



Ref: BCG/SE/2023/Apr-04

Date: April 14, 2023

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

To
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.
NSE Symbol: BCG

Sub: Show Cause Notice issued by Honourable SEBI;

Dear Sir/Ma'am,

In response to the above Show Cause Notice issued to the Company and its key officers, the Company hereby, wishes to inform its stakeholders that:

- A. The Regulator has made certain observations in this Show Cause Notice, the main ones being:
1. The Company had taken impairment charges in its balance sheet for FY 2020, Amounting to Rs. 868.30 crores. The honourable SEBI has observed that, as per accounting standards, these charges should have been taken through the P & L statement, and not through the Balance Sheet & that by taking the said (non-cash) charges not through the P&L, the profits for that period have been overstated.
 2. The Honourable SEBI has also made observations that the shareholding pattern of the Promoter holdings in the said period, were not rightly reported.
 3. There are other observations on compliance & reporting done by the company.
- B. We have taken on board the observations stated in the detailed report.
- C. Both BGL (Brightcom Group Limited) and the Nominees have noted the directions offered by the Honourable SEBI.
- D. The company is taking legal advice with respect to the overall matter.
- E. The company and its key officers will, respectfully, respond to the said Show Cause Notice, about its reasons for treating the impairment charges in a particular manner, as well as on the other issues raised by the Honourable SEBI.
- F. The company also welcomes this opportunity to strengthen its compliance, accounting and disclosure standards.

We request you to take note of the above information on record and acknowledge the receipt of the same.

Thanking you,

Yours Truly,

For Brightcom Group Limited

Rajesh Vankadara
Company Secretary & Compliance Officer

