

## NOTICE

NOTICE is hereby given to the members of YBRANT DIGITAL LIMITED that the Fifteenth Annual General Meeting of the Company will be held on Tuesday, 30th September, 2014 at 10.00 A.M at Ellaa Hotels, Hill Ridge Springs, Gachibowli, Hyderabad 500 032, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company for the financial year ended 31st March, 2014 and Statement of Profit and Loss as on that date, together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vijay Kancharla (DIN: 02744217), 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.0072575, 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 15th 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 Appoint Mr. M. Suresh Kumar Reddy as Chairman & Managing Director.**

*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 196, 197 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013, including the rules made thereunder and any amendments thereto or any statutory modification or re-enactment thereof for the time being in force ("the Act"), subject to approval of the Central Government, if required, and all other sanctions, approvals and permissions as may be required and Articles of Association of the Company, consent of the Company be and is hereby accorded for the appointment of Mr. M. Suresh Kumar Reddy (DIN:00140515) as Chairman & Managing Director of the Company for a period of five years w.e.f. 01.04.2014 at the following remuneration/perquisites, subject to remittance of the bill(s).

- 1) Clubs: Payment of one time membership fee and monthly fee of clubs subject to maximum of three clubs.
- 2) Medical expenses: All medical expenses incurred by him for self and family shall be reimbursed.
- 3) Insurance: Medical and Accident insurance premium as per company rules.

"Family" for the above purpose means wife, dependent children and dependent parents of CMD.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including making of an

application to Central Government or such other regulatory authorities, if required, to give effect to this resolution.

5. **To Appoint Mr.Vijay Kancharla as an Executive Director.**

*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 196, 197 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013, including the rules made there under and any amendments thereto or any statutory modification or re-enactment thereof for the time being in force ("the Act"), subject to approval of the Central Government and all other sanctions, approvals and permissions as may be required and Articles of Association of the Company, consent of the Company be and is hereby accorded for the appointment of Mr. Vijay Kancharla (DIN: 02744217) as an Executive Director of the Company for a period of five years w.e.f. 01.04.2014 at the following remuneration/perquisites, subject to remittance of the bill(s).

- 1) Clubs: Payment of one time membership fee and monthly fee of clubs subject to maximum of three clubs.
- 2) Medical expenses: All medical expenses incurred by him for self and family shall be reimbursed.
- 3) Insurance: Medical and Accident insurance premium as per company rules.

"Family" for the above purpose means wife, dependent children and dependent parents of ED.

**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including making of an application to Central Government or such other regulatory authorities, if required, to give effect to this resolution.

6. **To Appoint Mr.M.Vijaya Bhasker Reddy 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** 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.M.Vijaya Bhasker Reddy, (DIN: 00278842), Non-Executive Director of the Company who is liable to retire by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director for a tenure of one year commencing from September 30, 2014."

7. **To Appoint Mr.Y.Ramesh Reddy 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** 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), Non-Executive Director of the Company who is liable to retire by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director for a tenure of one year commencing from September 30, 2014."

## 8. To Appoint Mr. A Raghunath 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** 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. A Raghunath, (DIN 00060018) Non-Executive Director of the Company who is liable to retire by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director for a tenure of one year commencing from September 30, 2014.\*

## 9. To adopt new 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, the draft Articles of Association with the new name of the Company, as submitted before this meeting, be and are hereby approved and adopted in substitution and to the entire exclusion of the regulations contained in the existing Articles of Association.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts, and take such steps as may be necessary, proper or expedient to give effect to this resolution\*.

## 10. To consider change in Name of the Company.

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

**RESOLVED THAT** pursuant to provisions of Companies Act, 2013 including the Rules made thereunder and any amendments thereto or any statutory modification or re-enactment thereof for the time being in force ("the Act"), and subject to approval of the Central Government, the consent of the company be and is hereby accorded to change the name of the company from "Ybrant Digital Limited" to "Lycos Internet Limited".

**RESOLVED FURTHER THAT** pursuant to provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the name clause in the Memorandum of Association of the Company, be altered suitably to reflect the new name of the Company viz., Lycos Internet Limited.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and settle all the matters arising out of and incidental to the aforesaid name change as it may in its absolute discretion deem fit for giving effect to this resolution.\*

## 11. To consider the Employees Stock Option Scheme.

*To Consider and if thought fit, to pass with or without modifications the following resolution as a Special Resolution.*

**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013

and the Rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company, the Listing Agreement entered into between the Company and stock exchanges, the guidelines and clarifications issued by the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and directions issued by any other statutory/regulatory authorities, and subject to all such other approvals, permissions, consents and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall also include any committee constituted/to be constituted by the Board for exercising the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to issue, offer and allot upto 2,50,00,000 (Two Crores Fifty Lakhs Only) options convertible into 2,50,00,000 (Two Crores Fifty Lakhs Only) equity shares of nominal value of Rs.2/- each at one option liable to be converted into one share of Rs.2/- each at a price which shall be 50% of the closing price recorded on BSE Limited (BSE) on the date of such grant and on such terms and conditions as may be specified and determined by the Board/Nomination and Remuneration Committee.

**RESOLVED FURTHER THAT** the shares allotted on exercise of the options shall rank paripassu with the shares outstanding on the date of allotment in all respects including dividend.

**RESOLVED FURTHER THAT** the Company may formulate YBRANT-ESOP:2014 Scheme for the benefit of the employees of the Company, inter alia, on the broad terms and conditions as given in the explanatory statement annexed to this notice and to make any modifications, changes, variations, revisions in the terms and conditions of the scheme.

**RESOLVED FURTHER THAT** in accordance to the aforesaid resolutions and provisions of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the consent of the company be and is hereby granted to the Board to issue, offer, allot and grant such options to identified employees of the Company whether in India or Overseas but excepting promoter directors, independent directors and directors who hold directly or indirectly more than 10% of the outstanding equity shares of the Company and on such terms and conditions as may be specified and determined by the Board/Nomination and Remuneration Committee.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to determine and frame all other terms and conditions of the issue of the said options convertible into equity shares of Rs.2/- each as the Board may in its discretion deem fit and proper.

**RESOLVED FURTHER THAT** the grant of options and issue and allotment of such equity shares thereof to the employees who are non-residents will be subject to the approval of the Reserve Bank of India under the Foreign Exchange Management Act, if required or any other applicable enactment introduced by Government of India from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to seek listing of such equity shares of face value of Rs.2/- each at all such Stock Exchanges where the equity shares of the company are listed for the time being.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or question that may arise in the issue and allotment of fresh shares, to effect any modification to the foregoing resolutions in the best interests of the Company and its shareholders and to execute all such writings and instruments as the Board may in its absolute discretion deem necessary or desirable including of the readjustment of shares to be allotted in case of sub division or consolidation of share capital.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers to any Committee of Directors of the Company to give effect to the aforesaid resolutions."

**12. 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.**

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

**RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of the Articles of Association of the Company, the Listing Agreement entered into between the Company and various stock exchanges, the guidelines and clarifications issued by the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and directions issued by any other statutory/regulatory authorities, and subject to all such other approvals, permissions, consents and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, consents and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall also include any committee constituted/to be constituted by the Board for exercising the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to extend the benefits of Employees Stock Option Scheme (Ybrant ESOP- 2014) proposed in Resolution No.11 in this notice to all employees of any subsidiary of the Company in India or outside India and also to grant options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant of option to identified employees of the Company and its subsidiaries in India or outside India.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and resolve any doubts or question that may arise in the issue and allotment of fresh shares, to effect any modification to the foregoing resolution in the best interests of the Company and its shareholders and to execute all such writings and instruments as the Board may in its absolute discretion deem necessary or desirable including of the readjustment of shares to be allotted in case of sub division or consolidation of share capital.

Dated: July 26, 2014

**Registered Office:**  
Plot No.7A, Road No.12,  
M L A Colony, Banjara Hills,  
Hyderabad – 500 034,  
Telangana, India.

CIN:L64203TG1999PLC030996

Email:ir@ybrantdigital.com  
www.ybrantdigital.com

Tel:+91 40 45678999 efax: +91 (22)66459677

By Order of the Board of  
**YBRANT DIGITAL LIMITED**

SD/-

**K ANUSHA**

Company Secretary

**NOTES:**

1. Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 for the resolutions at items No(s). 4 to 12 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 8 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 24, 2014 to September 30, 2014 (both days inclusive).
6. The Notice of the AGM along with the Annual Report 2013-14 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. The instructions for members for voting electronically are as under:-
  - (a) 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.
  - (b) The period of e-voting is from 9.00 a.m. on September 23, 2014 to 6.00 p.m. on September 25, 2014.
  - (c) The members holding shares either in physical form or dematerialized form, as on the cut-off date i.e. August 29, 2014, may cast their vote in electronic form, during the e-voting period.
  - (d) Voting rights shall be reckoned on the paid-up value of shares reg-

- istered in the name of the members as on the cut-off date.
- (e) 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.
- (f) Instructions for e-voting
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on "Shareholders" tab.
  - Now enter your User ID

For Members holding shares in Demat Form	For Members holding shares in Physical Form
For NSDL: 8 Character DP ID followed by 8 Digits Client ID, For CDSL: 16 digits beneficiary ID,	Folio Number registered with the Company

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

- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- f) If you are a first time user follow the steps given below:

<b>PAN*</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. Eg. If your name is Srinivas with folio number 1234 then enter SR00001234 in the PAN field</li> <li>Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/NSDL client id. For example: in case if the name is Dhiran and Demat A/c No. is 12058700 00001234 then default value of PAN is 'DH00001234'.</li> </ul>
<b>DOB#</b>	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.
<b>Dividend Bank Details</b>	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 order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on August 29, 2014 in the Dividend Bank details field.

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

h) Members holding shares in Physical form will then reach directly to the voting screen.

i) Members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password 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.

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

j) Click on the relevant EVSN for the "Ybrant Digital Limited" on which you choose to vote.

k) On the voting page, you will see Resolution Description and against the same the option 'YES/NO' for voting. Enter the number of shares (which represents number of votes) under YES/NO.

l) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Notice of the Annual General Meeting.

m) 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.

n) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

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

p) Note for Non-Individual Shareholders & Custodians:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <http://www.evotingindia.com> and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to

[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

q) 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

r) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-Voting period unlock the

votes in the presence of at least two (2) 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 Chairperson of the Company

13. The results will be declared within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and the same will be placed on the Company's website www.ybrantdigital.com and will be forwarded to the Stock Exchanges where shares of the company are listed.

Dated: July 26, 2014

Registered Office:

Plot No.7A, Road No.12,

M L A Colony, Banjara Hills,

Hyderabad – 500 034,

Telangana, India.

CIN : L64203TG1999PLC030996

Email:ir@ybrantdigital.com

www.ybrantdigital.com

Tel:+91 40 45678999 efax: +91 (22)66459677

By Order of the Board of  
YBRANT DIGITAL LIMITED

SD/  
KANUSHA

Company Secretary

### EXPLANATORY STATEMENT

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

#### Item no. 4

Mr. M. Suresh Kumar Reddy is the Chairman and Promoter director of the Company. Considering his competence and invigorating leadership, which has resulted in sustained growth for the Company, the Board of Directors upon considering the recommendations of Nomination and Remuneration Committee had decided to appoint Mr. M. Suresh Kumar Reddy as Chairman and Managing Director of the Company for a tenure of five years w.e.f 01.04.2014, at a remuneration/perquisites as specified in the resolution in the accompanying Notice, subject to provisions of Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and Articles of Association of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel or their respective relatives are related or concerned in the aforesaid resolution except Mr.M.Suresh Kumar Reddy and his relatives.

#### Item no. 5

Mr. Vijay Kancharla is a Promoter director of the Company. Considering his rich experience and competence, which has resulted in sustained growth for the Company, the Board of Directors upon considering the recommendations of Nomination and Remuneration committee had decided to appoint Mr.Vijay Kancharla as Executive Director of the Company for a tenure of five years w.e.f 01.04.2014, at a remuneration / perquisites as specified in the resolution in the accompanying Notice, subject to provisions of Companies Act, 2013 and the Rules framed thereunder, as amended from time to time and Articles of Association of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel or their respective relatives are related or concerned in the aforesaid resolution except Mr.Vijay Kancharla and his relatives.

#### Item no. 6,7 & 8

Mr.M.Vijaya Bhasker Reddy, Mr.Y.Ramesh Reddy and Mr.A Raghunath were appointed as Directors at the Annual General Meeting held on December 26, 2012 pursuant to provisions of Section 257 of the Companies Act, 1956. Pursuant to provisions of Clause 49 of the Listing agreement, entered with Stock Exchanges, the aforesaid directors were designated as Independent directors.

As per the provisions of the Section 149 of the Companies Act, 2013 (Act) which came into force from April 1, 2014, every listed company is required to have one-third of the total number of Directors as Independent directors. The above named directors, who are designated as Independent Directors pursuant to Listing Agreement, are now being appointed as Independent Directors to hold the office for tenure as specified in the respective resolutions in the notice to the AGM, under the provisions of Section 149 of the Companies Act, 2013.

All the above Directors have given declarations 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, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors and their respective relatives for their respective appointment, is concerned or interested, in these Resolutions.

The Board recommends the Ordinary Resolutions as set out at item no. 6,7 and 8 of the Notice for approval of the Members.

#### Item No. 9

The existing Articles of Association (AoA) of the Company are based on the provisions of Companies Act, 1956. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections of the Companies Act, 2013, for implementation. Subsequently, on March 26, 2014, MCA had notified most of the remaining Sections which deal with the general working of the companies (barring those provisions which require sanction / confirmation of the National Company Law Tribunal).

Several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some of them are no longer in conformity with the provisions of Companies Act, 2013. In this regard, it is proposed to alter the AoA to keep them in line with provisions of Companies Act, 2013. Consequent to change in name of the company, the AoA has to be changed suitably to reflect the new name of the company viz., Lycos Internet Limited. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The proposed new draft AoA is being uploaded on the Company's website www.ybrantdigital.com for perusal by the shareholders.

None of the Directors, Key Managerial Personnel and their respective relatives is concerned or interested, in the Special Resolution set out at Item No. 9 of the Notice.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval of the Members.

#### Item No. 10

Ybrant Digital Limited is a digital marketing company founded in 2000. The company is the new-age internet media company offering Digital Marketing solutions to businesses, agencies, and online

publishers worldwide. Company's internet-channel solutions, flexible and scalable platforms, coupled with massive local presence, enable targeting the right audience for advertisers, delivering the appropriate messages and better monetization for content owners.

Lycos, Inc. is an internet search engine and web portal established in 1994. Lycos also encompasses a network of email, webhosting, social networking, and entertainment websites. It has brand recognition as "LYCOS".

Ybrant Digital Limited has acquired the Lycos Inc. during the financial year 2010-11 and it is a 100% subsidiary of Ybrant. In order to take advantage of the brand value of Lycos, it is proposed to change the name of the company from its present name to "Lycos Internet Limited".

The Registrar of Companies, Telangana has made available the new name "Lycos Internet Limited" for registration.

Consequent to aforesaid name change the Clause 1 of the Memorandum of Association (MOA) of the Company has to be altered to reflect the new name.

Pursuant to provisions of Companies Act, 2013, approval of members by way of special resolution is required to change the name clause in MOA.

Accordingly approval of members is sought for the aforesaid change in name of the company and name clause of MOA.

None of the Directors, Key Managerial Personnel and their respective relatives is concerned or interested, in the Special Resolution set out at Item No. 10 of the Notice.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval of the Members.

#### Item No. 11 & 12

In order to attract and retain qualified, talented and competent personnel in the Company, your Company has instituted a "YBRANT ESOP 2014" (hereinafter called as ESOPs) in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 including any modifications therein from time to time (hereinafter known as SEBI Guidelines). The salient features of the proposed "YBRANT ESOP 2014" are as follows.

##### a) The total Number of Options to be granted

The total number of options to be granted under this scheme are 2,50,00,000 (Two Crores Fifty Lakhs Only). Each option granted, shall entitle the employee to apply for and be allotted one equity share of the Company subject to the fulfilment of vesting requirements.

##### b) Identification of classes of employees entitled to participate in the ESOS

All employees of the Company and its subsidiaries whether in India or Overseas may be eligible in accordance with the SEBI Guidelines are entitled to participate in the Scheme.

Such other persons, as may from time to time be allowed under applicable laws and regulations prevailing from time to time and as may be approved by the Board of Directors / Nomination & Remuneration Committee herein (after referred as "Committee").

##### c) Requirements of Vesting and period of vesting

The vesting requirements shall, inter alia consist of satisfactory performance of the employees, their continued employment in the Company and its subsidiaries and such other reasonable requirements as may be specified by the Committee. There shall be minimum period of one year between the grant of options and vesting of options.

##### d) Maximum period within which the option shall be vested

The exact proportion in which and the exact period over which the options would vest would be determined by the Committee, subject to the minimum vesting period of one year from the date of grant of options.

##### e) Exercise price or pricing formula

The Price at which the options which are convertible into equity shares of nominal value of Rs.2/- per share shall be 50% of the closing price of the shares recorded on BSE Limited (BSE) on the date of such grant and on such terms and conditions as may be specified and determined by the Board / Committee.

##### f) Exercise period and process of exercise

The exercise period shall be as decided by the Committee of the Board of Directors. The options will be exercisable by the employees by written application to the Company to exercise the options in such manner and on execution of such documents as may be prescribed by Committee / Board of Directors from time to time. During the exercise period, the option holders shall exercise the options and pay the exercise price of the options for conversion into Equity Shares of the Company.

##### g) The appraisal process for determining the eligibility of employees to the ESOS

Board / Committee shall decide on the selection of employees and grant of options, the basis of which shall include but shall not be limited to:

1. Performance of the employee
2. Position and responsibility of the employee
3. Nature of employee's services to the Company
4. The period for which the employee has rendered his services to the Company
5. Potential of the employee to contribute to the Company's performance
6. The extent of contribution made by the employee towards business results, achievement of medium to long term plans of the Company, processes, customers satisfaction etc,

Any other criteria as may be decided by the Board / Committee from time to time.

The Board / Committee may also decide to offer a fixed number of options to new eligible employees based on the grade and/or criticality of the position.

##### h) Maximum number of options to be issued per employee and in aggregate.

The Maximum number of options to be granted per employee during any one year, may be equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant of the option. The aggregate of

all such grants under the scheme shall not exceed such number of Equity shares per employee of the Company as may be decided by the Committee.

- i) A statement to the effect that the company shall conform to the accounting policies specified in Clause 13.1

It is hereby stated that the Company shall conform to the accounting policies specified in Clause 13.1 of SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and/or such other guidelines as may be applicable, from time to time.

- j) The Company intends to use the Intrinsic value Method to calculate the employees' compensation cost in respect of the shares allotted by the Company to the Employees under the Employee stock Option Scheme

- k) In case the Company calculates the employee compensation cost using the intrinsic value of the Share, the difference between the employee compensation cost so computed and the employee Compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed in the Directors' report and also impact of this difference on profits and on EPS of the Company, if applicable shall also be disclosed in the Directors' report.

The Board recommends the Special resolutions as set out at Item no 11 & 12 of the Notice for approval of the members.

None of the Directors, Key Managerial Personnels of the Company and their relatives are concerned or Interested in the resolution.

Dated: July 26, 2014

**Registered Office:**

Plot No.7A, Road No.12,

M L A Colony, Banjara Hills,

Hyderabad – 500 034,

Telangana, India.

CIN:L64203TG1999PLC030996

Email:ir@ybrantdigital.com

www.ybrantdigital.com

Tel:+91 40 45678999 efax: +91 (22)66459677

By Order of the Board of  
**YBRANT DIGITAL LIMITED**

**SD/  
K ANUSHA**

Company Secretary