,71,293
	Total Revenue from Operations	**4,91,58,04,771**	**6,03,83,67,654**

NOTE NO. 17 : OTHER INCOME

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Interest income	1,58,759	22,30,978
	(b) Other non-operating income	7,800	-
	(c) Net gain/loss on foreign currency translation and transactions	9,70,13,182	3,00,19,651
	(d) Guarantee Commission	1,52,87,500	3,00,49,900
	Total Other Income	**11,24,67,241**	**6,23,00,529**

NOTE NO. 18 : COST OF REVENUE

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	Cost of Revenue	3,97,56,02,748	4,42,60,44,909
	Total Cost Of Revenue	**3,97,56,02,748**	**4,42,60,44,909**

NOTE NO. 19 : EMLOYEE BENEFIT EXPENSES

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Salaries & Wages	32,47,19,931	31,40,72,662
	(b) Contribution to Provident & Other Funds	84,44,629	32,79,978
	(c) Staff Welfare Expenses	38,36,662	12,56,125
	Total Employee Benefit Expenses	**33,70,01,222**	**31,86,08,765**

NOTE NO. 20 : OTHER OPERATING EXPENSES

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Power & Fuel	42,39,870	44,14,956
	(b) Rent	3,88,11,587	3,92,88,628
	(c) Repairs & Maintenance	1,09,90,813	1,04,66,340
	(d) Insurance	74,85,161	56,72,265
	(e) Rates & Taxes (excluding Income Tax)	7,46,623	1,27,524
	(f) Payment to Auditors :		
	(i) As Auditor fee	2,00,000	2,00,000
	(ii) For Tax audit fee	1,00,000	1,00,000
	(ii) For Other audit related Services	2,00,000	2,00,000
	(g) Ins Fee	38,67,309	27,01,991
	(h) Discount Expense	5,71,263	5,78,766
	(I) Prior Period Item	2,07,247	85,677
	Total Other Operating Expenses	**6,74,19,873**	**6,38,36,147**

NOTE NO. 21 : ADMINSTRATIVE EXPENSES

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Telephone, Postage and Others (Internet)	1,85,54,250	1,73,50,975
	(b) Business Promotion Expenses	4,19,93,686	3,11,56,024
	(c) Travelling and Conveyance	2,43,20,872	1,54,35,701
	(d) Office Maintenance	1,82,86,524	1,15,92,266
	(e) Printing & Stationery Expenses	50,95,970	28,01,111
	(f) Security Charges	9,58,221	1,56,055
	(g) Rates & Taxes (excluding Income Tax)	1,57,271	2,50,000
	(h) Consultancy Charges	1,89,22,845	1,10,12,767
	(i) Event Sponsorship & Seminar Fee	1,59,13,865	1,36,23,373
	(j) Web Development Expenses	5,27,43,423	3,06,00,815
	(k) Professional Charges	1,51,43,142	1,17,64,667
	(l) Sales and Marketing Expenses	10,58,23,482	8,49,97,923
	(m) Donation	-	7,00,000
	(n) Preliminary Expenses / Written off	-	1,62,60,791
	(o) Miscellaneous Expenses	19,31,220	11,61,04,132
	(p) Books & Subscriptions	27,05,674	25,41,297
	(q) CSR expenditure	18,72,836	-
	(r) Other Administrative Expenses	2,43,58,786	2,19,45,866
	Total Administrative Expenses	**34,87,82,067**	**38,82,93,763**

NOTE NO. 22 : FINANCE COSTS

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Interest Expenses		
	Interest on Working capital Loans	13,32,31,396	18,10,98,291
	Interest on Term Loan	5,45,88,259	4,51,99,622
	Other borrowing Costs	6,07,125	72,49,220
	Loan processing Charges & Bank Charges	45,51,344	39,97,901
	Total Finance Costs	**19,29,78,124**	**23,75,45,034**

NOTE NO. 23 : AUDITOR'S REMUNERATION

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
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**

NOTE NO. 24 :

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.

NOTE NO. 25 :

Related Party Transactions

During the financial year 2014-15 the Company has entered into some transactions, which can be deemed as related party transactions. All these matters have been approved by the Board and the Govt. of India, wherever necessary.

(a) Related Parties

S. No	Particulars	Nature of Relationship
1	M.Suresh Kumar Reddy	Chairman and Managing Director
2	Vijay Kancharla	Director
3	Yreach Media Private Limited, India	99% Owned Subsidiary
4	Frontier Data Management Inc. USA	Wholly Owned Subsidiary
5	International Expressions Inc. USA	Wholly Owned Subsidiary
6	Online Media Solutions Limited, Israel	Wholly Owned Subsidiary
7	Ybrant Media Acquisition Inc. USA	Wholly Owned Subsidiary
8	Dyomo Corporation, USA	Wholly Owned Subsidiary
9	Max Interactive Pty, Ltd., Australia	Wholly Owned Subsidiary
10	DreamAd, Argentina	Wholly Owned Subsidiary
11	DreamAd, Chile	Wholly Owned Subsidiary
12	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	Wholly Owned Subsidiary
13	DreamAd, Panama	Wholly Owned Subsidiary
14	DreamAd, Uruguay	Wholly Owned Subsidiary
15	Ybrant Digital Servicos De Publiciade Ltda, Brasil	Wholly Owned Subsidiary
16	Ybrant Digital (Brasil) Ltd., Singapore	Wholly Owned Subsidiary
17	LGS Global FZE, UAE	Wholly Owned Subsidiary
18	Lycos Inc.	Stepdown Subsidiary
19	Ybrant Employees welfare Trust	Directors acting as Trustees
20	LGSL Foundation Trust	Directors acting as Trustees

(b) Related Party Transactions during the year:

I. Sales/ Revenue:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
International Expressions Inc. USA	NIL	1,14,37,643
Online Media Solutions Limited, Israel	12,11,86,210	9,10,81,366
Dyomo Corporation	15,51,39,627	23,22,62,138
Lycos Inc.	NIL	2,32,37,214

ii. Advances received against Sales:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Online Media Solutions Limited, Israel	NIL	89,01,749
Dyomo Corporation	NIL	3,20,53,741

iii. Guarantee Commission (Income):

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Media Acquisition Inc. USA	1,52,87,500	3,00,49,900

iv. Repayment of Unsecured Loan taken from Subsidiaries:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Media Acquisition Inc. USA(Net off Guarantee Commission Receivable)	29,60,77,403	13,00,62,128

v. Repayment of Unsecured Loans given to Related Parties

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Employees Welfare Trust A/c	11,00,000	2,00,000

C) Balances with related parties at the year end:

I. Unsecured loans from Related Parties:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
DreamAd, Panama	6,88,49,000	6,61,10,000
Frontier Data Management Inc. USA	8,14,03,616	7,81,65,159
International Expressions Inc. USA	6,58,26,905	6,32,08,132
Online Media Solutions Limited, Israel	9,87,04,430	9,47,77,700
Ybrant Media Acquisition Inc. USA	51,02,42,835	91,58,52,738

(ii) Investment in Subsidiaries:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
DreamAd Companies	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 Publiciase 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, India	99,000	99,000

(iii) Unsecured loans to related parties:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Employees welfare Trust	1,37,50,000	1,48,50,000
LGSL Foundation Trust	60,14,873	60,14,873

(iv)Advance Received against Sales:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Online Media Solutions Limited, Israel	NIL	89,01,749
Dyomo Corporation	NIL	3,20,53,741

(v) Guarantee commission receivable:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Media Acquisition Inc. USA (Refer note -35(I))	NIL	8,28,24,550

(vi) Account Receivables:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Online Media Solutions Limited, Israel	3,73,55,441	NIL
Dyomo Corporation	2,24,13,416	NIL

NOTE NO. 26 :

Operating Lease

The company has taken for its office premises on lease under operating lease agreement that is renewable on a periodic basis at the option of the both the lessor and the lessee. Rental expenses under those leases were Rs.3,88,11,587/- and for the previous year Rs.3,92,88,628/-

NOTE NO. 27 :

Foreign Currency Outflows

Foreign Exchange outflows as reported by the Company to Government of India and ascertified by Management.

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Foreign Travelling	5,36,692	12,73,780
Total	**5,36,692**	**12,73,780**

NOTE NO. 28 :

Foreign currency inflows

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

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Sales & Services	16,87,29,165	45,52,33,547
Advance against Sales	NIL	4,09,55,491
Total	**16,87,29,165**	**49,61,89,037**

NOTE NO. 29 :

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) Amounts recognized in the Balance Sheet as at

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Present Value of Obligation as at the end of the year	1,15,66,260	84,28,169
2	Value of Fund as at the end of the year	15,52,331	20,82,447
3	Funded Status	(1,00,13,929)	(63,45,722)
4	Unrecognized Actuarial (gains) / losses	NIL	NIL
5	Net Asset / (Liability) Recognized in Balance Sheet	(1,00,13,929)	(63,45,722)

b) Expenses recognized in Profit & Loss Account for the year ended:

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Current Service Cost	19,54,081	15,30,163
2	Past Service cost	NIL	NIL
3	Interest Cost	7,66,963	6,93,512
4	Expected return on Plan Assets	(1,56,722)	(1,87,252)
5	Net actuarial (gain)/ loss recognized in the year	18,03,885	(17,91,821)
6	Expenses to be recognized in Profit & Loss Account	43,68,207	2,44,602

c) Present value of Obligation for the year ended:

S. No	Changes in Present Value of Obligations	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Present Value of Obligation as at the beginning of the year	84,28,169	84,57,464
2	Interest Cost	7,66,963	6,93,152
3	Past Service Cost	NIL	NIL
4	Current Service Cost	19,54,081	15,30,163
5	Benefits paid	(13,86,838)	(4,61,149)
6	Actuarial (gain)/ loss on obligations	18,03,885	(17,91,821)
7	Present Value of Obligation as at the end of the year	1,15,66,260	84,28,169
	a. Current Liability	5,92,811	2,99,987
	b. Non-current Liability	1,09,73,449	81,28,182

d) Actuarial (Gain) / Loss recognized during the year :

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Actuarial (Gain)/Loss for the year – Obligation	(18,03,885)	17,91,821
2	Total (Gain) / Loss for the year	18,03,885	(17,91,821)
3	Actuarial (Gain) / Loss recognized in the year	18,03,885	(17,91,821)

e) Assumptions:
Assumptions made for the purpose of Gratuity valuation

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	DiscountRate	7.8%	9.10%
2	Rate of increase in Compensation levels	5%	6%
3	Rate of Return on Plan Assets	9%	9%
4	Expected Average remaining working lives of employees (years)	27 Years	27 Years

II. Leave Encashment:

The provision for Leave Encashment is calculated as per accrual method and included in current liabilities& provision.

NOTE NO. 30 :

Earnings Per Share

Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
Profits Attributable to Equity Share Holders	1,74,44,453	9,15,65,858
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	0.04	0.19
Earnings per Share – Diluted	0.04	0.19

The EPS of Rs.0.04 on a PAT of Rs.1,74,44,453/- for the year ended 31 March 2015 for an Equity Capital i.e. Rs.95,25,02,998/- consisting of47,62,51,499 Equity Shares of Rs. 2/- each fully paid up and whereas the EPS of Rs.0.19 on a PAT of Rs.9,15,65,858/-for the year ended 31 March 2014 and is for an Equity Capital i.e.Rs.95,25,02,998/- consisting of 47,62,51,499 Equity Shares of Rs2/-each fully paid up.

NOTE NO. 31 :

In case of Foreign exchange fluctuation profit / loss as per AS 11 the Branch and head office is having integral transactions and hence profit / loss debited to P & L a/c. The receivables have been considered at the actual rate at which the amount is realized and accordingly Gain from Foreign Exchange fluctuation and Integral transactions of Rs. 9,70,13,182/- (net) has been reflected in Profit and Loss Account for the Year.(Previous year Rs. 3,00,19,651).

NOTE NO. 32 :

Intra branch Transactions

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

NOTE NO. 33 :

Dues to Micro & Small Enterprises

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2015.

NOTE NO. 34 :

Confirmation of Closing Balances

Closing Balances of the Debtors, Creditors & Loans and Advances are subject to Confirmations

NOTE NO. 35 :

Segment Reporting:

The Company is mainly engaged in the area of providing Software Development Services and Digital Marketing and related services.

The company publishes standalone financial statements along with the consolidated financial statements in the annual report. In accordance with the AS-17, Segment Reporting, the company has disclosed the Segment information in the consolidated financial statements.

NOTE NO. 36 :

Contingent Liabilities & Guarantees

(i) Unsecured loans from Related Parties:

Particulars	Name of the Bank / Party	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Corporate Guarantee for Acquiring Lycos Inc (USD 4 Mn)	Daum Global Holdings Corp, Republic of Korea	25,03,60,000	24,04,00,000
Corporate Guarantee for Foreign Currency Term Loan (FCTL) (USD 10Mn)	ICICI Bank Limited, New York Branch, USA(i)	NIL	60,10,00,000
Bank Guarantees for Tender Participation & Performance Guarantees	Axis Bank, S.R.Nagar Branch, Hyderabad, Telangana, India (ii)	NIL	90,00,000
Bank Guarantees for Performance Guarantees	ICICI Bank, Jubilee Hills Branch, Hyderabad, Telangana, India	27,72,278	NIL
Inland Letter of Credit for purchase of Software products.	Axis Bank, S.R.Nagar Branch, Hyderabad, Telangana, India	NIL	3,10,00,000
Corporate Guarantee given for the loan taken by Tesla Projects Private Limited.	Lakshmi Vilas Bank.D No 8-3-248/1/7/7 & 8,Nagarjuna Hills Main Road, Panjagutta HyderabadTelangana,, India (iii)	NIL	1,90,00,000
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Bangalore	14,60,05,131	14,60,05,131
Disputed Income Tax Liability from A.Y.2006 -07 to A.Y 2010-11	Appeal Made to CIT(Appeals)ITAT, Hyderabad	20,13,55,044	3,87,72,490
Disputed Sales Tax liability for the A.Y.2010-11	Appeal made to Sales Tax Appellate Tribunal, Hyderabad (iv)	NIL	4,12,35,944
SE Investments Loan	SE Investments Mumbai (v)	1,01,23,233	NIL

* Assumption: 1 USD = Rs.62.59 (Closing rate as on 31st March 2015)

(I) The Loan taken by the Ybrant Media Acquisition Inc. USA (Wholly owned subsidiary) to which corporate guarantee was given by the company, has been closed during the year under consideration. However the NOC was yet to be received from ICICI Bank.

(II) The BG is closed and there was no liability as on 31st March,2015. NOC yet to be received from bank.

(III) This BG was closed & there was no liability as on 31st March,2015 The bank has given NOC and necessary filings are yet to be done.

(IV) The Appeal made to Sales Tax Appellate Tribunal has been disposed off during the year and there was no liability as on 31st March, 2015.

(V) The loan facility from SE Investments limited is secured by pledge of shares of held by the promoters and the personal guarantee of the promoterdirectors.Principal loan amount was repaid. The penalty & delay charges are yet to be paid . Negotiations are in process to reduce and settle the account.

NOTE NO. 37 :

Depreciation on Fixed Assets

(A) In accordance with provisions of Schedule II of Companies Act 2013, in case of fixed assets which have completed the useful life as at 31st march 2014,the carrying value as on 1.04.2014 amounting to Rs.3,31,27,074/- has been recognized in the Retained earnings as a transitional provision.Further in case of assets acquired prior to 1st April, 2014,whose useful life exists, the carrying value of assets is depreciated over the remaining useful life as specified in the companies Act, 2013 effective1st April, 2014

(B) Consequent to the implementation of the provisions of the Schedule II of the Companies Act, 2013, the depreciation and amortization expenses for the year increased by Rs.5,84,41,466.

(C) During the year the company has made adjustments relating to Intangible assets worth Rs.67,68,72,873/- which were totally amortized up to 31st March 2014.The same has been removed from the gross block and accumulated depreciation accordingly in the current financial year 2014-15.

(D) The useful life of the lease hold building is complete and the asset is no longer useful. Hence the value of the same for Rs.31,69,690/-has been transferred is to Retained earnings.

NOTE NO. 38 :

The Term loan from SBI of Rs.400 Lakhs was repaid during the year. However the necessary filings are yet to be made with ROC.

NOTE NO. 39 :

The filing of satisfaction charge with ROC, for the Term Loan taken from ICICI bank amounting to Rs.3000 Lakhs was not done, due to non-receipt of NOC from the Bank.

NOTE NO. 40 :

The filing of satisfaction charge with ROC, for the Loan taken from SBI Global Factors Ltd amounting to Rs.1750 Lakhs was not done, due to non-receipt of NOC from the Bank.

NOTE NO. 41 :

During the financial year 2014 - 15 the Company has repaid Rs. 19.21Crores of debt. In the process there were a few delays / defaults in repayments of dues to banks and financial institutions. Such amounts with respect to interest payment were Rs. 15.79 Crores and in respect of principal repayment amounting to Rs10.23 Crores. Interest payments were related to interests on working capital and term loans. Principal repayments were related to term to term loan instalments. The primary cause of such occurrences was due to international group operations and difficulties in moving the cash flows to India.

NOTE NO. 42 :

The figures of pervious year have been regrouped wherever necessary..

NOTE NO. 43 :

The figures have been rounded off to the nearest rupee.

AS PER OUR REPORT OF EVEN DATE

Forand on behalf of the Board

For P.Murali& Co.,
Firm Registration Number: 007257S
Chartered Accountants

P.Murali Mohana Rao
Partner
Membership No. 023412

Place : Hyderabad
Date : 25-05-2015

M.Suresh Kumar Reddy
Chairman & Managing Director

Y.Srinivasa Rao
Chief Financial Officer

For Lycos Internet Limited
(Formerly Ybrant Digital Limited)

Vijay Kancharla
Director

K.Anusha
Company Secretary

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members of
LYCOS INTERNET LIMITED
(Formerly known as Ybrant Digital Limited)

Report on the consolidated financial statements:

We have audited the accompanying consolidated financial statements of Lycos Internet Limited (Formerly Known as Ybrant Digital Limited)("the Holding Company") andits subsidiaries (collectively referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the consolidated Financial Statements

The Management is responsible for the preparation of these consolidated Financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the companies Act 2013("the Act"), read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' responsibility:

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We did not audit the financial statements of the below mentioned list of subsidiaries,except Yreach Media Pvt Ltd, included in the consolidated financial statements, which constitute total revenue amounting to Rs. 14,93,05,56,822/- and total assets amounting to Rs. 18,26,97,11,066/- as at 31st March, 2015. These include audited financial statements and in respect of some of subsidiaries whose audit reports are yet to be received and whose financial statements have been furnished to us by the management, and our opinion on the consolidated financial statements, to the extent they have been derived from such financial statements is based solely on such audited financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

S. No	Name of the Company	Country	Nature of relationship
1	LGS Global FZE,	UAE	Wholly owned Foreign Subsidiary
2	Frontier Data Management Inc,	USA	Wholly owned Foreign Subsidiary
3	International Expressions Inc,	USA	Wholly owned Foreign Subsidiary
4	Online Media Solutions Ltd.,	ISRAEL	Wholly owned Foreign Subsidiary
5	Ybrant Media Acquisition Inc,	USA	Wholly owned Foreign Subsidiary
6	Dyomo Corporation,	USA	Wholly owned Foreign Subsidiary
7	Max Interactive Pty Ltd.,	Australia	Wholly owned Foreign Subsidiary
8	DreamAd, SA	Argentina	Wholly owned Foreign Subsidiary
9	DreamAd, SA	Chile	Wholly owned Foreign Subsidiary
10	Get Media SociedadAnonima de Capital Variable,	Mexico	Wholly owned Foreign Subsidiary
11	DreamAd, SA	Panama	Wholly owned Foreign Subsidiary
12	DreamAd, SA	Uruguay	Wholly owned Foreign Subsidiary
13	Ybrant Digital Servicos De PublicidadeLtda,	Brasil	Wholly owned Foreign Subsidiary
14	Ybrant Digital (Brasil) Limited,	Singapore	Wholly owned Foreign Subsidiary
15	Yreach Media Private Limited	India	Wholly owned Subsidiary

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(I) in the case of the consolidated Balance Sheet, of the State of affairs of the Group as at March 31, 2015;

(ii) in the case of the consolidated statement of Profit and Loss, of the profit for the year ended on that date; and

(iii) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For P.Murali & Co.,
Chartered Accountants
Firm Registration No:-007257S

P.Murali Mohana Rao
Partner
M No. 023412

Place : Hyderabad
Date : 25-05-2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

Particulars	Note No	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I. Equity And Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	1	95,25,02,998	95,25,02,998
(b) Reserves and Surplus	2	14,34,66,15,081	10,63,95,03,395
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	6,00,00,000	40,77,66,929
(b) Deferred Tax Liabilities (Net)	4	9,64,79,510	3,64,50,464
(c) Other Long Term Liabilities	5	4,45,60,951	5,01,46,077
(d) Long Term Provisions	6	4,72,72,228	7,41,21,398
(3) Current Liabilities			
(a) Short-Term Borrowings	7	71,02,05,069	89,29,76,971
(b) Trade Payables	8	1,76,06,66,044	2,45,50,75,748
(c) Other Current Liabilities	9	1,74,49,77,064	1,91,35,61,020
(d) Short-Term Provisions	10	1,08,61,60,140	60,68,87,676
Total		**20,84,94,39,085**	**18,02,89,92,676**
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	15,03,72,852	55,18,58,583
(ii) Intangible assets	11	2,42,87,81,058	2,18,68,28,346
(iii) Capital work-in-progress	11	1,04,86,56,769	22,21,04,328
(iv) Intangible assets under development	11	1,64,87,14,792	19,49,18,402
(b) Non-current investments	12	6,05,50,268	8,74,11,336
(c) Long Term Loans and advances	13	1,42,00,89,053	1,41,91,82,102
(d) Other Non-Current assets	14	42,62,38,791	41,38,36,871
(2) Current assets			
(a) Trade receivables	15	8,45,29,13,803	7,86,10,33,273
(b) Cash and Cash Equivalents	16	56,10,63,023	43,04,51,504
(c) Short-Term Loans and Advances	17	2,95,26,57,096	2,94,72,51,226
(d) Other Current Assets	18	1,69,94,01,580	1,71,41,16,705
Total		**20,84,94,39,085**	**18,02,89,92,676**

Significant Accounting Policies and the accompanying notes are an integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,
Firm Registration Number: 007257S
Chartered Accountants

P.Murali Mohana Rao
Partner
Membership No. 023412

Place : Hyderabad
Date : 25-05-2015

For Lycos Internet Limited
(Formerly Ybrant Digital Limited)

M.Suresh Kumar Reddy
Chairman & Managing Director

Y.Srinivasa Rao
Chief Financial Officer

Vijay Kancharla
Director

K.Anusha
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No	Year Ending 31st March, 2015 Rupees	Year Ending 31st March, 2014 Rupees
Revenue from Operations	19	19,57,00,35,763	16,73,37,38,096
Other Income	20	14,16,96,124	1,49,89,651
Total Revenue		**19,71,17,31,887**	**16,74,87,27,747**
Expenses			
Cost of Revenue	21	11,06,56,86,007	9,97,04,45,320
Employee Benefit expenses	22	99,42,12,793	1,27,75,47,447
Other Operating Expenses	23	42,86,28,690	45,07,44,116
Administrative Expenses	24	1,36,43,05,019	1,36,34,92,498
Finance Costs	25	22,52,30,346	26,94,39,610
Depreciation and amortization expense	11	41,37,70,282	68,83,35,990
Total Expenses		**14,49,18,33,137**	**14,02,00,04,981**
Profit before Extraordinary items and tax		**5,21,98,98,750**	**2,72,87,22,766**
Extraordinary Items		-	-
Profit Before Tax		**5,21,98,98,750**	**2,72,87,22,766**
Tax expense			
(1) Current tax		1,80,38,59,892	51,13,26,464
(2) Deferred tax		(61,38,200)	77,68,507
Profit After Tax For The Period		**3,42,21,77,058**	**2,20,96,27,795**
Earning per equity share			
(1) Basic		7.19	4.64
(2) Diluted		7.19	4.64

Significant Accounting Policies and the accompanying notes are an integral part of the Financial Statements

AS PER OUR REPORT OF EVEN DATE

For P.Murali& Co.,

Firm Registration Number: 007257S

Chartered Accountants

P.Murali Mohana Rao

Partner

Membership No. 023412

Place : Hyderabad

Date : 25-05-2015

For Lycos Internet Limited

(Formerly Ybrant Digital Limited)

M.Suresh Kumar Reddy

Chairman & Managing Director

Y.Srinivasa Rao

Chief Financial Officer

Vijay Kancharla

Director

K.Anusha

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2015

Particulars		Year Ending 31st March, 2015 Rupees	Year Ending 31st March, 2014 Rupees
A.	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	5,21,98,98,750	2,72,87,22,766
	Adjustment for :		
	Add: Depreciation	41,37,70,282	68,83,35,990
	Interest Paid	7,51,75,507	6,63,91,488
	Operating Profit before Working Capital Changes	**5,70,88,44,539**	**3,48,34,50,244**
	Adjustment for Working Capital Changes:		
	Increase/(Decrease) in Short term Borrowings	(18,27,71,902)	(35,45,64,930)
	Increase/(Decrease) in Trade Payables	(69,44,09,704)	13,80,74,161
	Increase/(Decrease) in other Current Liabilities	(16,85,83,956)	1,40,77,83,035
	Increase/(Decrease) in Short-Term Provisions	(1,32,45,87,428)	(33,95,96,633)
	Decrease/(Increase) in Trade Receivables	(59,18,80,530)	(1,51,09,14,877)
	Decrease/(Increase) in Short-Term Loans and Advances	(54,05,870)	1,46,71,723
	Decrease/(Increase) in other Current Assets	1,47,15,125	(72,91,57,453)
	A	**2,75,59,20,274**	**2,10,97,45,270**
B.	**Cash Flow from Investing Activities**		
	Sale of Fixed assets		2,77,95,179
	Purchase/(Increase) of Fixed Assets	(45,96,55,305)	(61,89,64,893)
	(Increase)/Decrease in Non-Current Investments	2,68,61,068	(89,76,726)
	(Increase)/Decrease in Capital Work in Progress	(82,65,52,441)	-
	(Increase)/Decrease in Intangibles under development	(1,45,37,96,390)	-
	Net cash from investing activities **B**	**(2,71,31,43,068)**	**(60,01,46,440)**
C.	**Cash Flows from Financing Activities**		
	Interest Paid	(7,51,75,507)	(6,63,91,488)
	Increase/(Decrease) in Long Term Loans	(34,77,66,929)	(10,73,58,962)
	Increase/(Decrease) in share capital	-	
	Increase/(Decrease) in Deferred Tax Liabilities	6,61,67,246	-
	Increase/(Decrease) in Reserves	-	-
	Increase/(Decrease) in share warrants	-	-
	Increase /(Decrease) in Foreign Currency Fluctuation Reserve	49,03,52,670	(96,97,24,439)
	Increase/(Decrease) in long term provision	(2,68,49,170)	3,54,31,195
	Increase/(Decrease) in Other Long term Liabilities	(55,85,126)	(53,17,35,633)
	Decrease/(Increase) in Long term loans and advances	(9,06,951)	(41,41,50,765)
	Decrease/(Increase) in Other Non - Current Assets	(1,24,01,920)	3,23,57,565
	Net cash from financing activities **C**	**8,78,34,313**	**(2,02,15,72,527)**
	Cash and cash equivalents at beginning of year	43,04,51,504	94,24,25,201
	Net change in cash and cash equivalents (A+B+C)	13,06,11,519	(51,19,73,697)
	Cash and cash equivalents at year ended 31st March, 2015	56,10,63,023	43,04,51,504

AS PER OUR REPORT OF EVEN DATE

For P.Murali & Co.,
Firm Registration Number: 007257S
Chartered Accountants

P.Murali Mohana Rao
Partner
Membership No. 023412

Place : Hyderabad
Date : 25-05-2015

For Lycos Internet Limited
(Formerly Ybrant Digital Limited)

M.Suresh Kumar Reddy
Chairman & Managing Director

Y.Srinivasa Rao
Chief Financial Officer

Vijay Kancharla
Director

K.Anusha
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES TO CONSOLIDATED FINANCIALS

Company Overview:

Lycos Internet Limited offers digital marketing solutions to businesses, agencies and online publishers worldwide. Lycos Internet 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. Lycos Internet has a global presence, with offices in over 24 countries.

Lycos Internet 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. 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. Lycosprovides End-to-end Enterprise Solution Offerings and Specializing in ERP Solutions, Microsoft and Open Source Systems development.

Basis of Preparation of Consolidated Financial Statements:

The consolidated financial statements relate to LYCOS INTERNET LIMITED (Formerly known as YBRANT DIGITAL LIMITED) ("the Company") has prepared the Consolidated Financial Statements, by consolidating its accounts with that of its wholly owned subsidiaries Yreach Media Private Limited, LGS Global FZE, UAE, Frontier Data Management Inc, USA , International Expressions Inc, USA, Online Media Solutions Ltd., Israel, Ybrant Media Acquisition Inc, USA, Dyomo Corporation, USA, Max Interactive Pty Ltd., Australia, DreamAd, Argentina, DreamAd, Chile, Get Media Sociedad Anonima de Capital Variable, Mexico,DreamAd, Panama, DreamAd, Uruguay, Ybrant Digital Servicos De Publicidade Ltd, Brasil, Ybrant Digital (Brasil) Limited, Singapore in accordance with the Statements of Accounting standards on " Consolidated Financial Statements (AS 21) issued by the Institute of Chartered Accountants of India (ICAI) The Consolidated Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the ICAI. The consolidated financial statements have been prepared on the following basis:

(i) The financial statements of the Company and its' subsidiary companies are combined on a line by- line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 --"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

(ii) In case of foreign subsidiaries, Assets and Liabilities are consolidated at the Foreign Exchange rates prevailing at the end of the year.

(iii) The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill.

(iv) Minority interests share is not there as the company is holding 100 % Equity Shares.

(v) As for as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Significant estimates used by the management in the preparation of these financial statements include estimates of the economic useful lives of fixed assets and provisions for bad and doubtful debts. Any revision to accounting estimates is recognized prospectively.

1. Revenue Recognition :

a) 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.

iv) Revenue from product sale and licensing arrangements are recognized on delivery and installation.

b) 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 recognised as and when the services are performed.

iii) Revenue from software development services includes revenue from time and material and fixed price contracts are recognised as related services are performed.

iv) Revenue on fixed price contracts is recognised in accordance with percentage of completion and method of account.

v) Revenue is not recognised on the grounds of prudence, until realized in respect of liquidated damages, delayed payments as recovery of the amounts are not certain

2. Foreign Exchange Transaction :

Realised gains & loss in foreign exchange transactions are recognised in Profit & Loss Account.

Transactions in foreign currency will be recorded at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency will be translated at the rate of exchange as at Balance Sheet date and resultant gain or loss is recognized in the profit and loss account. Non-Monetary assets and liabilities are translated at the rate prevailing on the date of transactionand foreign exchange fluctuation gain or loss arised on account of translation of Non-Monetaryitems like long term loans and advances are accumulated in a reserve account.

Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of transaction.
For the purpose of consolidation, Income and expenses are translated at average rates and the assets and liabilities are stated at closing rate. The net impact of such changes is accumulated under foreign currency translation reserve.

3. Investments :

Investments are either classified as current or long term, based on the management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value. Cost for overseas investments comprises the Indian Rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the value of each investment.

4. Fixed Assets :

Tangible assets

Tangible assets are stated at actual cost less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, finance charges and other incidental expenses incurred during the construction/installation stage.

Intangible assets

Intangible assets are recorded at consideration paid for acquisition and other direct costs that can be directly attributed, or allocated on a reasonable and consistent basis, to creating, producing and making the asset ready for its intended use.

5. Depreciation and Amortization :

Depreciation is provided on straight line method on pro-rata basis and at the rates and manner specified in the Schedule II of the Companies Act, 2013 and there is no change in the method of Depreciation during the year.

Preliminary Expenses are amortised over the period of 5 years.

6. Taxation :

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company. Deferred tax asset and liability is recognised for future tax consequences attributable to the timing differencesthat result between the profit offered for income tax and the profit as per the financial statements. Deferred tax asset & liability are measured as per the tax rates/laws that have been enacted or substantively enacted by the Balance Sheet date.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and asset can be measured reliably.

7. Earnings Per Share:

The earnings considered in ascertaining the companies earning per share comprise netprofit after taxand includes the post tax effect of any extra-ordinary/exceptional item is considered.The numberof shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

The no.of shares used in computing diluted earnings per share comprises the weighted average no.of shares considered for deriving basic earnings per share and also the weighted average no.of equity shares that could have been issued on the conversion of all dilutive potential equity shares.

8. Gratuity and Leave Encashment :

In accordance with the Payment of Gratuity Act,1972, the company provides for gratuity, a defined benefit retirement plan covering eligible employees of the company. The Gratuity provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of the employment with the group. The company has a made a provision for gratuity to its employees on the basis of independent actuarial valuation, in accordance with AS-15. The actuarial liability is determined with reference to employees at the end of each financial year.

The provision for Leave Encashment is calculated as per accrual method.

9. Borrowing Cost :

Borrowing cost relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/sale. Borrowing cost that is attributable to the projects is charged to the respective projects. All other borrowing costs, not eligible for inventorisation/capitalisation, are charged to revenue.

10. Cash Flow Statement :

The Company has prepared Cash Flow Statement as per the AS-3.

Cash flows are reported using the Indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

11. Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a) The Company has a present obligation as a result of a past event;
b) A probable outflow of resources is expected to settle the obligation; and
c) The amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received

Contingent Liability is disclosed in the case of:

a) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation;
b) A possible obligation, unless the probability of outflow of resources is remote. Contingent Assets are neither recognized nor disclosed.

12. Impairment of Assets:

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sale price or present value as determined above.

13. Related Party Disclosures :

The Company furnishes the details of Related Party Disclosures as given in Para 23 and 26 as required by AS-18

14. Lease Rentals

Operating Lease:

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. The company charges Lease rentals in respect of assets taken under operating leases to profit and loss account on a straight line basis over the lease term.

Finance Lease:

A Finance lease is a lease that transfers substantially all the risks and rewards incidental to the ownership of an asset.

15. Claims:

Claims made by the company are recognized to the extent the Company deems them recoverable. Claims against the Company, including liquidated damages, are recognized only on acceptance basis. Claims which are contingent in nature are not recognized in the books but are disclosed separately in the Notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE NO. 1 : SHARE CAPITAL

S. No	Particulars			As on 31stMarch,2015 Rupees	As on 31stMarch,2014 Rupees
I	**Equity Share Capital**				
	(a) Authorised Capital				
	(975,000,000 Equity Shares of Rs.2/- each)			**1,95,00,00,000**	**1,95,00,00,000**
	(b) Issued, Subscribed & Fully Paid Up				
	(476,251,499 Equity Shares of Rs.2/- each)			95,25,02,998	95,25,02,998
	(c) Subscribed & not fully paid up				
	(Issue of Equity Shares in Current year - NIL-)			NIL	NIL
	(Issue of Equity Shares in Previous year - NIL-)			NIL	NIL
	(d) Par Value per share			2	2
	Total Equity Share capital			**95,25,02,998**	**95,25,02,998**
II	**A Reconcilation of the number of shares outstanding at the beginning and at the end of the reporting period:**				
	Equity Shares of Rs.2/- Each, Fully paid up				
	At the Beginning			47,62,51,499	47,62,51,499
	Issued during the year - NIL -			-	-
	At the end			**47,62,51,499**	**47,62,51,499**
III	**Details of Shareholder holding more than 5% shares of the company:***				
	Equity Shares of Rs. 2/- each Held By	**No.of Equity Shares**		**% of Share Holding**	
		As on 31-03-2015	**As on 31-03-2014**		
	M.SureshKumar Reddy	74,777,435	65,573,882	15.70%	13.77%
	Vijay Kancharla	65,865,510	65,865,510	13.83%	13.83%
	Everest Capital(M) Ltd	61,478,864	65,179,080	12.91%	13.69%
	Redmond Investments Ltd	26,397,766	32,550,000	5.54%	6.82%
	Oak India Investments	33,521,074	34,629,630	7.04%	7.27%
	Sansar Capital(Mauritius) Ltd	29,916,240	33,563,430	6.28%	7.05%

NOTE NO. 2 : RESERVES AND SURPLUS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Reserves And Surplus**		
	a) **Capital reserve**		
	As at the commencement of the year	5,08,36,71,652	5,08,36,71,652
	Add: Additions during the year	-	-
	Sub Total	**5,08,36,71,652**	**5,08,36,71,652**
	b) **General Reserves**		
	As at the commencement of the year	3,91,90,882	3,64,43,906
	Add: Additions during the year	5,23,334	27,46,976
	Sub Total	**3,97,14,216**	**3,91,90,882**
	c) **Surpuls :**		
	Opening Balance - Profit and Loss Account	5,95,12,91,600	3,74,44,10,781
	Add: Transfer from Profit & Loss Account	3,42,21,77,058	2,20,96,27,795
	Add: Prior period Adjustment		-
	Less: Amount transferred to retained earnings as per Schedule II of Companies Act 2013 (refer Note No.37A & 37D)	20,54,18,042	-
	Less: Transfer To General Reserve	5,23,334	27,46,976
	Sub Total	**9,16,75,27,282**	**5,95,12,91,600**
	d) **Foreign Currency Translation Reserve**		
	Foreign Currency Translation Reserve	5,57,01,933	(43,46,50,739)
	Total Reserves and Surplus	**14,34,66,15,081**	**10,63,95,03,395**

NOTE NO. 3 : LONG TERM BORROWINGS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Long Term borrowings**		
	a) **Term Loans Secured**		
	ICICI Bank (Refer Note No: 3(a))	-	15,02,50,000
	SBI Term Loan (Refer Note No: 3(b))	6,00,00,000	18,00,00,000
	Canara bank Term Loan (Refer Note No: 3(c))	-	12,50,000
	Others (Refer Note No: 3(d))	-	7,62,66,929
		6,00,00,000	**40,77,66,929**

Notes:

Note No. 3(a): Term Loans From ICICI Bank: Exclusive Charge on Current Assets & Exclusive Charge on Movable Fixed Assets, Foreign Currency Term Loan is Secured by creating first charge

on all assets of Ybrant Media Acquisition Inc USA, both present and future, pledge of shares of companies acquired and pledge of 36.0 million shares by promoter group.

Note No. 3(b):Working Capital Term Loan of Rs 3450 Lakhs, and Bank Guarantee of Rs 1000 lakhs from State Bank of India are secured by current assets, Fixed Assets, Pledge of Promoters shares and personal guarantee of Promoter Directors

Note No. 3(c): Term Loan of Rs. 450 lakhs from Canara Bank are secured by current assets, Fixed Assets, Pledge of Promoters shares and personal guarantee of Promoter Directors

Note No: 3(d): Long Term Borrowings Taken from others is relating to the Subsidiaries is secured by the accounts receivable of the company.

	Total Long Term Borrowings	**6,00,00,000**	**40,77,66,929**

NOTE NO. 4 : DEFERRED TAX LIABILITY (NET)

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Opening Deferred tax Liability**	20,21,04,090	19,42,56,221
	Add:		
	Deferred Tax Liability for the year (Due to SLM and WDV Difference)	1,09,05,442	78,47,869
	Deferred Tax Liability due to others	6,57,36,830	-
	Gross Deferred tax Liability	**27,87,46,362**	**20,21,04,090**
	Opening Deferred tax Asset	16,56,53,626	16,55,74,265
	Deferred Tax Asset for the year (Due to SLM and WDV Difference)	1,51,95,961	-
	Provision for Gratuity and Compensated Absences	14,17,265	79,361
	Gross Deferred tax Asset	**18,22,66,852**	**16,56,53,626**
	Deferred Tax Liability/ (Asset) - Net	**9,64,79,510**	**3,64,50,464**

NOTE NO. 5 : OTHER LONG TERM LIABILITIES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Others**		
	Acrrued Severance Pay	4,45,60,951	5,01,46,077
	Total Long Term Liabilities	**4,45,60,951**	**5,01,46,077**

NOTE NO. 6 : LONG TERM PROVISIONS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**a) Provisions for employee benefits**		
	- Provision for Gratuity	1,00,13,930	63,45,723
	- Provision for Leave Encashment	17,17,818	15,70,450
	b) Other		
	- Super annuation and Post retirement benefits.	3,55,40,480	6,62,05,225
	Total Long Term Provisions	**4,72,72,228**	**7,41,21,398**

NOTE NO. 7 : SHORT TERM BORROWINGS.

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Short term borrowings**		
	a) Cash Credits and Working Capital from Banks		
	Secured		
	Axis Bank - Cash Credit Facility-(Refer Note No 7(a))	36,02,05,069	45,00,00,000
	Canara Bank - OD Facility-(Refer Note No 7(b))	35,00,00,000	35,00,00,000
	Others	-	3,85,10,794
	b) Loans and advances from other parties		
	Secured by Pledge of Promoter Shares	-	2,54,43,656
	Others	-	2,90,22,521
	Notes: **Note No 7(a)**: Working Capital of Rs 4500 lakhs and Bank Guarantee / LC of Rs 400 Lakhs,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 7(b):Working Capital of Rs 3500 lakhs and Bank Guarantee of Rs 1000 Lakhs from Canara Bank are secured by charge on current assets, Fixed Assets, Pledge of promoters shares and personal Guarantee of Promoter Directors.		
	Total Short Term Borrowings	**71,02,05,069**	**89,29,76,971**

NOTE NO. 8 : TRADE PAYABLES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	a) Trade Payables	1,76,06,66,044	2,45,50,75,748
	Total Trade Payables	**1,76,06,66,044**	**2,45,50,75,748**

NOTE NO. 9 : OTHER CURRENT LIABILITES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	a) Current maturities of long term debt	17,43,75,000	27,82,33,730
	b) Interest accrued and due on borrowings	3,85,73,663	4,05,14,932
	c) Unpaid dividend	9,58,95,628	9,58,95,628
	d) Other Current Liabilities	47,30,06,452	53,73,16,730
	e) Acquisition Payables -Lycos Inc	96,31,26,321	96,16,00,000
	Total Other Current Liabilites	**1,74,49,77,064**	**1,91,35,61,020**

NOTE NO.10 : SHORT TERM PROVISIONS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**a) Provisions for employee benefits**		
	Employee Benefit Payable	3,20,28,496	1,37,17,582
	b) Others		
	Statutory Liabilitie	7,24,47,404	6,37,89,508
	Other Provisions	16,89,96,136	13,54,89,063
	c) Provision for Expenses		
	Provision for Expenses	6,01,07,460	28,64,44,419
	Provision for Income Tax	75,25,80,645	10,74,47,104
	Total Short Term Provisions	**1,08,61,60,141**	**60,68,87,676**

NOTE NO 11 :TANGIBLE & INTANGIBLE ASSETS AS AT 31-03-2015

Sl. No	Particulars	Gross Block				Depreciation						
		As on 1st April, 2014	Additions during the year	Sale / Deletions/ Transfers during the year	As on 31st March, 2015	Dep. As on 1st April, 2014	Depreciation for the year 2014-15	Sale / Deletions during the year	Transferred to Retained Earnings	Total Depreciation	Net Block as on 31st March, 2015	Net Block as on 31st March, 2014
I	**TANGIBLE ASSETS**											
1	Land	2,195,210	-	-	2,195,210	-	-	-	-	-	2,195,210	2,195,210
2	Lease Hold Building	15,673,376	-	12,503,767	3,169,609	6,245,568	-	12,503,767	9,427,808	3,169,609	-	9,427,808
3	Electrical Equipment	23,311,870	-	-	23,311,870	9,148,641	3,940,330	-	893,365	13,982,336	9,329,534	14,163,229
4	Office Equipment	66,900,020	989,246	611,745	67,277,521	28,972,391	4,334,803	611,745	28,882,127	61,577,576	5,699,945	37,927,629
5	Air Conditioners	7,157,738	106,981	-	7,264,719	3,038,646	509,793	-	-	3,548,439	3,716,280	4,119,092
6	Computers	765,983,475	35,940,052	186,948,803	614,974,724	474,143,894	163,111,068	186,948,803	115,650,208	565,956,367	49,018,357	291,839,581
7	Furniture	102,931,944	174,908	-	103,106,852	48,322,786	13,115,696	-	258,657	61,697,139	41,409,713	54,609,158
8	Property & Equipment	106,830,415	3,556,545	-	110,386,960	85,895,495	8,584,330	-	-	94,479,825	15,907,135	20,934,920
9	Vehicles	8,978,942	-	-	8,978,942	8,285,253	171,658	-	233,323	8,690,234	288,708	693,689
10	Assets At Usa Branch	59,634,488	-	-	59,634,488	21,436,883	35,215,880	-	-	56,652,763	2,981,725	38,197,605
11	Asset At Subsidiary	74,521,807	-	-	74,521,807	20,551,234	101,675	-	50,072,553	70,725,462	3,796,345	53,970,573
12	Computer Software	30,263,236	577,906	-	30,841,142	6,483,145	8,328,095	-	-	14,811,240	16,029,902	23,780,091
	TOTAL	**1,264,382,521**	**41,345,638**	**200,064,315**	**1,105,663,844**	**712,523,936**	**237,413,328**	**200,064,315**	**205,418,041**	**955,290,990**	**150,372,854**	**551,858,585**
II	**Intangibe Fixed Assets**											
1	Intagible Assets At Subsidary	205,509,886	-	-	205,509,886	66,831,381	-	-	-	66,831,381	138,678,505	138,678,505
2	Intangible Assets	769,448,706	417,022,730	181,445,503	1,005,025,933	290,362,375	176,245,054	181,445,503		285,161,927	719,864,007	479,086,331
3	Computer Products / Rights	337,340,122	1,286,937	336,809,464	1,817,595	336,826,033	111,900	336,809,464	0	128,470	1,689,126	514,089
4	Good Will	1,729,984,413	-	158,617,906	1,571,366,507	161,434,994	-	158,617,906	0	2,817,088	1,568,549,419	1,568,549,419
	TOTAL	**3,042,283,127**	**418,309,667**	**676,872,873**	**2,783,719,921**	**855,454,783**	**176,356,954**	**676,872,873**	-	**354,938,866**	**2,428,781,057**	**2,186,828,344**
III	**Capital Work In Progress**	222,104,328	1,048,656,769	222,104,328	1,048,656,769	-	-	-	-			
	Intangible Assets under								-	-	1,048,656,769	222,104,328
	development	194,918,402	1,648,714,792	194,918,402	1,648,714,792	-	-	-	-	-	1,648,714,792	194,918,402
	TOTAL	**4,723,688,378**	**3,157,026,866**	**1,293,959,918**	**6,586,755,326**	**1,567,978,719**	**413,770,282**	**876,937,188**	**205,418,041**	**1,310,229,855**	**5,276,525,471**	**3,155,709,659**
	PREVIOUS YEAR	4,139,431,622	618,964,893	34,708,136	4,723,688,378	886,555,688	688,335,990	6,912,957		1,567,978,721	3,155,709,658	3,252,875,935

NOTE NO. 12 : NON- CURRENT INVESTMENTS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Non- Current Investments**		
	Investment in Subsidiaries		
	Equity Shares		
	Affiliates	4,05,50,268	6,74,11,336
	Unquoted		
	Lanco Net Ltd , 2000000 shares of Rs 10/- each	2,00,00,000	2,00,00,000
	Total Non - Current Investments	**6,05,50,268**	**8,74,11,336**

NOTE NO. 13 : LONG TERM LOANS AND ADVANCES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Loans & Advances to Related Parties**		
	Unsecured Considered Good		
	Ybrant Employees Welfare Trust A/c	1,37,50,000	1,48,50,000
	LGSL Foundation Trust	60,14,873	60,14,873
	Sub Total	**1,97,64,873**	**2,08,64,873**
II	**Unsecured, Considered Good**		
	Security Deposit	5,46,95,535	5,46,95,535
	Other Advances	1,34,56,28,645	1,34,36,21,694
	Sub Total	**1,40,03,24,180**	**1,39,83,17,229**
	Total Long Term Loans and Advances	**1,42,00,89,053**	**1,41,91,82,102**

NOTE NO. 14 : OTHER NON-CURRENT ASSETS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Others**		
	Other non current Assets	42,62,38,791	41,38,36,871
	Total Other Non- Current Assets	**42,62,38,791**	**41,38,36,871**

NOTE NO. 15 : TRADE RECEIVABLES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Outstanding for a period exceeding six months from the date they are due for payment**		
	Unsecured, Considered Good	1,79,06,24,159	2,28,05,10,027
II	**Other Receivables:**		
	Unsecured, Considered Good	6,66,22,89,644	5,58,05,23,246
		8,45,29,13,803	**7,86,10,33,273**
	Less : Allowance for bad & doubtful debts	-	-
	Total Trade Receivables	**8,45,29,13,803**	**7,86,10,33,273**

NOTE NO. 16 : CASH AND CASH EQUIVALENTS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**Cash and cash equivalents :**		
	a) Balances with banks :		
	1) On Current Accounts	56,00,26,330	42,93,65,273
	2) Unpaid Dividend Account	6,98,521	6,98,521
	b) Cash on hand	3,38,172	3,87,710
	Total Cash and Bank Balances	**56,10,63,023**	**43,04,51,504**

NOTE NO : 17 SHORT TERM LOANS AND ADVANCES

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	**a) Secured, Considered Good**		
II	**b) Unsecured, Considered Good**		
	Security Deposits	6,94,000	1,93,03,977
	Rental Deposits	43,71,304	17,58,847
	Other Deposits	27,72,278	-
	Advances to Employees	13,53,099	13,69,885
	Other Advances	2,88,25,67,414	2,86,41,64,538
	TDS Receivables	46,10,651	43,65,629
	MAT Credit	5,62,88,350	5,62,88,350
	Total Short Term Loans and Advances	**2,95,26,57,096**	**2,94,72,51,226**

NOTE NO. 18 : OTHER CURRENT ASSETS

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
I	(a) Other Current Assets	1,37,42,89,702	1,62,28,32,882
	(b) Prepaid Expenses	24,02,07,433	5,40,79,217
	(c) Tax Receivables	8,49,04,445	3,72,04,605
	Total Other Current Assets	**1,69,94,01,580**	**1,71,41,16,704**

NOTE NO. 19 : REVENUE FROM OPERATIONS

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	**Revenue from operations**		
	(a) Sale of Software Exports	4,63,07,82,454	4,57,23,24,768
	(b) Sale of Services Exports	14,92,98,35,442	12,12,65,42,035
	(c) Sale of Services Domestic	94,17,867	3,48,71,293
	Total Revenue from Operations	**19,57,00,35,763**	**16,73,37,38,096**

NOTE NO. 20 : OTHER INCOME

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Interest income	1,58,759	38,29,260
	(b) Other non-operating income	3,18,38,799	2,99,67,324
	(c) Net gain/loss on foreign currency translation and transaction	10,96,98,566	(1,88,06,933)
	Total Other Income	**14,16,96,124**	**1,49,89,651**

NOTE NO. 21 : COST OF REVENUE

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	Cost of Revenue	11,06,56,86,007	9,97,04,45,320
	Total Cost Of Revenue	**11,06,56,86,007**	**9,97,04,45,320**

NOTE NO. 22 : EMPLOYEE BENEFIT EXPENSES

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Salaries & Wages	98,11,18,759	1,27,28,81,105
	(b) Contribution to Provident & Other Funds	89,86,356	32,79,978
	(c) Staff Welfare Expenses	41,07,678	13,86,364
	Total Employee Benefit Expenses	**99,42,12,793**	**1,27,75,47,447**

NOTE NO. 23 : OTHER OPERATING EXPENSES

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Power & Fuel	1,50,35,010	1,14,87,638
	(b) Rent	23,81,71,098	20,59,75,633
	(c) Repairs & Maintenance	4,57,69,901	3,69,53,506
	(d) Insurance	4,21,59,850	4,58,02,899
	(e) Rates & Taxes (excluding Income Tax)	30,40,959	1,51,42,800
	(f) Miscellaneous Expenses	1,68,44,188	1,61,50,860
	(g) Payment to Auditors :		
	(i) As Auditor fee	20,93,992	14,93,992
	(ii) For Tax audit fee	1,00,000	1,00,000
	(iii) For Other audit related Services	16,09,563	16,75,169
	(g) Ins Fee	56,44,390	1,12,53,282
	(h) Discount Expense	5,79,52,492	10,46,22,660
	(I) Prior Period Item	2,07,247	85,677
	Total Other Operating Expenses	**42,86,28,690**	**45,07,44,116**

NOTE NO. 24 : ADMINSTRATIVE EXPENSES

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	(a) Telephone, Postage and Others (Internet)	6,60,56,049	6,99,06,211
	(b) Business Promotion Expenses	62,11,72,097	57,56,52,207
	(c) Travelling and Conveyance	10,43,88,496	9,35,61,303
	(d) Office Maintenance	9,40,53,329	10,39,17,807
	(e) Printing & Stationery Expenses	89,52,255	31,68,285
	(f) Security Charges	9,58,221	1,56,055
	(g) Rates & Taxes (excluding Income Tax)	1,27,34,180	1,03,98,177
	(h) Consultancy Charges	4,45,67,673	2,93,56,232
	(i) Event Sponsorship & Seminar Fee	1,59,13,865	1,36,23,373
	(j) Web Development Expenses	5,71,46,223	3,06,00,815
	(k) Professional Charges	7,01,53,704	7,09,60,117
	(l) Sales and Marketing Expenses	16,98,04,659	13,39,93,890
	(m) Donation	-	7,00,000
	(n) Preliminary Expenses / Written off	15,038	1,62,60,791
	(o) Miscellaneous Expenses	19,31,220	12,26,46,664
	(p) Books & Subscriptions	37,05,958	35,07,583
	(q) CSR expenditure	18,72,836	-
	(r) Other Administrative Expenses	9,08,79,216	8,50,82,988
	Total Administrative Expenses	**1,36,43,05,019**	**1,36,34,92,498**

NOTE NO. 25 : FINANCE COSTS

S. No	Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
I	**(a) Interest Expenses**		
	Interest on Working capital Loans	13,32,31,396	18,10,98,291
	Interest on Term Loan	7,51,75,507	6,63,91,488
	Other borrowing Costs	6,07,125	72,49,220
	Loan processing Charges & Bank Charges	1,62,16,318	1,47,00,611
	Total Finance Costs	**22,52,30,346**	**26,94,39,610**

NOTE NO. 26 : AUDITOR'S REMUNERATION

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Statutory Audit Fees	20,93,992	14,93,992
Tax Audit Fee	1,00,000	1,00,000
Other Audit related Services	16,09,563	16,75,169
Total	**38,03,555**	**32,69,161**

NOTE NO. 27 :

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

NOTE NO. 28 :

Related Party Transactions

During the financial year 2014-15 the Company has entered into some transactions, which can be deemed as related party transactions. All these matters have been approved by the Board and the Govt. of India, wherever necessary.

(a) Related Parties

S. No	Particulars	Nature of Relationship
1	M.Suresh Kumar Reddy	Chairman and Managing Director
2	Vijay Kancharla	Director
3	Yreach Media Private Limited, India	99% Owned Subsidiary
4	Frontier Data Management Inc. USA	Wholly Owned Subsidiary
5	International Expressions Inc. USA	Wholly Owned Subsidiary
6	Online Media Solutions Limited, Israel	Wholly Owned Subsidiary
7	Ybrant Media Acquisition Inc. USA	Wholly Owned Subsidiary
8	Dyomo Corporation, USA	Wholly Owned Subsidiary
9	Max Interactive Pty, Ltd., Australia	Wholly Owned Subsidiary
10	DreamAd, Argentina	Wholly Owned Subsidiary
11	DreamAd, Chile	Wholly Owned Subsidiary
12	Get Media Mexico Sociedad Anonima De Capital Variable, Mexico	Wholly Owned Subsidiary
13	DreamAd, Panama	Wholly Owned Subsidiary
14	DreamAd, Uruguay	Wholly Owned Subsidiary
15	Ybrant Digital Servicos De Publiciade Ltda, Brasil	Wholly Owned Subsidiary
16	Ybrant Digital (Brasil) Ltd., Singapore	Wholly Owned Subsidiary
17	LGS Global FZE, UAE	Wholly Owned Subsidiary
18	Lycos Inc.	Stepdown Subsidiary
19	Ybrant Employees welfare Trust	Directors acting as Trustees
20	LGSL Foundation Trust	Directors acting as Trustees

(b) Related Party Transactions during the year:

I. Sales/ Revenue:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
International Expressions Inc. USA	NIL	1,14,37,643
Online Media Solutions Limited, Israel	12,11,86,210	9,10,81,366
Dyomo Corporation	15,51,39,627	23,22,62,138
Lycos Inc.	NIL	2,32,37,214

II. Advances received against Sales:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Online Media Solutions Limited, Israel	NIL	89,01,749
Dyomo Corporation	NIL	3,20,53,741

III. Guarantee Commission :

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Media Acquisition Inc. USA	1,52,87,500	3,00,49,900

IV. Repayment of Unsecured Loan taken from Subsidiaries:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Media Acquisition Inc. USA(Net off Guarantee Commission Receivable)	29,60,77,403	13,00,62,128

V. Repayment of Unsecured Loans given to Related Parties

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Employees Welfare Trust A/c	11,00,000	2,00,000

C) Balances with related parties at the year end:

I. Unsecured loans from Related Parties:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
DreamAd, Panama	6,88,49,000	6,61,10,000
Frontier Data Management Inc. USA	8,14,03,616	7,81,65,159
International Expressions Inc. USA	6,58,26,905	6,32,08,132
Online Media Solutions Limited, Israel	9,87,04,430	9,47,77,700
Ybrant Media Acquisition Inc. USA	51,02,42,835	91,58,52,738

(II) Investment in Subsidiaries:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
DreamAd Companies	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 Publiciase 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, India	99,000	99,000

(III) Unsecured loans to related parties:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Employees welfare Trust	1,37,50,000	1,48,50,000
LGSL Foundation Trust	60,14,873	60,14,873

(IV)Advance Received against Sales:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Online Media Solutions Limited, Israel	NIL	89,01,749
Dyomo Corporation	NIL	3,20,53,741

(V) Guarantee commission receivable:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Ybrant Media Acquisition Inc. USA (Refer note -36(1)	NIL	8,28,24,550

(VI) Account Receivables:

Particulars	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Online Media Solutions Limited, Israel	3,73,55,441	NIL
Dyomo Corporation	2,24,13,416	NIL

NOTE NO. 29 :

Operating Lease

The company leases office premises under operating lease agreement that is renewable on a periodic basis at the option of the both the lessor and the lessee. Rental expenses under those leases were Rs.23,81,71,098/-and for the previous year Rs.20,59,75,633/-.

NOTE NO. 30 :

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.

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Present Value of Obligation as at the end of the year	1,15,66,260	84,28,169
2	Value of Fund as at the end of the year	15,52,331	20,82,447
3	Funded Status	(1,00,13,929)	(63,45,722)
4	Unrecognized Actuarial (gains) / losses	NIL	NIL
5	Net Asset / (Liability) Recognized in Balance Sheet	(1,00,13,929)	(63,45,722)

b) Expenses recognized in Profit & Loss Account for the year ended:

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Current Service Cost	19,54,081	15,30,163
2	Past Service cost	NIL	NIL
3	Interest Cost	7,66,963	6,93,512
4	Expected return on Plan Assets	(1,56,722)	(1,87,252)
5	Net actuarial (gain)/ loss recognized in the year	18,03,885	(17,91,821)
6	Expenses to be recognized in Profit & Loss Account	43,68,207	2,44,602

c) Present value of Obligation for the year ended:

S. No	Changes in Present Value of Obligations	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Present Value of Obligation as at the beginning of the year	84,28,169	84,57,464
2	Interest Cost	7,66,963	6,93,152
3	Past Service Cost	NIL	NIL
4	Current Service Cost	19,54,081	15,30,163
5	Benefits paid	(13,86,838)	(4,61,149)
6	Actuarial (gain)/ loss on obligations	18,03,885	(17,91,821)
7	Present Value of Obligation as at the end of the year	1,15,66,260	84,28,169
	a. Current Liability	5,92,811	2,99,987
	b. Non-current Liability	1,09,73,449	81,28,182

d) Actuarial (Gain) / Loss recognized during the year :

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Actuarial (Gain)/Loss for the year – Obligation	(18,03,885)	17,91,821
2	Total (Gain) / Loss for the year	18,03,885	(17,91,821)
3	Actuarial (Gain) / Loss recognized in the year	18,03,885	(17,91,821)

e) Assumptions:
Assumptions made for the purpose of Gratuity valuation

S. No	Particulars	As On 31st March, 2015 Rupees	As On 31st March, 2014 Rupees
1	Discount Rate	7.8%	9.10%
2	Rate of increase in Compensation levels	5%	6%
3	Rate of Return on Plan Assets	9%	9%
4	Expected Average remaining working lives of employees (years)	27 Years	27 Years

II. Leave Encashment:

The provision for Leave Encashment is calculated as per accrual method and included in current liabilities & provision

NOTE NO. 31 :

Earnings Per Share

Particulars	Year ended 31st March, 2015 Rupees	Year ended 31st March, 2014 Rupees
Profits Attributable to Equity Share Holders	342,21,77,058	220,96,27,795
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	7.19	4.64
Earnings per Share – Diluted	7.19	4.64

The EPS of Rs.7.19 on a PAT of Rs.342,21,77,058/- for the year ended 31 March 2015 is 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.4.64 on a PAT of Rs. 220,96,27,795/- for the year ended 31 March 2014 and is for an Equity Capital i.e.Rs.95,25,02,998/- consisting of 47,62,51,499 Equity Shares of Rs2/-each fully paid up.

NOTE NO. 32 :

32.In case of Foreign exchange fluctuation profit / loss as per AS 11 The branch and its head officeis having integral transactions and hence profit / loss debited to P & L a/c. The receivables have been considered at the actual rate at which the amount is realized and accordingly gain from Foreign Exchange fluctuation and Integral transactions of Rs. 10,96,98,566 (net) has been reflected in Profit and Loss Account for the Year.(Previous year loss 1,88,06,932).

In case of Foreign exchange fluctuation profit / loss as per AS 11The Subsidiaries and holding company is having Non-integral transactions and hence profit / loss arised due to conversion of subsidiary financials into reporting currency of holding company then the same is transferred to the Reserves in Balance sheet. During the year the profit arised due to Non integral transactions is Rs.5,57,01,933.(Previous year loss Rs.43,46,50,739).

NOTE NO. 33 :

Segment Reporting:

The Company is mainly engaged in the area of Digital Marketing and related services and providing Software Development Services.

Segmentwise Reporting is given as per Annexure A

NOTE NO. 34 :

Dues to Micro & Small Enterprises:

There are no overdue principle amounts and interest thereon payable to Micro Enterprises and Small Enterprises, as at 31-03-2015.

NOTE NO. 35 :

Confirmation of Closing Balances:

Closing Balances of Debtors, Creditors, Loans and Advances are subject to confirmations.

NOTE NO. 36 :

Contingent Liabilities & Guarantees:

Particulars	Name of the Bank / Party	Year Ended 31st March, 2015 Rupees	Year Ended 31st March, 2014 Rupees
Corporate Guarantee for Acquiring Lycos Inc (USD 4 Mn)	Daum Global Holdings Corp, Republic of Korea	25,03,60,000	24,04,00,000
Corporate Guarantee for Foreign Currency Term Loan (FCTL) (USD 10Mn)	ICICI Bank Limited, New York Branch, USA (i)	NIL	60,10,00,000
Bank Guarantees for Tender Participation & Performance Guarantees	Axis Bank, S.R.Nagar Branch, Hyderabad, Telangana, India (ii)	NIL	90,00,000
Bank Guarantees for Performance Guarantees	ICICI Bank, Jubilee Hills Branch, Hyderabad, Telangana, India	27,72,278	NIL
Inland Letter of Credit for purchase of Software products.	Axis Bank, S.R.Nagar Branch, Hyderabad, Telangana, India	NIL	3,10,00,000
Corporate Guarantee given for the loan taken by Tesla Projects Private Limited.	Lakshmi Vilas Bank.D No 8-3-248/1/7/7 & 8,Nagarjuna Hills Main Road, Panjagutta HyderabadTelangana,, India (iii)	NIL	1,90,00,000
Disputed Service tax Liability for the period May 2008 to September 2011	Appeal made to Central Excise & Service Tax Appellate Tribunal, Bangalore	14,60,05,131	14,60,05,131
Disputed Income Tax Liability from A.Y.2006 -07 to A.Y 2010-11	Appeal Made to CIT(Appeals)ITAT, Hyderabad	20,13,55,044	3,87,72,490
Disputed Sales Tax liability for the A.Y.2009-10	Appeal made to Sales Tax Appellate Tribunal, Hyderabad (iv)	NIL	4,12,35,944
SE Investments Loan	SE Investments Mumbai (v)	1,01,23,233	NIL

* Assumption: 1 USD = Rs.62.59 (Closing rate as on 31st March 2015)

(I) The Loan taken by the Ybrant Media Acquisition Inc. USA (Wholly owned subsidiary) to which corporate guarantee was given by the company, has been closed during the year under consideration. However the NOC was yet to be received from ICICI Bank.

(II) The BG is closed and there was no liability as on 31st March,2015. NOC yet to be received from bank.

(III) This BG was closed & there was no liability as on 31st March,2015 The bank has given NOC and necessary filings are yet to be done.

(IV) The Appeal made to Sales Tax Appellate Tribunal has been disposed off during the yearand there was no liability as on 31st March, 2015.

(V) The loan facility from SE Investments limited is secured by pledge of shares of held by the promoters and the personal guarantee of the promoterdirectors.Principal loan amount was repaid. Thepenalty & delay charges are yet to be paid . Negotiations are in process to reduce and settle the account.

NOTE NO. 37 :

Depreciation on Fixed Assets

(A) In accordance with provisions of Schedule II of Act,2013 In case of fixed assets which have completed their useful life as at 31st march 2014,the carrying value as on 1.04.2014 amounting to Rs.20,54,18,041/-has beenrecognized in the Retained earnings as a transitional provision .Further in case of assets acquired prior to 1st April 2014, whoseuseful life exists,the carrying value of assets is depreciated over the remaining useful life as specified in the companies Act, 2013 effective1st April, 2014.

(B) Consequent to the implementation of the provisions of the Schedule II of the new companies Act, 2013, the depreciation and amortization expenses for the year increased by Rs.15,74,88,218/-.

(C) During the year the company has made adjustments relating to Tangible assets and Intangible assets worth Rs.87,69,37,188/- which were totally depreciated and amortized up to 31st March 2014.The same has been removed from the gross block and accumulated depreciation accordingly in the current financial year 2014-15.

(D) The useful life of the lease hold building is complete and the asset is no longer useful. Hence the value of the same for Rs.31,69,690/-has been transferred is to Retained earnings.

NOTE NO. 38 :

During the year, Online Media Solutions, Israel, a Wholly Owned Subsidiary has sold the shares of Keelay Internet Services Ltd and MindAd Media Ltd for an Amount of Rs.2,68,61,068.

NOTE NO. 39 :

The Term loan from SBI of Rs.400 Lakhs was repaid during the year. However the necessary filings are yet to be made with ROC.

NOTE NO. 40 :

The filing of satisfaction charge with ROC, for the Term Loan taken from ICICI bank amounting to Rs.3000 Lakhs was not done, due to non-receipt of NOC from the Bank.

NOTE NO. 41 :

The filing of satisfaction charge with ROC, for the Loan taken from SBI Global Factors Ltd amounting to Rs.1750 Lakhs was not done, due to non-receipt of NOC from the Bank

NOTE NO. 42 :

During the Financial Year 2014-15 the company has incurred an expenditure towards 'Intangible Assets under development' an amount of Rs.164,87,14,792/-.

NOTE NO. 43 :

During the Financial Year 2014-15 the company has incurred an expenditure towards 'Capital- work-in-progress' for an amount of Rs.104,86,56,769/-.

NOTE NO. 44 :

During the financial year 2014-15 the Holding Company has repaid 19.21 Crores of debt. In the process there were a few delays/ defaults in repayments of dues to banks and financial institutions. Such amounts with respect to interest payment were Rs.15.79 Crores and in respect of principal repayment amounting to Rs.10.23 Crores. Interest payments were related to interests on working capital and term loans. Principal repayments were related to term loan installments. The primary cause of such occurrences was due to international group operations and difficulties in moving the cash flows into India.

NOTE NO. 45 :

Statement of Net assets and profit of loss attributable to Owners and Minority Interest.

Name of the Entity	Net Assets ie.,total assets minus total liabilites		Share in Profit or Loss	
	As % of Consolidated net assets	Amount in Rs.	As % of Consolidated Profit or Loss	Amount in Rs.
Parent	39.60%	6,05,80,95,496	0.01	1,74,44,452
Parent Subsidiaries				
Indian				
Yreach Media Pvt Ltd	0.00	15,341	(0.00)	(70,338)
Foreign				
Dream Ad-Argentina	2.12	32,41,45,062	6.13	20,96,29,837
Dream Ad-Chile	2.53	38,64,27,302	3.75	12,82,27,190
Dream Ad- Mexico	1.07	16,43,43,343	1.63	5,57,39,361
Dream Ad-Panama	1.61	24,66,20,373	1.97	6,74,08,458
Dream Ad-Uruguay	0.23	3,51,07,544	0.00	(34,917)
Frontier Data Management Inc. USA	23.02	3,52,20,80,784	11.17	38,21,38,283
International Expressions Inc. USA	17.64	2,69,90,24,579	4.49	15,37,49,283
Online Media Solutions Limited , Israel	15.59	2,38,44,13,431	33.66	1,15,19,81,389
Ybrant Media Acquisition Inc. USA	18.21	2,78,66,98,852	22.55	77,16,12,818
Max Interactive Pty Ltd., Australia	1.82	27,77,29,196	2.17	7,41,54,686
Dyomo Corporation, USA	6.20	94,88,21,609	8.98	30,74,81,712
Ybrant Digital Services De Publicidade Ltda,Brasil	3.62	55,41,19,076	3.00	10,27,14,841
Ybrant Digital (Brasil) Ltd., Singapore	0.00	45	0.00	0
LGS Global FZE, UAE	0.00	2,43,650	0.00	0
Total		**20,38,78,85,684**		**3,42,21,77,058**
Less:				
Adjustments arising on account of Consolidation	0.00	5,08,87,67,605	0.00	0
Minority Interest in all Subsidiaries	0.00	0	0.00	0
Total	**100**	**15,29,91,18,079**	**100**	**3,42,21,77,058**

NOTE NO. 46 :

The figures of previous year have been regrouped wherever necessary

NOTE NO. 47 :

The figures have been rounded off to the nearest rupee.

For P.Murali & Co.,
Firm Registration Number: 007257S
Chartered Accountants

P.Murali Mohana Rao
Partner
Membership No. 023412

Place : Hyderabad
Date : 25-05-2015

M.Suresh Kumar Reddy
Chairman & Managing Director

Y.Srinivasa Rao
Chief Financial Officer

For Lycos Internet Limited
(Formerly Ybrant Digital Limited)

Vijay Kancharla
Director

K.Anusha
Company Secretary

Annexure A			
SEGMENT REPORTING CONSOLIDATED		(In INR Lakhs)	
Sl.No.	Particulars	Year Ended 31st March 2015	Year Ended 31st March 2014
1	**Segment Revenue**		
	(a) Digital Marketing Segment	1,49,392.54	1,21,571.97
	(b) Software Development Segment	46,307.82	45,765.41
	Total Sales/ Income from Operations	**1,95,700.36**	**1,67,337.38**
	Less: Inter Segment Revenue		
	Net Sales/ Income from Operations	**1,95,700.36**	**1,67,337.38**
2	**Segment Results - Profit (+) / Loss (-) before tax and interest**		
	(a) Digital Marketing Segment	54,102.29	27,692.14
	(b) Software Development Segment	349.00	2,289.48
	Total Segment Results - Profit (+) / Loss (-) before tax and interest	**54,451.29**	**29,981.62**
	Less: Interest	2,252.30	2,694.40
	Total Profit (+) / Loss (-) before tax	**52,198.99**	**27,287.22**
3	***Segment Assets and Segment Liabilities***		
	(a) Digital Marketing Segment		
	Total Assets	1,61,165.25	1,16,537.56
	Total Liabilites	31,351.29	24,813.27
	(b) Software Development Segment		
	Total Assets	47,329.14	63,752.37
	Total Liabilites	23,187.13	39,192.08

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

S. No	Description	Dream Ad-Argentina		Dream Ad-Chile		Get Media, Mexico	
		Amount In INR	Amount In USD	Amount In INR	Amount In USD	Amount In INR	Amount In USD
a)	Share Capital	85,58,897	1,70,157	1,42,349	2,830	15,17,652	30,172
b)	Reserves and Surplus	31,55,86,165	50,35,179	38,62,84,954	61,73,976	16,28,25,691	25,96,627
c)	Total Assets	40,34,98,354	64,73,163	45,19,05,143	72,22,945	22,47,12,087	35,91,310
d)	Total Liabilities	40,34,98,354	64,73,163	45,19,05,143	72,22,945	22,47,12,087	35,91,310
e)	Details of Investments	NIL	NIL	NIL	NIL	NIL	NIL
f)	Turnover	1,11,17,62,035	1,81,80,900	41,55,96,680	67,96,348	23,17,49,205	37,89,848
g)	Profit before tax	32,66,49,369	53,41,772	16,65,93,389	27,24,340	8,04,39,476	13,15,445
h)	Provision for tax	11,70,19,532	18,69,620	3,83,66,199	6,12,976	2,47,00,115	3,94,634
I)	Profit After Tax	20,96,29,837	34,72,152	12,82,27,190	21,11,363	5,57,39,361	9,20,812
j)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
k)	% of Share Holding	100%	100%	100%	100%	100%	100%
Reporting Currency			**USD($)**		**USD($)**		**USD($)**

S. No	Description	Dream Ad-Panama		Dream Ad.-Uruguay		Dyomo Corporation, USA	
		Amount In INR	Amount In USD	Amount In INR	Amount In USD	Amount In INR	Amount In USD
a)	Share Capital	1,25,75,000	2,50,000	16,74,437	33,289	4,67,300	10,000
b)	Reserves and Surplus	23,40,45,373	36,90,252	3,34,33,107	5,27,624	94,83,54,310	1,51,50,804
c)	Total Assets	28,47,39,373	45,49,279	4,00,92,524	6,40,558	1,07,88,23,668	1,72,37,846
d)	Total Liabilities	28,47,39,373	45,49,279	4,00,92,524	6,40,558	1,07,88,23,668	1,72,37,846
e)	Details of Investments	NIL	NIL	NIL	NIL	NIL	NIL
f)	Turnover	18,21,65,728	29,78,998	9,17,48,359	15,00,382	1,09,19,29,163	1,78,56,568
g)	Profit before tax	6,74,08,458	11,02,346	(34,917)	(571)	52,06,43,149	85,14,197
h)	Provision for tax	-	-	-	-	21,31,61,437	34,05,679
I)	Profit After Tax	6,74,08,458	11,02,346	(34,917)	(571)	30,74,81,712	51,08,518
j)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
k)	% of Share Holding	100%	100%	100%	100%	100%	100%
Reporting Currency			**USD($)**		**USD($)**		**USD($)**

S. No	Description	Frontier Data Management Inc., USA		International Expresions Inc. USA		Max Interactive Pty Ltd., Australia	
		Amount In INR	Amount In USD	Amount In INR	Amount In USD	Amount In INR	Amount In USD
a)	Share Capital	1,29,80,71,205	2,89,19,389	1,06,48,18,187	2,01,87,000	139	2
b)	Reserves and Surplus	2,22,40,09,578	3,43,40,861	1,63,42,06,405	2,54,69,943	27,77,29,057	44,37,466
c)	Total Assets	3,67,64,93,546	6,57,53,388	2,87,79,34,802	4,86,90,077	32,79,87,122	52,40,439
d)	Total Liabilities	3,67,64,93,546	6,57,53,388	2,87,79,34,802	4,86,90,077	32,79,87,122	52,40,439
e)	Details of Investments	NIL	NIL	NIL	NIL	NIL	NIL
f)	Turnover	1,52,06,64,839	2,48,67,782	62,79,16,592	10268464.3	32,98,49,460	53,94,104
g)	Profit before tax	68,41,40,533	1,11,68,377	23,82,73,492	3372037.504	10,70,15,294	17,50,046
h)	Provision for tax	30,20,02,249	48,25,088	84524208.81	13,50,443	3,28,60,608	5,25,014
I)	Profit After Tax	38,21,38,283	63,43,289	15,37,49,283	20,21,595	7,41,54,686	12,25,032
j)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
k)	% of Share Holding	100%	100%	100%	100%	100%	100%
Reporting Currency			**USD($)**		**USD($)**		**USD($)**

S. No	Description	Online Media Solutions Ltd, Israel		Ybrant Digital Servicos De PublicidadeLtda, Brasil		Ybrant Media Acquisition Inc USA	
		Amount In INR	Amount In USD	Amount In INR	Amount In USD	Amount In INR	Amount In USD
a)	Share Capital	28,74,96,660	63,69,000	2,93,925	6,426	1,21,90,40,000	2,70,00,000
b)	Reserves and Surplus	2,09,69,16,771	3,20,21,833	55,38,25,151	88,46,731	1,56,76,58,852	2,68,44,442
c)	Total Assets	2,87,31,65,673	4,62,23,464	61,67,41,441	98,53,674	4,48,12,23,590	8,09,70,259
d)	Total Liabilities	2,87,31,65,673	4,62,23,464	61,67,41,441	98,53,674	4,48,12,23,590	8,09,70,259
e)	Details of Investments	4,05,50,268	8,68,229	NIL	NIL	NIL	NIL
f)	Turnover	5,68,73,18,671	9,30,06,029	34,99,37,357	57,22,606	3,31,91,47,617	5,42,78,784
g)	Profit before tax	1,58,07,42,660	2,58,50,248	15,75,39,681	25,76,283	1,28,93,28,059	2,10,12,240
h)	Provision for tax	428761270.2	68,50,316	54824839.61	8,75,936	51,77,15,241	82,71,533
I)	Profit After Tax	1,15,19,81,390	1,89,99,932	10,27,14,842	17,00,347	77,16,12,818	1,27,40,707
j)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL
k)	% of Share Holding	100%	100%	100%	100%	100%	100%
Reporting Currency			**USD($)**		**USD($)**		**USD($)**

S. No	Description	Ybrant Digital (Brasil) Limited,Singapore		LGS Global FZE, UAE		Yreach Media Pvt Ltd, Hyderabad, India
		Amount In INR	Amount In USD	Amount In INR	Amount In USD	Amount In INR
a)	Share Capital	45	1	2,43,650	5,000	1,00,000
b)	Reserves and Surplus	-	-	-	-	(84,659)
c)	Total Assets	45	1	2,43,650	5,000	73,62,183
d)	Total Liabilities	45	1	2,43,650	5,000	73,62,183
e)	Details of Investments	NIL	NIL	NIL	NIL	NIL
f)	Turnover	-	-	-	-	7,21,380
g)	Profit before tax	-	-	-	-	(70,338)
h)	Provision for tax	-	-	-	-	-
I)	Profit After Tax	-	-	-	-	(70,338)
j)	Proposed Dividend	NIL	NIL	NIL	NIL	NIL
k)	% of Share Holding	100%	100%	100%	100%	100%
Reporting Currency			**USD($)**		**USD($)**	

LYCOS INTERNET LIMITED

CIN: L64203TG1999PLC030996
Plot No. 7A, Road No. 12, MLA Colony, Banjara Hills, Hyderabad – 500034.
Tel: 91 40 45678999 eFax: 91 22 66459677 Email: ir@lycoscorp.com
Website: www.lycos.com

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

16th Annual General Meeting on Monday, September 28, 2015 at 10:00 A.M

Name of the member(s) :
Registered Address :
Email id :
Folio No. / Client Id
DP Id :
I / We, being the member(s) of ..... Shares of the above named company, hereby appoint
Name : ..... Email: .....
Address : .....
..... Signature: _____
or failing him / her
Name : ..... Email: .....
Address : .....
..... Signature: _____
or failing him / her
Name : ..... Email: .....
Address : .....
..... Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 16th Annual General Meeting of the Company, to be held on Monday, September 28, 2015 at 10:00 a.m. at Ellaa Hotels, Hill Ridges Springs, Gachibowli, Hyderabad- 500032 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	**Resolution**
	Ordinary Business
1	Adoption of the Audited Financial Statements (including Consolidated Financial Statements) together with the reports of the Board of Directors and the Auditor's thereon for the F.Y. 2014-15.
2	To Appoint a Director in place of Mr. M. Suresh Kumar Reddy, who retires by rotation and being eligible, offers himself for re-appointment
3	To Appoint M/s. P. Murali & Co., Chartered Accountants as Statutory Auditors of the Company
	Special Business
4	To Re-appoint Mr. Y. Ramesh Reddy as an Independent Director.
5	To Appoint Mrs.S.V.Rajyalaxmi Reddy as Director
6	To Appoint Mr. Subrato Saha as an Independent Director
7	To Appoint Mr. Michael Loren Mauldin as an Independent Director
8	To Alter Articles of Association of the Company

Signed this _____ day of _____ 2015.

Affix Revenue Stamp

....
Signature of the Member Signature of the proxy holder(s)

Note:

This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before commencement of the meeting.

LYCOS INTERNET LIMITED

CIN: L64203TG1999PLC030996
Plot No. 7A, Road No. 12, MLA Colony, Banjara Hills, Hyderabad – 500034.
Tel: 91 40 45678999 eFax: 91 22 66459677 Email: ir@lycoscorp.com
Website: www.lycos.com

ATTENDANCE SLIP

16th Annual General Meeting on Monday, September 28, 2015 at 10:00 A.M

at Ellaa Hotels, Hill Ridges Springs, Gachibowli, Hyderabad- 500032.

Regd.Folio No. / DP id & Client ID*

_____

No.of Shares held

_____

Name of the Member
(BLOCK Letters)

_____

Name of the Proxy

_____

I hereby record my presence at the Sixteenth ANNUAL GENERAL MEETING of the Company held on Monday, September 28, 2015 at 10:00 a.m. at Ellaa Hotels, Hill Ridges Springs, Gachibowli, Hyderabad-500032

....

Signature of Member **Signature of Proxy**

Note: This form should be signed and handed over at the Meeting venue, no duplicate attendance slip will be issued at the Meeting hall. You are requested to bring copy of the Annual Report to the Meeting.

*Applicable for investors holding shares in electronic form.

LYCOS ranked 8th amongst the 'India's Next 500' companies.

LYCOS INTERNET LIMITED

Registered Office

Plot No.7A, Road No.12, MLA Colony, Banjara Hills, Hyderabad - 500 034 Telangana, India.

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