Annual Report

For Financial Year 2022-23

Comviva Technologies Limited

COMVIVA TECHNOLOGIES LIMITED

Board of Directors

Mr. Vivek Satish Agarwal – Non-Executive Director & Chairman

Mr. Manoranjan Mohapatra – Whole-time Director (w.e.f July 22, 2022) & CEO

Mr. Manishkumar Murlimanohar Vyas - Non-Executive Director

Mr. Jagdish Mitra - Non-Executive Director

Mr. Rajat Mukherjee - Independent Director

Ms. Sunita Umesh - Independent Director

Committees of the Board

Audit Committee

Ms. Sunita Umesh, Chairperson

Mr. Jagdish Mitra

Mr. Rajat Mukherjee

Nomination and Remuneration Committee

Ms. Sunita Umesh, Chairperson

Mr. Vivek Satish Agarwal

Mr. Rajat Mukherjee

Corporate Social Responsibility Committee

Mr. Rajat Mukherjee, Chairman

Ms. Sunita Umesh

Mr. Jagdish Mitra

Auditors

M/s. BSR & CO. LLP, Chartered Accountants
8th floor, Business Plaza, Westin Hotel Campus,
36/3-B, Koregaon Park Annex, Mundhwa Road,
Ghorpadi, Pune - 411001, India

Bankers

IDBI Bank Limited
HDFC Bank Limited
ICICI Bank Limited
Standard Chartered Bank

Registered Office

5th, 7th & 8th Floor, Capital Cyberscape, Sector-59, Golf Course Extension Road, Gurugram, Haryana-122102

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Forth Annual Report with the audited financial statements of the Company for the financial year ended March 31, 2023.

(a) FINANCIAL SUMMARY/ HIGHLIGHTS: (STANDALONE) **Figures in Rs. Million**

FINANCIAL RESULTS	2022-23	2021-22
Total Income	8999	7032
Profit before Depreciation & Taxation	1480	1795
(-) Depreciation	263	255
Profit before Taxation	1217	1540
(-) Provision for Income Tax	698	(1098)
(-) Deferred Tax Reversal /(charge)	3	(3)
Profit for the period	516	439
EPS Basic (Rs.)	22.72	20.08
EPS Diluted (Rs.)	22.72	20.08

(b) FINANCIAL SUMMARY/ HIGHLIGHTS: (CONSOLIDATED) **Figures in Rs. Million**

FINANCIAL RESULTS	2022-23	2021-22
Total Income	12806	9014
Profit before Depreciation & Taxation	1635	2026
(-) Depreciation	507	320
Profit before Taxation	1128	1707
(-) Provision for Income Tax	853	(1128)
(-) Deferred Tax Reversal /(charge)	(363)	(7)
Profit for the period	638	572
EPS Basic (Rs.)	28.15	26.17
EPS Diluted (Rs.)	28.15	26.17

*Above results also include figures from discontinued operations.

BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIRS

Total Income for the year 2022-23 is Rs. 8999 Mn as against Rs. 7032 Mn in previous year.

In the concluded Financial Year 2022-23, companies faced challenges in the form of extremely high attrition and inflated salaries. Despite the two front impact the Company was able to achieve growth in revenue performance with growth in Digital Business Support Solution, Consumer Value Management, Microlending and Financial Solutions. There has been a good growth in Order Book with MENA region bouncing back and growth in our key accounts like Airtel and MTN. We have started focusing more on Europe and North America region to expand for our products and expect a good traction there in the coming year.

Order book of our traditional products like MobiLytix Marketing Studio, Mobiquity Pay® and Digital BSS continues to be strong. We have seen significant traction in the market for our MobiLytix Marketing Studio portfolio with several new customers. The Company's strategy of focusing on key accounts for cross-sell / up-sell of new products continues to produce good results. The Company continues to invest in new products such as YABX and 5G, which are expected to contribute to revenue growth in coming years.

For the next Financial Year, the Company is expected to grow significantly from current levels on account of higher demand for products, continued focus on the developing markets and in leveraging its existing customer relationships and continued innovation and diversification into non-telco markets such as BFSI & retail industry through extension of its existing product portfolio as well as new products and services which are yielding good results. Along with the continued investment in its existing product portfolio, the Company is also looking to grow inorganically in the coming years through some strategic acquisitions.

The Company has been regularly participating in international events to take its visibility outside India to greater heights and has been able to achieve significant recognition internationally and nationally.

The Company won 21 prestigious industry awards and recognitions over the last year. Won the Juniper Research Fintech & Payments Awards in the "Best Mobile Money Offering" category for Airtel Money Pay service; Leading Light Awards for the Outstanding Use Case: Service Provider AI for MobiLytix AIx; Won Silver at the Digital Impact Awards in the "Financial Services Digital Excellence" category for Airtel Uganda; IBS Intelligence Global FinTech Innovation Awards 2022 - Won in 2 categories "Best Retail Payments System Implementation" & "Most Innovative Digital Wallets Deployment"; Asia Communication Awards in the "OSS/BSS Project of the Year"; Golden Peacock Innovation Award for BlueMarble Solution; Global Artificial Intelligence Award 2022 in the "Best Use of Predictive/Prescriptive Analytics" category; ET Datacon Award 2022 for "Innovative Use Cases of Analytics/ AI/ ML" category; Global Fintech Awards 2022 in the Best 'Buy Now Pay Later' Solution for Yabx; Asia Fintech Awards 2022 in the 'LendTech of the Year' category for Yabx; Pacific Islands FinTech Innovation Challenge 2022 – Yabx won the award for 'Increasing usage of financial products and services in Solomon Islands'.

Comviva also won the awards for HR Excellence, CSR and Learning initiatives which includes, Golden Peacock Awards for HR Excellence 2022; Brandon Hall HCM Excellence Gold Award in the 'Best Advance in Corporate Culture Transformation' category; Times Ascent Dream Companies to Work For by World HRD Congress; Indian CSR Award 2022 in the "Best Primary Education Initiative" under Education Initiative of the Year category; Won five awards at L&D Confex & Awards 2023 in the following categories - Best Blended Learning Strategy of the Year, Best Innovation in L&D, Best Learning Management System, Best Onboarding Program of the Year, Best use of technology implementation in learning & Development

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no change in the nature of the business of the Company during the Financial Year 2022-23.

DIVIDEND

Your Directors believe that there are tremendous growth opportunities for the Company and therefore the Company must invest in further expanding and strengthening its business operations. With a view to conserve cash to fund the growth, the Directors do not recommend any dividend on Equity Shares for the year ended March 31, 2023. The Directors believe that this will increase shareholder value in the long term.

TRANSFER TO RESERVE

The entire number of profits has been transferred to reserves.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statement relates and the date of this Report.

DEPOSITS

Company has not accepted any deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under Chapter V of the Companies Act, 2013.

STATUTORY AUDITORS

The members at the 23rd Annual General Meeting (AGM) held on July 21, 2022, re-appointed B S R & Co. LLP, Chartered Accountants with Registration no. 101248W/W- 100022 as the Statutory Auditors of the Company to hold office for second term of five years from the conclusion of the 23rd AGM until the conclusion of the 28th AGM of the Company for the financial year 2026-27, on such remuneration as may be determined by the Board of Directors.

AUDITOR'S REPORT

There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the Financial Year 2022-23 by M/s. BSR & Co, LLP.

There are no frauds reported by the auditors under sub-section (12) of section 143 of the Companies Act, 2013.

SECRETARIAL AUDITOR'S REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s RMG & Associates, Company Secretaries, New Delhi to undertake the Secretarial Audit of the Company for the Financial Year 2022-23. The Secretarial Audit Report is enclosed as **Annexure 1** to this report. The Secretarial Audit Report contains no qualification.

SHARE CAPITAL

The Authorized share capital of the Company is Rs. 33,50,00,000/- (Rupees Thirty-Three Crores and Fifty Lakhs) divided into 2,55,00,000 (Two Crore Fifty-Five Lacs) Equity Shares of Rs.10/- (Rupees Ten) each and 80,00,000 (Eighty Lacs) Series A - 0.001% Fully Convertible and Non-Cumulative Preference Shares of Rs. 10/- each.

As on March 31, 2023, the issued and paid-up share capital is of the Company is Rs. 24,34,32,260/- (Rupees Twenty-Four Crores Thirty-Four Lakhs Thirty-Two Thousand Two Hundred and Sixty) divided into 2,43,43,226 (Two Crores Forty-Three Lakhs Forty-Three Thousand Two Hundred and Twenty-Six) Equity Shares of Rs. 10/- each.

The Board of Directors in their meeting held on October 28, 2022, offered Equity Shares on Rights Basis to existing shareholders. Consequently, the Board of Directors allotted 24,74,226 (Twenty-Four Lakhs Seventy-Four Thousand Two Hundred and Twenty-Six) Equity Shares to Tech Mahindra Limited, being the sole eligible applicant, on December 01, 2022, at a premium of Rs. 960/- per Equity Shares. Accordingly, the paid-up Share Capital was increased by Rs. 2,47,42,260 (Two Crores Forty-Seven Lakhs Forty-Two Thousand Two Hundred and Sixty) during the Financial Year 2022-23.

EMPLOYEES STOCK OPTION PLANS

Company has no ESOP Schemes implemented for the employees as on the date of this Report.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3) (a) of the Companies Act, 2013, the Annual Return in Form MGT-7 is available at the weblink: www.comviva.com.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met four (4) times on May 03, 2022, July 22, 2022, October 28, 2022, and January 25, 2023, during the Financial Year 2022-23 and the notices convening meeting of the Board were duly sent to all the Directors.

Further, four (4) meetings of Audit Committee were held during the Financial Year 2022-23 whereas two (2) meetings each of Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee were held on the following dates:

Meeting	Date(s) of Meeting
Audit Committee Meeting	May 03, 2022, July 22, 2022, October 28, 2022, and January 25, 2023
Nomination and Remuneration Committee	May 03, 2022, and July 22, 2022.
CSR Committee	May 03, 2022, and January 25, 2023

Further, one (1) meeting of the Independent Directors was held on March 14, 2023, for the Financial Year 2022-23.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO UNDER SECTION 134(3)(m)

(A) CONSERVATION OF ENERGY

a) The Steps Taken or Impact on Conservation of Energy:

Conservation of energy is of utmost significance to the Company. Operations of the Company are not energy intensive. However, every effort is made to ensure optimum use of energy by using energy-efficient computers, processes and other office equipment. Constant efforts are made through regular / preventive maintenance and upkeep of existing electrical equipment to minimize breakdowns and loss of energy.

b) The Steps Taken by the Company to Utilize Alternate Sources of Energy:

As Company has taken all their premises on lease, alternate source of energy could not be installed.

c) The Capital Investment on Energy Conservation Equipment:

There is no capital investment on energy conservation equipment.

(B) TECHNOLOGY ABSORPTION

(i) The Efforts Made Towards Technology Absorption

The Company is continuously making efforts for induction of innovative technologies and techniques required for the business activities.

Details of Technology Absorption are given as follows:

- **Research and Development (R&D)**

(a) Specific Area in which R&D carried out by the Company.

Company continues to do R&D in the areas of mobile commerce, content and data. As such Company continues to enrich its strong product portfolio in these domains through mobile banking, analytics, and rich engagement, communication, content and delivery platforms.

Company, after having surpassed its vision of touching billion lives through its offerings, has embarked on a vision of building 'Mobility solutions that transforms lives'. The three main pillars of its R&D efforts are around 'Commerce, Content, and Data' and adjunct focus areas are Customer Value Solutions and Managed Services.

R&D primarily consists of below activities in all the products and new innovative MVP's:
(1) New product development
(2) Creating new features and upgrades / version of existing product as per either internal product roadmap, or customer requirement and
(3) Development work by the Core Engineering Team called as SET on the re-usable common components, engineering practices and innovative prototypes that are utilized as part / addition to products developed by the various domain specific product units.

R&D involves rapid prototyping of new products and features in existing products that address the needs of our customers in the market. Focus is around new features, designs, frameworks and methodologies that continue to be of importance to the Company. It not only allows enhancing quality of products and customer satisfaction but also enhances the revenues of customer satisfaction through robust and innovative products.

(ii) The benefits derived like Product Improvement, Cost Reduction, Product Development or Import Substitution;

Continuous R&D is instrumental in building expertise and increasing revenues through enhancement in functionalities and introduction of new products. The organization is receiving significant client traction for new market capabilities including Factoreal, Yabx, MobiLytix, Mobiquity, CMS (Content) and Data Platforms.

Continuous R&D is helping us and our customers in following ways:

- New features to attract additional customers.
- Introduction of new products.
- Better system / product stability
- System / resource optimization-more transaction using same hardware infrastructure.
- Reduction in cost of ownership
- Simplicity and user convenience for managing his mobile related services.

(iii) In Case of Imported Technology (Imported during last three years reckoned from the beginning of the Financial Year)

Company has not imported technology during the last three years.

(iv) Expenditure incurred on R&D.

Figures in Rs. Mn

S. No.	Particulars	Current year	Previous year
1	Capital	365	28
2	Recurring	525	510
3	Total	890	538
4	Total R&D expenditure as a percentage of total turnover	7.0%	6.1%

C. FOREIGN EXCHANGE EARNINGS & OUTFLOWS

Company is making continuous efforts to increase its sales in overseas markets and to explore new export markets. During the year under review, the Company has ventured into new markets such as Latin America and Southeast Asia along with several wins in these markets.

Figures in Rs. Mn

Details of Foreign Exchange Earnings & Outflows	Financial Year ended 31st March, 2023	Financial Year ended 31st March, 2022
Foreign Exchange Earnings	7,542	6040
Foreign Exchange Outflows	950	1669

DIRECTORS

A. Changes in Directors and Key Managerial Personnel (KMP)

During the Financial Year 2022-23, Mr. Vivek Satish Agarwal (DIN: 05218475), Director, was liable to retire by rotation and offered himself for re-appointment. Thus, in accordance with the provisions of Section 152(6)(c) of the Companies Act, 2013, Mr. Vivek Satish Agarwal was re-appointed as Director to be retired by rotation in the Twenty Third Annual General Meeting held on July 21, 2022.

During the Financial Year 2023-24, Mr. Manishkumar Murlimanohar Vyas (DIN: 09042978), Director, is liable to retire by rotation and being eligible offered himself for re-appointment. The Board recommends his re-appointment in the ensuing Annual General Meeting in accordance with the provisions of Section 152(6)(c) of the Companies Act, 2013.

Further, the Board of Directors in their meeting held on July 22, 2022, appointed Mr. Manoranjan Mohapatra (DIN: 00043930) as an Additional Director with effect from July 22, 2022, to be regularized at the next General Meeting in accordance with the provisions of the Companies Act, 2013. He was also appointed as Whole-time Director of the Company, liable to retire by rotation, effective from July 22, 2022, subject to the approval of Shareholders.

As on date, the Board composition is as follows:

Mr. Manishkumar Murlimanohar Vyas (DIN: 09042978), Mr. Jagdish Mitra (DIN: 06445179) and Mr. Vivek Satish Agarwal (DIN: 05218475) are Non-Executive Non-Independent directors of the Company whereas Mr. Manoranjan Mohapatra (DIN: 00043930) is Whole-time Director of the Company.

Mr. Rajat Mukherjee (DIN: 03431635) and Ms. Sunita Umesh (DIN: 06921083) are Independent Directors of the Company.

Number of Board and Committee Meetings Attended				
Directors	**Board Meeting**	**Audit Committee**	**CSR Committee**	**NRC Committee**
Jagdish Mitra	3	3	2	Not a member
Manishkumar Murlimanohar Vyas	4	Not a member	Not a member	Not a member
Manoranjan Mohapatra	3	Not a member	Not a member	Not a member
Rajat Mukherjee	2	2	1	2
Sunita Umesh	4	4	2	2
Vivek Satish Agarwal	1	Not a member	Not a member	1

B. Declaration by an Independent Director(s)

During the year under review, all Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The Independent Directors have also given declaration of compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to their name appearing in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

C. Commission paid to Managing Director or Directors of the Company

During the year under review, no commission were paid to any Director on the Board of Company. Also, Independent Directors are not entitled to any commission.

D. Formal Annual Evaluation

Pursuant to the provisions of Section 178 the Companies Act, 2013, the Board has devised a policy on evaluation of performance of Board as a whole, evaluation of the committees and peer evaluation. Accordingly, the evaluation templates were circulated to all the Directors and summary report based on duly filled-in evaluation forms was presented before the Board and respective Committees. The Directors had positive feedback on the overall functioning of the Board, Committees and individual Directors.

E. Policy for selection and appointment of Directors, KMP and their remuneration

The Company has in place a Nomination and Remuneration Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence and other matters provided under section 178(3) of the Companies Act, 2013. The full text of the policy is enclosed as **Annexure-2** with this report and is also available at the Company's website at https://www.comviva.com/wp-content/uploads/2019/05/NRC-Policy-with-annexure.pdf.

The Nomination and Remuneration Committee identifies and ascertains the integrity, qualification, expertise and experience of the person for appointment as Director or Key Managerial Personnels (KMPs). The appointment of Directors, KMP and Senior Management as recommended by the Nomination and Remuneration Committee requires approval of the Board.

The remuneration to the Directors and KMP is proposed by the Nomination and Remuneration Committee in compliance with requirements of the Companies Act, 2013 and recommended to the Board for their approval. Approval of Shareholders is obtained, if required.

PARTICULARS OF EMPLOYEES U/S 197 OF THE COMPANIES ACT, 2013 R/W THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

As per the provisions of this section the same is not applicable to the Company.

BOARD COMMITTEES

Audit Committee

The Audit Committee consists of the following Directors:

(i) Ms. Sunita Umesh
(ii) Mr. Rajat Mukherjee
(iii) Mr. Jagdish Mitra

Ms. Sunita Umesh is Chairperson of the said Committee. Mr. Parminder Singh Bakshi, Company Secretary of the Company acts as Secretary of the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of the following Directors:

(i) Ms. Sunita Umesh
(ii) Mr. Rajat Mukherjee
(iii) Mr. Vivek Satish Agarwal

Ms. Sunita Umesh is Chairperson of the said Committee. Mr. Parminder Singh Bakshi, Company Secretary of the Company acts as Secretary of the Nomination and Remuneration Committee.

CSR (Corporate Social Responsibility) Committee

A. The CSR Committee consists of the following Directors:

(i) Mr. Rajat Mukherjee
(ii) Mr. Jagdish Mitra
(iii) Ms. Sunita Umesh

Mr. Rajat Mukherjee is Chairman of the said Committee. Mr. Parminder Singh Bakshi, Company Secretary of the Company acts as Secretary of the CSR Committee.

B. Contents of the CSR Policy and initiatives taken as mentioned in the CSR Annual Report are enclosed as **Annexure 3** to this report. Complete CSR Policy of the Company is available at the Company's website at https://www.comviva.com/wp-content/uploads/2021/09/CSR-Policy_22nd-April-2021.pdf

C. The Company has spent its entire CSR obligation of 3,62,65,746/- (Rupees Three Crores Sixty-Two Lakhs Sixty-Five Thousand Seven Hundred and Forty-Six) for the Financial Year 2022-23 before March 31, 2023.

POLICY TO PREVENT AND DEAL WITH SEXUAL HARASSMENT AT WORKPLACE

Your Company has laid down Prevention of Sexual Harassment (POSH) Policy which is available on Company's intranet. The Company has zero tolerance on Sexual Harassment at workplace. During the year under review, no cases were reported.

The Company has complied with provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 relating to the constitution of Internal Complaints Committee.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has adopted the Whistle Blower Policy which is available on the Company website at https://www.comviva.com/wp-content/uploads/2022/12/WhistleBlower_Policy.pdf. It has been publicized to employees.

RISK MANAGEMENT POLICY

Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management system, organizational, structure, processes, standards, code of conduct and behaviors together form the risk management matrix that govern how the Company conducts the business and manages associated risks.

Company has introduced several improvements to integrated Enterprise Risk Management, Internal Controls Management and Assurance Framework and Processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by fully aligned across Companywide risk management, internal control and internal audit methodologies and process.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 AS ON MARCH 31, 2023

Name of Body Corporate	Nature of transaction (whether Loan/Guarantee /Security /Acquisition)	Amount of Loan/Security/ Acquisition /Guarantee (in Rs.) (in million)	Purpose of Loan/Acquisition /Guarantee/Security
Comviva Technologies FZ-LLC	Equity Investment	1	Investment in Subsidiaries
Comviva Technologies Nigeria Limited	Equity Investment	151	Investment in Subsidiaries
Comviva Technologies B.V.	Equity Investment	2,296	Investment in Subsidiaries
Comviva Technologies (Argentina) S.A.	Equity Investment	14	Investment in Subsidiaries
Comviva Technologies Do Brasil Indústria, Comércio, Importação E Exportação LTDA	Equity Investment	2	Investment in Subsidiaries
Comviva Technologies Madagascar Sarlu	Equity Investment	1	Investment in Subsidiaries
Comviva Technologies USA Inc	Equity Investment	30	Investment in Subsidiaries
Comviva Technologies Americas Inc.	Equity Investment	1,794	Investment in Subsidiaries
Comviva Technologies Myanmar Limited	Equity Investment	15	Investment in Subsidiaries
YABX Technologies (Netherlands) B.V.	Equity Investment	83	Investment in Subsidiaries
YABX India Private Limited	Equity Investment	70	Investment in Subsidiaries
YABX India Private Limited	Loan	163	Loan to Subsidiary
	Total (Rs.)	**4,620**	

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any contracts or arrangements with related parties which require disclosure in Form AOC-2 pursuant to the provisions of Section 188 of Companies Act, 2013 read with the rules made thereunder. Hence, the Form AOC-2 is not applicable to the Company for the Financial Year

2022-23.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2023, your Company has 10 subsidiaries and 5 step-down subsidiaries which are all operational as per details given below:

List of Subsidiaries	List of Step-down Subsidiaries
Comviva Technologies Madagascar Sarlu	Comviva Technologies (Argentina) S.A.
Comviva Technologies Nigeria Limited	Comviva Technologies do Brasil Indústria, Comércio, Importa e Exportação Ltda
Comviva Technologies FZ LLC	Comviva Technologies Colombia S.A.S
Comviva Technologies B.V.	Comviva Technologies (Australia) Pty Ltd.
YABX Technologies (Netherlands) B.V.	Comviva International Netherlands B.V.* (formerly knowns DynaCommerce Holding B.V.)
Comviva Technologies Myanmar Limited	
Comviva Technologies USA Inc.	
Comviva Technologies Cote D'ivoire	
Yabx India Private Limited	
Comviva Technologies Americas Inc.	

*Acquired through Comviva Technologies B.V. on January 02, 2023, and subsequently changed the name to Comviva International Netherlands B.V. with effect from January 24, 2023.

On March 28, 2022, the application for voluntary de-registration of Emagine International Pty Ltd, a wholly owned subsidiary of Comviva Technologies (Australia) Pty Ltd was filed which was subsequently de-registered with effect from June 01, 2022.

There has been no material change in the nature of the business of the subsidiaries. As per Companies Act, 2013, the consolidated financial statements of your Company and all its subsidiaries are provided in this Annual Report. The consolidated financial statements have been prepared in accordance with IND AS. The performance and financial position of subsidiaries and step-down subsidiaries are included in the consolidated financial statement is provided in accordance with the provisions of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014 as a separate statement annexed to the notes on accounts containing the salient features of the financial statement of Company's subsidiaries/joint ventures or associate companies in Form AOC – 1 is enclosed as **Annexure-4** to this report**.**

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no significant and material order passed by the regulators or courts or tribunals impacting going concern status and Company's operations.

PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016.

VALUATION OF ASSETS

The provisions of Section 134(3)(q) read with Rule 8(5)(xii) of the Companies (Accounts) Rules, 2014 are not applicable on the Company as it has not taken any valuation of assets for the given purpose.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIALS CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has internal financial controls which are adequate and were operating effectively. The controls are adequate for ensuring the orderly & efficient conduct of the business, including adherence to the Company's policies, the safeguarding of assets, the prevention & detection of frauds & errors, the accuracy & completeness of accounting records and timely preparation of reliable financial information.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is confirmed:

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

(b) the Directors had 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 and loss of the Company for that period.

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(d) The Directors had prepared the annual accounts on a going concern basis; and

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

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the period under review, the Company has not appointed any Independent Director therefore, the requirement to provide a statement in this regard is not required.

COST RECORDS

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 (1) of the Companies Act, 2013 are not applicable for the business activities of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards.

ACKNOWLEDGEMENT

Your Directors on behalf of the Company and management express their gratitude for the co-operation and support received from Customers, Vendors, Shareholders, Bankers, various agencies and Government departments Both State and Central Governments. The Directors also place on record their appreciation for the true team spirit, valued contributions and efforts put in by the employees at all levels.

For and on behalf of
Comviva Technologies Limited

Manoranjan Mohapatra	**Jagdish Mitra**
Director	**Director**
DIN: 00043930	**DIN: 06445179**
Place: Gurugram	**Place: Gurugram**

Date: April 24, 2023

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT
FOR THE PERIOD ENDED ON MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Comviva Technologies Limited
(CIN: U72200HR1999PLC041214)
5th, 7th & 8th Floor, Capital Cyberscape,
Sector-59, Golf Course Extension Road,
Gurugram, Haryana-122102

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Comviva Technologies Limited** (hereinafter referred to as "**The Company**"), having its Registered Office situated at **5th, 7th & 8th Floor, Capital Cyberscape, Sector-59, Golf Course Extension Road, Gurugram, Haryana-122102**. Secretarial Audit was conducted in a manner that provided us a reasonable foundation for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification, of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information/explanation 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 **March 31, 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2023** according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder [**Not Applicable as the Company has not listed any of its securities on any Stock Exchange]**;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;

V. The Company being an unlisted Company was not required to comply with any of the regulations and/or guidelines as prescribed by the Securities and Exchange Board of India in this regard under the Securities and Exchange Board of India Act, 1992.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, reports, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable Labour Laws & other General Laws.

The compliances by the Company of applicable Financial Laws, like Direct and Indirect Tax Laws, have not been reviewed in our audit since the same have been subject to review by the Statutory Auditor and other designated professionals.

We have also examined compliance with the applicable clauses of Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

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

We further report that

- The Board of Directors of the Company is constituted with proper balance of Executive and Non-Executive Directors, Independent Directors and Women Director during the period under review. 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.

- Adequate notice(s) were given to all the directors to schedule the Board/Committee Meetings, agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- As per the minutes of the meetings of the Board and Committees of the Board signed by the chairperson of the respective meetings, all the decisions of the Board were adequately passed and the dissenting members' views, if any, was captured and recorded as part of the minutes.
    - As per the records, the Company generally filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities.

    - During the period under review, the Company suo moto filed an application before the Registrar of Companies NCT of Delhi & Haryana ("ROC") u/s 454 of the Companies Act, 2013, w.r.t a technical default in transferring of unspent CSR amount for the FY 2020-21. Pursuant to the said application, ROC passed an Adjudication Order and imposed a penalty of Rs. 11,00,244/- on the company and Rs. 55,012.20/- each on its officers in default vide order dated September 27, 2022. The Company and officers have challenged the order pronounced by the ROC by filing of an Appeal before the Hon'ble Regional Director (Northern Region) who has referred back for de novo adjudication to the ROC on March 9, 2023. The matter is pending for the final order as on the date of this report.

We further report that there are systems and processes in the Company to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines which are generally being followed by the Company.

We further report that during the audit period, the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above: -

1) Members of the Company in 23rd Annual General Meeting held on July 21, 2022 has re-appointed M/s B S R & Co. LLP, Chartered Accountants [Reg. No.101248W/W-100022] as the Statutory Auditor of the Company until the conclusion of 28th Annual General Meeting.

2) Mr. Manoranjan Mohapatra (DIN: 00043930) has been appointed as the Whole-time Director of the Company for the period from July 22, 2022 till May 31, 2023 subject to the approval of members in the next general meeting.

3) Company has raised approximately Rs. 240 crores by way of allotment of 24,74,226 equity shares of Rs. 10/- each at a premium of Rs. 960/- each on the right issue basis on December 01, 2022.

4) Company had made equity investment in its wholly owned subsidiaries to the extent of Rs. 180 Cr. and Rs. 61.95 Cr. approximately in the Comviva Technologies Americas Inc and Comviva Technologies B.V respectively with the approval of the Board of Directors of the Company.

5) The Board of Directors in their meeting held on January 25, 2023 approved to issuance of corporate guarantee for credit facilities to be availed by its wholly owned subsidiary, Yabx Technologies (Netherlands) B.V. from HSBC Bank (Mauritius Limited).

For RMG & Associates
Company Secretaries
Firm Registration No. P2001DE016100
Peer Review No.: 734/2020

Place: New Delhi
Date: 24.04.2023
UDIN: F005123E000174380

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Note: This report is to be read with 'Annexure' attached herewith and forms an integral part of this report.

Annexure

To,
The Members
Comviva Technologies Limited
(CIN: U72200HR1999PLC041214)
5th, 7th & 8th Floor, Capital Cyberscape,
Sector-59, Golf Course Extension Road,
Gurugram, Haryana-122102

Our Secretarial Audit Report of even date, for the financial year ended March 31, 2023 is to be read along with this letter:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances as produce before us.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.

6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

7. We have conducted verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.

For RMG & Associates
Company Secretaries
Peer Review No.: 734/2020
Firm Registration No. P2001DE016100

Place: New Delhi
Date: 24.04.2023
UDIN: F005123E000174380

CS Manish Gupta
Partner
FCS: 5123; C.P. No.: 4095

Annexure-2

Policy on Nomination and Remuneration Committee

Table of Contents

1. Objective

As a measure of good Corporate Governance and in compliance with the provisions of Section 178 of Companies Act 2013, following policies are formulated:

1.1. Policy on appointment and removal of Key Managerial Personnel and Senior Management;
1.2. Policy on Remuneration to the Key Managerial Personnel, Senior Management and other Employees
1.3. Policy on Directors Training
1.4. Policy on Evaluation of performance of the Board of Directors, Committees and individual Directors,
1.5. Policy on Board Diversity;

2. Definitions

The definitions of some of the key terms used in this Policy are given below.

"Board" means Board of Directors of the Company.
"Company" means the Comviva Technologies Limited.
"Committee(s)" means Committees of the Board for the time being in force as per the provisions of the Companies Act 2013.
"Employee" means employee of the Company whether employed in India or outside India including any whole-time directors, KMPs & Senior Management who serve the company on a full-time basis and are not employed in any other entity except those which are the subsidiaries of the company or subsidiaries of its majority shareholder.
"HR' means the Human Resource department of the Company.
"Key Managerial Personnel" and Senior Management (KMP) refers to:

(i) Chairman (CM);
(ii) Managing Director (MD), or Chief Executive Officer (CEO);
(iii) Chief Financial Officer (CFO); and
(iv) Company Secretary (CS)

"Nomination and Remuneration Committee" or "NRC" means Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.
"Senior Management" means an employee of the Company who is a member of its Core Management team, which includes CEO, CFO, Company Secretary, Product Unit Heads (for Business units higher than USD 20 million), Global Head of Sales, EVP- New Product Initiatives, Global Head of HR.

3. Constitution of the Nomination and Remuneration Committee

The board has constituted the Nomination and Remuneration Committee on <DDMMYYYY>, in accordance with Companies Act 2013.

The board will have rights to reconstitute this committee from time to time.

4. Policy for appointment of the Board, KMPs & Senior Management

The committee shall look into the following matters:

- Make recommendations to the board on its composition and size to help ensure its effective working. It will do the following under each category of personnel:

4.1. Board Members

a) Identify and recommend to appointment or removal of such candidates who can be considered for the position of a director.

b) The NRC would decide this based on its discussions around qualifications, positive attributes and independence of the candidate being considered for directorship. The decision may also be based on conditions as best suitable for the business in accordance with statutory conditions as may be applicable from time to time.

4.2. KMPs

a) The authority to identify right candidates for the appointment of CFO and CS is vested with the CEO along with HR, who will facilitate in identifying the candidates internally or externally. NRC will consider the candidates proposed by the CEO and recommend to the Board for its consideration and appointment in accordance with the applicable provisions of the Act and Rules.

b) In case of CM / MD / CEO's appointment, NRC will initiate the process of identifying the new candidate, which can be an internal or external candidate, for the respective position. After identification and screening of the candidate, NRC will propose the candidature to the Board for its consideration and for appointment subject to the approval of the Shareholders and Regulatory Authority, if any.

c) The selection and removal would be based on the evaluations done during the selection /search process and would cover such parameters like: qualifications, positive attributes, experiences, etc. The decision may also be based on conditions as best suitable for the business in accordance with statutory conditions as may be applicable from time to time.

d) If a KMP is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations there-under or due to non-adherence to the applicable policies of the Company, the NRC may recommend to the Board with reasons recorded in writing, removal of a KMP subject to the compliance of the applicable statutory provisions.

4.3. Senior Management personnel

a) The Senior Management personnel are appointed and removed/relieved with the authority of CEO and HR. The selection and removal would be based on the evaluations done during the selection /search process and would cover such parameters like: qualifications, positive attributes, experiences, etc as per the recruitment policy prevailing at the time of selection. The decision may also be based on conditions as best suitable for the business in accordance with statutory conditions as may be applicable from time to time.

b) The details of the appointment made and the personnel removed/relieved during a quarter shall be presented to the Board as part of update on Corporate Governance.

To maintain effective performance and continuity, all attempts will be made to retain and maintain the right balance of expertise and experience at the senior management level through various measures of identification, hiring, training, grooming, performance feedback, compensation & benefits, promotions, etc and . The NRC may seek and review such efforts for any specific position/s as they may deem fit.

Subject to that there is no conflict of interest, Comviva CEO and HR Head will be authorized to approve employee requests for accepting –

1. any honorary positions in the Board of a Company (for no remuneration or a nominal remuneration); and/or
2. any non-significant minority stake capped up to 30%

In case the request is from the Comviva CEO, Comviva CFO or the Company Secretary, the same will be cleared by the NRC

5. Remuneration to KMPs, Senior Management personnel and Other Employees

The Company follows an extensive performance management system to review the performance of the employees /Senior Management and provide rewards on the basis of meritocracy.

The overall remuneration (Total compensation) to the employees (including Whole Time Director (CEO) CFO, CS and senior management) includes a fixed component (Guaranteed Pay) and a variable component (Performance Linked pay). The percentage of the variable component increases at hierarchy levels, as the Company believes employees at higher positions have a far greater impact and influence on the overall business result. Variable Pay program is covered by respective variable pay programs (like performance linked incentive programs as applicable for respective roles). Compensation offered is decided based on what is competitive and suitable to attract top talent peer group for such a role, while looking at company's ability to pay vis-à-vis its budget.

The initial remuneration for CEO or any whole time director will be proposed by the CM/MD to the NRC consistent with the strategy of the Company and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of section 203 of the Companies Act 2013 the Board shall approve the remuneration at the time of their appointment.

The initial remuneration for KMPs – CFO and CS will be proposed by the CEO & HR to the NRC consistent with the strategy of the Company and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of section 203 of the Companies Act 2013 the Board shall approve the remuneration at the time of their appointment.

The initial remuneration for the Senior Management personnel shall be proposed by HR and approved by CEO. Remuneration for the new employees other than KMPs and Senior Management Personnel will be decided by the HR and business /line managers at the time of hiring, depending upon the relevant job experience, last compensation, position details and role maturity fitment; philosophy of which has been captured in the compensation handbook of the company.

The Total compensation is reviewed at least once every year based on company's performance and compensation philosophy and program. Compensation Revision is based on the performance, potential and market positioning of the role as determined through hiring& /attrition related data, surveys and benchmarks.

The annual review of remuneration for CEO or any whole time director will be proposed by the CM/MD to the NRC. Pursuant to the provisions of section 203 of the Companies Act 2013 the Board shall approve the remuneration at the time of their appointment.

The annual remuneration for KMPs – CFO and CS will be proposed by the CEO & HR Head to the NRC consistent with the strategy of the Company and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of section 203 of the Companies Act 2013 the Board shall approve the remuneration at the time of their appointment.

Annual Review of Remuneration (TCTC) for all employees (others than KMPs, but including senior management) will be decided by the HR, in consultation with CEO for all senior management position and along with concerned business unit head/managers as per performance management process & compensation philosophy and approved personnel cost budget. Performance Management Handbook applies to all employees including senior management, CFO and CS. CEO performance is evaluated by the CM/MD based on business goals as determined annually.

CEO and the HR Head may approve incentive programs as may be required for managing routine business requirements like joining or retention. Any plan covering shares or Stock Option grants to the employees shall be approved by the NRC based on the recommendation of CEO and Head of HR.

All remunerations to directors or CEO will be in accordance to Companies Act 2013 or changes to the same as applicable from time to time, including restatement of accounts due to fraud or non-compliance.

Sitting fee for Independent directors: Sitting fees will be paid to the independent directors for the committee and board meetings, as approved by the board from time to time. This will be subject to the maximum limits, if any, prescribed by the Companies Act 2013.

Refundability of excess remuneration: Any excess remuneration paid will have to be refunded back by the director in case of restatements and no such waivers will be permitted.

Commission or remuneration from holding or subsidiary company: The total commission paid for the services to this Company will include any remuneration paid from either the holding company or the subsidiary company.

6. Policy on Awareness Training to the Independent Directors

The Independent directors at the time of their co-option shall be provided with an orientation by at least one of the senior leaders. They will also be provided with the material/literature regarding the Company's business and its operations, governing documents, information on key personnel and financial information to familiarize them with the Company. The Board will brief them on their roles and responsibilities in the various Committees. The Quarterly Board Meetings will contain an agenda item on 'Business Updates' which provides development in the business strategy of the Company among others. The CM depending on the business need may also nominate Independent Directors for relevant external training programs. Independent Directors may request for any additional information as deemed fit for the successful discharge of their role.

7. Process for Performance Evaluation of the Board as a whole

The process will be initiated each year by the Chairman of the NRC or any other person as authorized by the NRC.

- ❖ The Board will carry out annual evaluation of its own performance through its adopted self-evaluation criteria. Board evaluation process will be initiated each year by the chairman of NRC and will be coordinated by the Chairman of NRC or any other person authorized by the NRC. Each Board member will get an evaluation form as given in **Annexure – I** in the first week of April of each year.

- ❖ Board members have the option to disclose his/her name on the evaluation form.

- ❖ Board members shall complete the form and return it to the authorized person within two weeks of receipt of the form.

- ❖ Only Chairman of the board and the authorized person appointed by the NRC to coordinate this activity will have access to individual evaluation form.

- ❖ Chairman of the Board, will arrange to tabulate the results and present summary report to the Board during the first Board Meeting of the financial year. The summary report will include score against each of the evaluation criteria & verbatim comments without any names. Sample template has been included in **Annexure II**. Report for each individual member will also be shared without names of those who gave the feedback.

- ❖ The Board will initiate discussion based on individual feedback, broad & common areas that are working well and those that need attention. The Board will then decide if changes in its governance practices and policies need to be made going forward.

7.1. Process for Performance Evaluation of the Committees:

The Board has adopted the evaluation criteria for Committees as mentioned in **Annexure - III**. Each Committee member will get an evaluation form as given in **Annexure – III** for the Committee(s) he/she is part of in the first week of April of each year.

- ❖ Committee Members have the option to disclose his/her name on the evaluation form.
- ❖ Committee Members shall complete the forms and return them to the authorized person within two weeks of receipt of the forms.
- ❖ Only Chairman of the board and the authorized person appointed by the NRC to coordinate this activity will have access to individual evaluation form

- The Chairman NRC, with the assistance of any person, will tabulate the results and share the summary report with the respective Committee in their first meeting of the financial year. The summary report will include score against each of the evaluation criteria & verbatim comments without any names. Sample summary report template has been included in **Annexure – IV**.
- Each Committee will initiate discussion basis individual feedback, broad & common areas that are working well and those that need attention.
- The Chairman of the respective Committee will also present the summary report to the Board during its first Board Meeting of each financial year.

7.2. Process for Performance Evaluation of individual directors including Independent Directors

- The NRC will carry out performance evaluation of individual directors through peer evaluation of each Board member.

- The Key areas of evaluation are Knowledge of business, Diligence and preparedness, Effective interaction with others, Constructive contribution to discussion and strategy, Concern for stakeholders, attentive to the internal controls mechanism, and ethical conduct issues as the evaluation criteria.

- In the first week of April of each year, each Board member will get evaluation form as given in **Annexure – V** for each of their colleagues on the Board. Each Board member will complete evaluation of each of their colleagues. Board member does not have to disclose his/her name on the evaluation form.
- During the first Board meeting of the financial year, separate envelopes indicating name of each Board Member will be circulated in which each Board member will place the completed evaluation sheet of the assessed member in their respective envelope. For example, there will be separate envelopes for Director A, Director B & so on and these envelopes will be circulated to all the Directors to place the evaluation form of the specific Director in the envelope indicating his/her name.

- Once all the evaluation forms are placed in designated envelopes, each Board member will be handed over their respective envelope and will have the opportunity to go through their own peer evaluation scores during the meeting itself.

- After going through their respective evaluation scores by their peers, the Board members will hand over their envelope to the Board chairperson during that meeting.

- Subsequently, the Board chairperson, will go through the contents of the envelope, and if necessary, will meet with each Director individually as part of the evaluation process to identify and discuss the outcome. The separate envelopes containing peer evaluation forms for each individual Director will remain with the Board chairperson and will be kept confidential.

- The NRC on the basis of evaluation scores of the concerned member shall recommend to the Board to extend or continue the term of appointment of the Board member. In case of the upcoming reappointment of any of the NRC member, the concerned member will not participate and others on the committee will be given access to all the available forms of the concerned member as detailed above to continue with the recommendation process.

8. Board's Diversity

A truly diverse Board will make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. The Board appointments should be based on merit that complements and expands the skills, experience, expertise of the Board as a whole, taking into account knowledge, professional experience, qualifications, gender, age, cultural, educational background, statutory / regulatory requirement and any other factors that might be relevant and applicable from time to time for it to function effectively.

NRC considers the functional diversities in determining the optimum composition of the Board.

9. Amendment

The Policies may be changed at any time by the Board on the recommendation of NRC. However, the NRC shall have the authority to change the Evaluation Form at any time during the year with the objective of seeking more inputs from the Individual Directors

In the event of any statement in the policy contradicting with law, the law will supersede as applicable from time to time.

Sunita Umesh
DIN: 06921083
Chairman

Annexure I

Performance Evaluation of the Board as a whole - Self Evaluation Form

Each Board Member is to rate the following statements in relation to overall performance of the Board during the last financial year. Please place √ in the appropriate box next to each statement using the indicated scale. Please use the space at the bottom to provide any specific comments you may have.

Your Name (Optional) ______________________________

Evaluate the following statements in relation to overall performance of the Board		Rating Scale				
		1	2	3	4	5
1	The Board is collegial and polite and meetings are conducted in a manner that ensures open communication, meaningful participation, and sound resolution of issues.					
2	The Board has achieved what it set out to accomplish in the year under review.					
3	The Board engages in long-range strategic thinking and planning.					
4	The Board stays abreast of issues and trends affecting the plan, using this information to assess and guide the organization over the long term.					
5	The Board meetings are of reasonable length & agendas are well-balanced, allowing appropriate time for the most critical issues and there is a balance between presentations and discussions.					
6	The Board receives timely, accurate, and useful information upon which to make decisions.					
7	The Board anticipates issues and does not often find itself reacting to "crisis" situations.					
8	The Board speaks in "one voice" when directing or delegating to management and brings discussions to a conclusion with clear direction to management.					
9	The quality of Directors participation in meeting is satisfactory.					
10	The Board is well diversified in terms of skills, regional and industry experience, background, race and gender					

Rating Scale

5 = strongly agree; 4 = Agree; 3 = neither agree nor disagree; 2 = Disagree; 1 = Strongly Disagree

Please provide below any additional comments or suggestions about the work and effectiveness of the board as a whole.

…………………………………………………………………………………………………

Annexure II

Summary Report: Performance Evaluation of the Board as a whole

Statements in relation to overall performance of the Board		Director A	Director	Director	Director D	Director E	Director F	Director G	Avg. Score
		Scores of each Director will be mentioned on No name basis							
1	The Board is collegial and polite and meetings are conducted in a manner that ensures open communication, meaningful participation, and sound resolution of issues.								
2	The Board has achieved what it set out to accomplish the past year.								
3	The Board engages in long-range strategic thinking and planning.								
4	The Board stays abreast of issues and trends affecting the plan, using this information to assess and guide the								
5	The Board meetings are of reasonable length & agendas are well-balanced, allowing appropriate time for the most critical issues and there is a balance between presentations and discussions.								
6	The Board receives timely, accurate, and useful information upon which to make decisions.								
7	The Board anticipates issues and does not often find itself reacting to "crisis" situations.								
8	The Board speaks in "one voice" when directing or delegating to management and brings discussions to a conclusion with clear direction to management.								
9	The quality of Directors participation in meeting is satisfactory.								
10	The Board is well diversified in terms of skills, regional and industry experience, background, race and gender								

Rating Scale

5 = Strongly agree   4 = Agree   3 = Neither agree nor disagree 2 = Disagree 1 = Strongly Disagree

Comment 1: ……………………………..

Comment 2: ……………………………..

These comments will be taken verbatim without mentioning name of the Board Member)

Annexure III

Performance Evaluation of the Committees - Self Evaluation Form

(This Form is to be filled out separately for each committee of the Board in which you are member)

Each Committee member is to rate the following statements in relation to overall performance of the Committees during the last financial year. Please place √ in the appropriate box next to each statement using the indicated scale. Please use the space at the bottom to provide any specific comments you may have.

Your Name (Optional): ____________________________

Name of the Committee to be assessed: ___________________________________

Evaluate the following statements in relation to overall performance of the Committee		**Rating Scale**				
		1	**2**	**3**	**4**	**5**
1	The Committee is collegial and polite and meetings are conducted in a manner that ensures open communication, meaningful participation, and sound resolution of issues.					
2	The Committee is comprised of optimum number of members.					
3	The Committee is comprised of competent members					
4	The Committee gets into details, focuses on pertinent topics and allocates reasonable time and there is a balance between presentations and discussions.					
5	The Committee reports back to the Board as it should on all the relevant issues.					
6.	The Committee is effective in carrying out its mandate and make collective judgments about important matters.					

Rating Scale
5 = Strongly agree 4 = Agree 3 = Neither agree nor disagree 2 = Disagree 1 = Strongly Disagree

Please provide below any additional comments or suggestions about the work and effectiveness of the committee as a whole.

……………………………………………………………………………………………….

……………………………………………………………………………………………….

……………………………………………………………………………………………….

<u>Annexure IV</u>

<u>Summary Report: Performance Evaluation of the Committee</u>

(This result template will be shared with the respective Committee & presented in the Board Meeting)

Name of the Committee: ………………………………………………………

Statements in relation to overall performance of the Committee		Committee Member A	Committee Member B	Committee Member C	Committee Member D	Average Score
		Scores of each Committee Member will be mentioned on No name basis				
1	The Committee is collegial and polite and meetings are conducted in a manner that ensures open communication, meaningful participation, and sound					
2	The Committee is comprised of optimum number of members.					
3	The Committee is comprised of relevant members.					
4	The Committee gets into details, focuses on pertinent topics and allocates reasonable time and there is a balance between presentations and discussions.					
5	The Committee reports back to the Board as it should on all the relevant issues.					
6.	The Committee is effective in carrying out its mandate and make collective judgments about important					

Rating Scale
5 = Strongly agree 4 = Agree 3 = Neither agree nor disagree 2 = Disagree 1 = Strongly Disagree

Comment 1: ………………………………

Comment 2: ………………………………

(These comments will be taken verbatim without mentioning name of the Committee Member)

Annexure V

Performance Evaluation of Board Member - Peer Evaluation Form

Each Board Member is to rate the following statements in relation to his/her assessment of their colleague as a Board member during the last financial year. Please place √ in the appropriate box next to each statement using the indicated scale. Please use the space at the bottom to provide any specific comments you may have. Please note, you do not mention your name on the form to keep the process confidential.

Evaluate the following statements in relation to your assessment of your colleague as a Board Member of the Company		**Rating Scale**				
		1	**2**	**3**	**4**	**5**
1	Knowledge of key areas					
2	Diligence and preparedness					
3	Effective interaction with others					
4	Constructive contribution to discussion and strategy					
5	Concern for stakeholders					
6	Concern for working of internal controls					

5 = Outstanding, exceptional contribution 4 = Above expectation 3 = Satisfactory 2 = Some improvement required 1 = Unsatisfactory contribution to the Board

Name of Board Member to be assessed ______________________________

Please provide below any additional comments or suggestions which you believe would help improve the Board's function.

………………………………………………………………………………………………..
………………………………………………………………………………………………..
………………………………………………………………………………………………..

Disclaimer

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIALYEAR 2022-23

1. Brief outline on CSR Policy of the Company:

Our CSR vision is to make concerted efforts towards promotion of education amongst the underprivileged while also promoting initiatives for employability and entrepreneurship. Employability & Entrepreneurship readiness covers all or relevant aspects of education, skills and capabilities development which is to be imparted to children, youth and adults of any age groups to attain these objectives.

The policy aims to:

a. Demonstrate commitment towards the common good.
b. Engender a sense of empathy & responsibility amongst employees to motivate them to give back to the society.
c. Partner with group companies to promote quality education for the under privileged sections of the society.

The Company may also support causes related to sustainable development of green environment or topical events adversely impacting a large section of the society; provided they are covered as per the statutory requirements.

The Corporate Social Responsibility (CSR) policy can be viewed at: https://www.comviva.com/wp-content/uploads/2021/09/CSR-Policy_22nd-April-2021.pdf

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Rajat Mukherjee	Independent Director, Chairperson of the Committee	2	1
2	Jagdish Mitra	Non-Executive Director, Committee Member	2	2
3.	Sunita Umesh	Independent Director, Committee Member	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

a. CSR Committee: https://www.comviva.com/wp-content/uploads/2022/07/Comviva-Annual-Report-2022.pdf

b. CSR Projects: https://www.comviva.com/wp-content/uploads/2022/07/CSR-Action-Plan.pdf

c. CSR Policy: https://www.comviva.com/wp-content/uploads/2021/09/CSR-Policy_22nd-April-2021.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **Not applicable**

5.

a) Average net profit of the Company as per section 135(5): **Rs. 1,813 million**
b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 36.27 million**
c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **Nil**
d) Amount required to be set-off for the financial year, if any: **Nil**
e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 36.27 million**

6.

a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 36.27 million**
b) Amount spent in Administrative Overheads. **Nil**
c) Amount spent on Impact Assessment, if applicable. **Not Applicable**
d) Total amount spent for the Financial Year [(a)+(b)+(c)]. **Rs. 36.27 million**
e) CSR amount spent or unspent for the Financial Year:

<table>
<tr><th rowspan="3">Total Amount Spent for the Financial Year. (in Rs.) (in million)</th><th colspan="5">Amount Unspent (in Rs.) (in million)</th></tr>
<tr><th colspan="2">Total Amount transferred to Unspent CSR Account as per sub-section (6) of 135</th><th colspan="3">Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of 135</th></tr>
<tr><th>Amount</th><th>Date of transfer</th><th>Name of the Fund</th><th>Amount</th><th>Date of transfer</th></tr>
<tr><td>36.27</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td><td>NA</td></tr>
</table>

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.) (in million)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of 135	36.27
(ii)	Total amount spent for the Financial Year	36.27
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Not Applicable

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	**Preceding Financial Year(s)**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Balance Amount in Unspent CSR Account u/s 135(6) (in Rs.)**	**Amount Spent in the Financial Year (in Rs)**	**Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any**		**Amount remaining to be spent in succeeding Financial Years (in Rs)**	**Deficiency, if any**
					Amount (in Rs) (in million)	Date of Transfer		
1.	FY 2021-22	NA	NA	NA	NA	NA	NA	NA
2.	FY 2020-21	NA	NA	NA	0.55	30-Mar-2022	NA	NA
3.	FY 2019-20	NA	NA	NA	NA	NA	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year. **Yes**

If yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (Rs. In million)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR registration no.	Name	Registered address
1.	E- learning -Lenovo Desktop (Qty.15) - APC UPS (Qty.18)	751023	March 3, 2023	0.95	CSR00000840	Sanshil Foundation Beneficiary is Govt. High School	Chandrasekharpur, Phase-1, Bhubaneswar, Orissa, India
2.	HP Laptop (Qty.01).	122018	June 4, 2022	0.06	CSR00000840	Sanshil Foundation	Compassion Cednter, D-block, Rosewood City, Sec-49, Gurgoan
3.	Classroom furniture (Qty.48 Desks)	122018	February 20, 2023	0.38	CSR00000840	Sanshil Foundation	Compassion Cednter, D-block, Rosewood City, Sec-49, Gurgoan

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.: **Not Applicable**

Manoranjan Mohapatra
Whole-time Director & CEO
DIN: 00043930
Place: Gurugram
Date: April 24, 2023

Rajat Mukherjee
Director & Chairman, CSR Committee
DIN: 03431635
Place: New Delhi

comviva
A TECH MAHINDRA COMPANY

Contents of Corporate Social Responsibility Policy

Our CSR vision is to make concerted efforts towards promotion of education amongst the underprivileged while also promoting initiatives for employability and entrepreneurship.

Employability & Entrepreneurship readiness covers all or relevant aspects of education, skills and capabilities development which is to be imparted to children, youth and adults of any age groups to attain these objectives.

The policy aims to:
1. Demonstrate commitment towards the common good.
2. Engender a sense of empathy & responsibility amongst employees to motivate them to give back to the society.
3. Partner with group companies to promote quality education for the under privileged sections of the society.

The Company may also support causes related to sustainable development of green environment or topical events adversely impacting a large section of the society; provided they are covered as per the statutory requirements.

Topical CSR support may be one time or time bound investment made under other possible areas. These spends would be pre-approved by the CSR Committee; if the expected outlay is more than 20% of the approved annual CSR budget. If the fund is spent from the approved annual CSR budget and within 20% limit, the same may be shared in the quarterly CSR review meetings as a pre or post information report.

Scope and Applicability

This Policy is applicable to Comviva Technologies Limited India (hereby referred to as Company) and will apply to all the CSR projects/programmes undertaken by the Company.

Guidelines

1. The CSR program will be overseen under the aegis of the CSR Committee

2. The CSR Committee is formulated with reference to the Section 135 of the Companies Act 2013 (referred to as Act) on CSR and in accordance with the CSR rules (hereby referred to as Rules)

3. CSR Committee
   a. It will formulate & recommend to Board a CSR Policy which shall provide an indicative list of broad activities aligned to the CSR Policy which shall be undertaken. The CSR Policy will also include the recommendation for the budget/expenditure as may be needed for the full fiscal.

   b. The CSR Committee will monitor the CSR policy of the Company from time to time and recommend modifications to the CSR Policy, as and when required.

4. Board of Directors
   a. They will review recommendations made by the CSR Committee, approve the CSR Policy of the Company and ensure that every financial year, the funds committed by the Company for CSR activities are utilized effectively by regularly monitoring the implementation.

b. They would disclose the content of the policy in Company's report & website as per the prescribed format. Should that be the case, they would disclose the reasons for underspending of the allocated CSR budget in the Board's report.

5. They would ensure annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India as per the prescribed format.

Identification of CSR Activities and Projects

1. CSR SPOCs (as appointed by the Head of HR) will work closely with internal management members or employees to implement specific CSR programs and activities

2. Management would evaluate various NGO's and projects from time to time which can be taken up as part of the CSR activity by the larger organization, looking at the following broad parameters:
    a. The project should be in line with the CSR Vision of the Company
    b. The NGO (if involved) should have established processes on governance like Audits, Annual Reports etc
    c. The NGO should have been a registered NGO and should have been undertaking similar programs or projects for at least 3 years.
    d. Support or donations aligned with Company's CSR vision or as covered by the CSR guidelines under the statute would also be considered as an exception, though they may not be covered under the sections a to b above

3. The program will ensure that there is involvement and contribution in the CSR initiatives driven by Group Companies

Reporting

To ensure funds spent on CSR programmes are creating the desired impact on the ground, a monitoring and reporting framework will be used. Status of the programs and their perceived impact would be shared on a periodic basis as per the roles defined.

Deviations

Any deviation to this Policy requires an approval from the Head of Human Resources. Management reserves the right to modify this policy without prior notice.

Comviva Technologies Limited

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries

Annexure-4

(FY 2022-2023)

(Amount in Rs. Million)

Sr. No	Name of the subsidiary	The date since when subsidiary was acquired**	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover*	Profit/ (loss) before taxation*	Provision for taxation#	Profit/ (loss) after taxation*	Proposed dividend	% of shareholding
1	Comviva Technologies Nigeria Limited	March 23, 2011	-	NGN/0.178688703	122	(24)	436	338	-	260	136	50	86	-	100%
2	Comviva Technologies Singapore Pte. Ltd.^^	September 8, 2011	-	SGD/61.785	-	-	-	-	-	-	-	-	-	-	100%
3	Comviva Technologies FZ-LLC	February 19, 2012	-	AED/22.376	1	(119)	907	1,025	-	816	(41)	-	(41)	-	100%
4	Comviva Technologies B.V.	April 30, 2015	-	EUR/89.371	1,979	(555)	2,827	1,403	622	1,472	(662)	(12)	(650)	-	100%
5	Comviva Technologies (Argentina) S.A. (formerly, ATS Advanced Technology Solutions S.A.)	January 31, 2016	June 30	ARS/0.632147	1	118	339	219	-	423	13	13	(0)	-	100%
6	ATS Advanced Technology solutions do Brasil Industria,Comercio, importacao E exportacao LTDA	January 31, 2016	December 31	BRL/15.64982974	195	(147)	244	195	-	277	37	7	30	-	100%
7	Comviva Technologies Colombia S.A.S	June 17, 2016	December 31	COP/0.017071379	1	58	98	40	-	153	36	9	26	-	100%
8	Comviva Technologies Madagascar Sarlu.	December 12, 2016	-	MGA/0.019030789	1	(2)	3	4	-	4	(3)	1	(3)	-	100%
9	Comviva Technologies (Australia) Pty. Ltd	August 31, 2017	-	AUD/54.962	1	(152)	459	610	334	125	(67)	(18)	(49)	-	100%
10	Comviva Technologies Mexico, S. de R.L. de C.V.^^^	February 09, 2018	-	NA	-	-	-	-	-	-	-	-	-	-	100%
11	Emagine International Pty. Ltd. ^	September 01,2017	-	AUD/54.962	105	194	300	1	-	-	-	-	-	-	100%
12	Comviva Technologies USA INC.	November 5, 2019	-	USD/82.17	33	(190)	95	252	-	28	(160)	(40)	(121)	-	100%
13	Comviva Technologies Myanmar Limited^^^^^	December 6, 2019	-	MMK/0.039	11	(35)	214	238	-	36	(22)	5	(27)	-	100%
14	YABX Technologies (Netherlands) BV	June 04,2018	-	USD/82.17	82	(169)	253	340	-	69	(110)	(30)	(80)	-	100%
15	Comviva Technologies Cote D'Ivoire	February 18, 2020	December 31	NA	-	-	-	-	-	-	-	-	-	-	100%
16	YABX India Private Limited	July 15,2020	-	INR/1	70	20	308	218	-	178	26	7	19	-	100%
17	Comviva Technologies Americas Inc^^^^	November 4, 2021	-	USD/82.17	1,808	(178)	2,911	1,280	-	1,820	(382)	(208)	(174)	-	100%
18	Comviva International Netherlands B.V. (Previously Dynacommerce Holding BV)^^^^^^	January 04, 2023	-	EUR/89.371	1,074	(593)	618	137	-	123	24	(43)	67	-	100%

*Converted at the average exchange rate.

** It includes the date of incorporation in case of subsidiary which is incorporated.

The amount also includes impact of deferred taxes.

^The final de-registration application was filed with local authorities on 28th March 2022.

^^ Effective November 12, 2021 entire stake in Comviva Technologies Singapore Pte. Ltd. has been divested.

^^^ Liquidated with effect from March 03, 2021

^^^^On November 04 2021, Comviva Technologies Americas Inc was incorporated as wholly owned subsidiary.

^^^^^Reporting period of Myanmar has been changed from 30th September to 31st March

^^^^^^ On January 02nd 2023, We have acquired Comviva International Netherlands B.V. (Previously Dynacommerce Holding Bv).

B S R & Co. LLP
Chartered Accountants

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Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
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Independent Auditor's Report

To the Members of Comviva Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Comviva Technologies Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the* Standalone *Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 01 April 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 28 to the standalone financial statements.

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

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

d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 42B to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 42B to the standalone financial statements, no funds have been received by the

Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration [paid/payable] by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 24 April 2023

ICAI UDIN:23132907BGYQAH5045

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified once in a period of two years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Certain discrepancies noticed on such verification were material and have been properly dealt with in the books of account.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering information technology and related services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

Particulars	**Guarantees** (INR in Mio)	**Security** (INR in Mio)	**Loans** (INR in Mio)	**Advances in nature of loans** (INR in Mio)
Aggregate amount during the year Subsidiaries* Joint ventures* Associates* Others	**-**	**-**	**163**	**-**
Balance outstanding as at balance sheet date Subsidiaries* Joint ventures* Associates* Others*	**-**	**-**	**163**	**-**

**As per the Companies Act, 2013*

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans/advance in the nature of loan falling due during the year were renewed or extended or settled by fresh loans:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

Name of the parties	**Aggregate amount of loans or advances in the nature of loans granted during the** year *(INR in Mio)*	**Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties** *(INR in Mio)*	**Percentage of the aggregate to the total loans or advances in the nature of loans granted during the** year
Yabx India Private Limited	163	15	9%

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

Name of the statute	Nature of the dues	Amount *(INR in Mio)*	Period to which the amount relates	Forum where dispute is pending	Amount paid under protest, if any *(INR in Mio)*
Income Tax Act, 1961	Income Tax	28	FY 2012-13	Commissionerof Income Tax (Appeals)	-
Income Tax Act, 1961	Income Tax	11 9	FY 2013-14	Income Tax Appellate Tribunal (ITAT)	-
Income Tax Act, 1961	Income Tax	1,880	FY 2014-15 to FY 2021-22	Commissionerof Income Tax (Appeals)	4
Burkina Faso authorities	Corporate tax, employer and apprenticeship tax, patent Tax, single tax on wages and salaries, VAT	381	Calendar year 2012 to 2021	Commissionerof Income Tax (Appeals)	47
Chad Tax Administration	VAT, WHT, Payroll and Income Tax Issues)	75	Calendar year 2014 to 2020	Assessing Officer	30
Republic of Congo	VAT, Payroll & Income tax	37	Calendar year 2012 to 2014	Direction Départementale des Vérifications, Fiscale De Pointe-Noire	-
Malawi tax authorities	Corporate Tax	5	FY 2013-14 to FY 2019-20	Income Tax Officer	-
Niger Tax Authorities	Payroll, Corporate Tax & VAT matters	72	Calendar year 2016 to 2020	Assessing Officer	18
Tanzania Tax Authorities	Corporate tax, VAT, SDL, & Payroll matters	41	Calendar year 2012,2013,2016,2018, 2019	Tax authority	-

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

Name of the statute	Nature of the dues	Amount *(INR in Mio)*	Period to which the amount relates	Forum where dispute is pending	Amount paid under protest, if any *(INR in Mio)*
			& 2020		
Uganda Tax Authorities	Income Tax and VAT	80	FY 2016-17 & FY 2017-18	Tax authority	2
Nigeria Tax authorities	Payroll, Transfer Pricing and WHT	24	2014 to 2020	Tax Authority	-
Finance Act, 1994	Service Tax	392	FY 2004-2005 to FY 2007-2008	Custom Excise & Service Tax Appellate Tribunal	-
Gabon Tax Authorities	Indirect Taxes	3	FY 2013-2014 to 2017-2018	General Secretariat, Provincial Department Of Estate Taxes, Ministry Of Sustainable Development,Economy, Investment Promotion and Planning	2
Bangladesh Tax Authorities	Direct Tax	0.4	FY 2021	Commissioner of Income Tax	-

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 4 CICs as part of the Group

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 24 April 2023

ICAI UDIN:23132907BGYQAH5045

Annexure B to the Independent Auditor's Report on the standalone financial statements of Comviva Technologies Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Comviva Technologies Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Annexure B to the Independent Auditor's Report on the standalone financial statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 24 April 2023

ICAI UDIN:23132907BGYQAH5045

COMVIVA TECHNOLOGIES LIMITED
Standalone Balance Sheet as at March 31, 2023

Rs. in million

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3A	161	193
(b) Capital work-in-progress	3E	35	37
(c) Right of use assets	3B	124	205
(d) Other Intangible assets	3C	26	53
(e) Intangible assets under development	3D	326	-
(f) Financial assets			
(i) Investments	4(i)	3,924	1,972
(ii) Trade receivables			
-Unbilled	9(i)	-	40
(iii) Loans	5	163	15
(iv) Other financial assets	12(i)	55	50
(g) Income tax assets (net)		603	603
(h) Deferred tax assets (net)	6	446	442
(i) Other non-current assets	7(i)	252	190
Total non-current assets		6,115	3,800
Current assets			
(a) Inventories	8	-	12
(b) Financial assets			
(i) Investments	4(ii)	-	954
(ii) Trade receivables	9(ii)		
-Billed		3,738	3,301
-Unbilled		1,371	1,057
(iii) Cash and cash equivalents	10	1,120	674
(iv) Other balances with bank	11	8	7
(v) Other financial assets	12(ii)	241	180
(c) Other current assets	7(ii)	1,732	931
Total current assets		8,210	7,116
TOTAL ASSETS		**14,325**	**10,916**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	243	219
(b) Other equity			
Reserves and Surplus	14	11,115	8,253
Items of Other Comprehensive Income		(18)	(30)
		11,340	8,442
Liabilities			
Non current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities		48	143
(ii) Other financial liabilities	18(i)	-	-
(b) Provisions	15(i)	341	247
(c) Other non-current liabilities	16(i)	3	0
Total non-current liabilities		392	390
Current Liabilities			
(a) Financial liabilities			
(i) Lease Liabilities		105	79
(ii) Trade payables	17		
-Dues of micro and small enterprises		55	20
-Dues of creditors other than micro and small enterprises		1,601	1,084
(iii) Other financial liabilities	18(i)	324	388
(b) Other current liabilities	16(ii)	296	236
(c) Provisions	15(ii)	122	85
(d) Income tax liabilities (net)		90	192
Total current liabilities		2,593	2,084
TOTAL EQUITY AND LIABILITIES		**14,325**	**10,916**
See accompanying notes forming part of standalone financial statements	1-44		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Rahim Merchant
Partner
Membership No.: 132907
Pune

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO
Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

COMVIVA TECHNOLOGIES LIMITED
Standalone Statement of Profit and Loss for the year ended March 31, 2023

Rs. in million

	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
	CONTINUING OPERATIONS			
I.	Revenue from operations	19	8,774	6,484
II.	Other income	20	223	315
III.	**Total Income (I+II)**		**8,997**	**6,799**
IV.	**Expenses**			
	(a) Employee benefits expense	21	3,339	2,674
	(b) Subcontracting cost		1,100	588
	(c) Finance costs	22	14	18
	(d) Depreciation and amortization expense	3	263	255
	(e) Other expenses	23	2,409	1,684
	(f) Impairment of non-current investment in subsidiaries	4(i)	538	-
	Total expenses		**7,663**	**5,219**
V.	**Profit before tax from continuing operations**		**1,334**	**1,580**
VI.	**Tax expenses:**			
	(a) Current tax	38	698	1,098
	(b) Deferred tax expense / (credit)	39	70	32
			768	1,130
VII.	**Profit after tax from continuing operations**		**566**	**450**
	DISCONTINUED OPERATIONS			
	(a) Profit/(Loss) before tax from discontinued operations	43	(117)	(40)
	(b) Tax (credit) from discontinued operations	39	(67)	(29)
VIII.	**Profit after tax from discontinued operations**		**(50)**	**(11)**
IX.	**Profit after tax**		**516**	**439**
X.	**Other comprehensive (loss)/income**			
A)	(I) Items that will not be reclassified to profit or loss			
	(a) Re-measurement (loss) on defined benefit plans		(19)	(40)
	(II) Income tax income relating to items that will not be reclassified to profit or loss		5	10
B)	(I) Items that will be reclassified to profit or loss			
	(a) Net movement of effective portion on cash flow hedge		(5)	(3)
	(II) Income tax income relating to items that will be reclassified to profit or loss		1	1
XI.	**Other comprehensive loss for the year**		(18)	(32)
XII.	**Total comprehensive income for the year**		**498**	**407**
XIII.	**Earnings per Equity share - Continuing Operations**	32		
	(a) Basic (in Rs.)		24.92	20.58
	(b) Diluted (in Rs.)		24.92	20.58
	Earnings per Equity share - Discontinued Operations			
	(a) Basic (in Rs.)		(2.18)	(0.50)
	(b) Diluted (in Rs.)		(2.18)	(0.50)
	Earnings per Equity share -Continuing and Discontinued Operations			
	(a) Basic (in Rs.)		22.74	20.08
	(b) Diluted (in Rs.)		22.74	20.08
	See accompanying notes forming part of standalone financial statements	1-44		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Rahim Merchant
Partner
Membership No.: 132907
Pune

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO
Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

COMVIVA TECHNOLOGIES LIMITED
Standalone Statement of Changes in Equity for the year ended March 31, 2023

a. Equity share capital

Particulars	Number of Shares	Equity Share Capital (Rs. in Million)
Balance As at April 1, 2021	2,18,69,000	219
Balance as at March 31, 2022	**2,18,69,000**	**219**
Balance as at April 1, 2022	2,18,69,000	219
Changes in equity share capital during the year	24,74,226	24
Balance as at March 31, 2023	**2,43,43,226**	**243**

b. Other Equity

Rs. in Million

Particulars	Reserves & Surplus			Items of OCI	Total
	Securities Premium	Capital Reserve	Retained Earnings	Effective portion of Cash flow Hedge	
Balance As at April 1, 2021	566	53	7,627	7	8,253
Profit for the year	-	-	439	-	439
Other comprehensive Income	-	-	(30)	(2)	(32)
Total comprehensive income	**-**	**-**	**409**	**(2)**	**407**
Dividend (Refer note 13)	-	-	(437)	-	(437)
Balance as at March 31, 2022	**566**	**53**	**7,599**	**5**	**8,223**
Balance as at April 1, 2022	566	53	7,599	5	8,223
Profit for the year	-	-	516	-	516
Additions during the year	2,376	-	-	-	2,376
Other comprehensive income	-	-	(14)	(4)	(18)
Total comprehensive income	**2,376**	**-**	**502**	**(4)**	**2,874**
Balance as at March 31, 2023	**2,942**	**53**	**8,101**	**1**	**11,097**

Securities Premium
Securities premium reserve represents premium on issue of shares.

Capital Reserve
The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

Retained Earnings:
Retained earnings represents the undistributed profits of the Company accumulated as on Balance Sheet date.

Cash Flow Hedging Reserve :
The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cashflow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

Rahim Merchant
Partner
Membership No.: 132907

Pune

Date: April 24, 2023

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Jagdish Mitra
Director

Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO

Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

COMVIVA TECHNOLOGIES LIMITED
Standalone Statement of Cash Flows for the year ended March 31, 2023

Rs. in million

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Rs. in million	Rs. in million	Rs. in million	Rs. in million
A] Cash flows from operating activities				
Profit before tax		1,217		1,540
Adjustments for:				
Depreciation and amortization	263		255	
Profit on sale of property, plant and equipment (net)	(3)		(1)	
Loss/(gain) due to fair valuation changes on financial assets	-		4	
Profit on sale of investment in mutual funds and bonds	(10)		(46)	
Interest expense	14		18	
Interest income	(21)		(13)	
Dividend received from subsidiary	-		(65)	
Profit on sale of investment in subsidiary	-		(2)	
Impairment of non-current investments	538		(13)	
Unrealised foreign exchange (gain)/loss	(30)		(34)	
Reversal of provision no longer required	-		(37)	
Provision for doubtful debts (net)	303		327	
		1,054		393
Operating Profit before working capital changes		2,271		1,933
Working capital adjustments:				
Trade payable, other liabilities and provisions	671		43	
Other liabilities and provisions	-		(93)	
Trade receivables	(945)		(229)	
Other assets, loans and advances	(905)		(182)	
		(1,179)		(461)
Cash generated from operations		1,092		1,472
Income taxes paid (net of refund)		(798)		(861)
Net cash flows from operating activities (A)		294		611
B] Cash flows from investing activities				
Purchase of property, plant and equipment, intangible assets & intangible assets under development	(490)		(128)	
Interest received	20		14	
Purchase of mutual funds	(440)		(4,080)	
Proceeds from sale/ redemption of mutual funds	1,402		4,670	
Proceed from sale of subsidiary	-		2	
Proceeds from sale/ redemption of Bonds	16		-	
Investment in subsidiary	(2,496)		(1,433)	
Proceeds from additional business consideration	-		725	
Margin money	(1)		-	
Loan given to subsidiary	(148)		(38)	
Repayment of loan from subsidiary	-		53	
Sale of property, plant and equipment	3		6	
Dividend received from subsidiary	-		65	
Net Cash flows from investing activities (B)		(2,134)		(144)
C] Cash flows from financing activities				
Proceeds from issue of share capital	2,400		-	
Payment of dividend	-		(437)	
Repayment of lease liabilities	(79)		(67)	
Interest Paid	(19)		(18)	
Net cash flows from financing activities (C)		2,302		(522)
D] Exchange differences on translation of foreign currency cash and cash equivalents (D)		(15)		7
Net increase/(decrease) in cash and cash equivalents (A + B+ C + D)		446		(48)
Cash & cash equivalents at the end of the year		1,120		674
Cash & cash equivalents at the beginning of the year		674		722
Net increase/(decrease) in cash and cash equivalents		446		(48)

COMVIVA TECHNOLOGIES LIMITED
Standalone Statement of Cash Flows for the year ended March 31, 2023

Rs. in million

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Note 1:		
Cash and cash equivalents include:		
Cash on hand	-	-
Remittances in transit	277	215
Balance with banks		
- In current accounts	484	242
- In deposit accounts	359	217
Total Cash and cash equivalents - refer note 9	**1,120**	**674**

Note 2:
Figures in brackets represent outflow of cash and cash equivalents.

Note 3:
The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements.

Note 4:
During the current and previous period, there were no non-cash changes in financial liabilities resulting from financing activities. Accordingly, the reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing acivities including both changes arising from cash flow and non-cash flow changes as required based on paragraph 44 of Ind AS 7 on "Statement of Cash Flows" has not been given.

See accompanying notes forming part of standalone financial statements 1-44

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Rahim Merchant
Partner
Membership No.: 132907
Pune

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO
Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

1. Company Overview

Comviva Technologies Limited ("the Company") is provider of mobility solutions and a part of Mahindra Group. The company's offerings are broadly divided into three categories: Financial Solutions, Digital Systems and Growth Marketing. Its extensive portfolio of solutions spans digital financial services, customer value management, messaging and broadband solution and digital lifestyle services. The company strives to enable service providers to enhance customer experience, resolve real, on-ground challenges and leverage technology to transform the lives of customers. Comviva's solutions are deployed at various service providers and financial institutions and enrich the lives of people to deliver a better future.

The Company is a subsidiary of Tech Mahindra Limited.

The standalone financial statements ('financial statement') for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on April 24, 2023.

2. Significant Accounting Policies

2.1 Statement of Compliance

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis for preparation of financial statements

These standalone financial statements are presented in Indian rupees ("INR") which is also the Company's functional currency. All amounts have been reported in Indian Rupees Million, except for share and earnings per share data, unless otherwise stated. These standalone financial statements have been prepared on the historical cost basis and on accrual basis, except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Current/ Non-current classification

The Company classifies an asset as current asset when:
- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.
A liability is classified as current when –
- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 *Inventories* or value in use in Ind AS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.
The financials statements of Comviva ESOP trust has also been consolidated with Comviva Technologies Ltd. (India) financials.

2.3 Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Critical accounting estimates

i) Revenue Recognition

The Company applies the proportionate method for measurement of performance obligation in accounting for its fixed price development contracts. Use of the proportionate method requires the Company to estimate the efforts to date as a proportion of the total budgeted efforts. Efforts have been used to measure progress towards completion as there is a direct relationship between input and productivity. The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

ii) Income taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The policy for the same has been explained under Note 2.12.

iii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.4.

iv) Impairment of Investments

The Company reviews its carrying value of investments in subsidiaries and other entities at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

v) Provisions

Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.14.

2.4 Property, Plant & Equipment and Other Intangible assets

Property, Plant & Equipment and Other Intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant & Equipment including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, where the life of the assets has been assessed based on technical advice, considering the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Type of Asset	Estimated useful life
Plant and Equipment (Including Computers & Electronic equipments)	3-5 years
Office Equipment	5 years
Furniture and Fixtures	5 years

The estimated useful lives and residual values of the Property, Plant & Equipment and Other Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Property, Plant & Equipment and intangible assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss.

Improvements to leased premises are amortized over their estimated useful life or period of the lease, whichever is shorter.

Assets costing up to Rs. 5,000 are fully depreciated in the year of purchase except when they are part of a larger capital investment programme.

Computer Software and hardware acquired for specific projects are amortized over the initial contract life of the project.

The cost of Software purchased for internal use is capitalized and depreciated in full in the month in which it is put to use.

Intellectual Property Right (IPR) is amortized over a period of 4 years.

2.5 Leases

At inception of the contract, the Company determines whether the contract is a lease or contains a lease arrangement. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee
The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the standalone statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.
The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in standalone statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from Customer Contracts to allocate the consideration in the contract.

2.6 Impairment of Assets

i) Financial assets

Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortized cost is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. In a subsequent period, if the amount of impairment loss decreases and the decrease can be related objectively to an event, the previously recognized impairment is reversed through Statement of profit and loss.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability when there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the Statement of profit and loss.

2.7 Inventories

Inventories are stated at lower of cost or net realizable value. In determining the cost of materials, the weighted average cost method is used.

2.8 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.
Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.

In case of revenue sharing arrangements, revenue is recognized basis actual usage of value-added services as per contractually agreed rates.

Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognised upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customisation services rendered, revenue against these services recognised over the period of time using proportionate method for measuring performance obligation.

Revenue on fixed price development contracts is recognised using the 'percentage of completion' method of accounting, unless work completed cannot be reasonably estimated. Percentage of completion is determined based on actual hours incurred to date as a percentage of total budgeted hours required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable.

Revenue from the sale of distinct third party hardware is recognised at the point in time when risk and rewards is transferred to the customer.

The solutions offered by the Company may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Use of judgments in revenue recognition.

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Contract fulfilment costs are generally expensed as incurred except for certain software licence costs which meet the criteria for capitalisation. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered

Dividend income is recognized when the Group's right to receive dividend is established.

2.9 Foreign currency transactions

The functional currency of the company is Indian Rupees (INR).
Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the dates of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the Statement of profit and loss.

2.10 Financial Instruments:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized in Statement of profit and loss.

i) Non-derivative financial instruments:

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value

Financial asset not measured at amortized cost is carried at fair value through profit and loss (FVTPL) on initial recognition, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.
The Company, on initial application of IND AS 109 *Financial Instruments*, has made an irrevocable election to present in other comprehensive income subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL are measured at fair values at the end of each reporting period, with any gains or losses arising on re-measurement recognized in Statement of profit and loss.

Investment in subsidiaries

Investment in subsidiaries is carried at cost less impairment as per Ind AS 27 Consolidated and Separate Financial Statements.

Financial liabilities

Financial liabilities maturing after one year are subsequently carried at amortized cost using the effective interest method.

For trade payables and other financial liabilities maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derivative financial instruments and hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. The Company designates some of these as cash flow hedges applying the recognition and measurement principles set out in the Ind AS 109.

The use of foreign currency forward contracts is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Company's risk management strategy. The counter party to the Company's foreign currency forward contracts is generally a bank. The Company does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized in other comprehensive income and accumulated under hedging reserve and the ineffective portion is recognized immediately in the Statement of Profit and Loss.

Amounts previously recognized in other comprehensive income and accumulated in hedging reserve are reclassified to profit or loss in the same period in which gains/losses on the item hedged are recognized in the Statement of Profit or Loss. However when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in other comprehensive income and accumulated in hedging reserve are transferred from hedging reserve and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Any Profit or Loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which such cancellation or renewal occurs. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument classified in hedging reserve is retained there and is classified to Statement of Profit and Loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in hedging reserve is transferred to the Statement of Profit and Loss for the period.

iii) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.11 Employee benefits

i) Gratuity:

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for India location. Certain overseas branches of the company also provide for retirement benefit plans in accordance with local laws.

Actuarial gains and losses are recognized in full in other comprehensive income and accumulated in equity in the period in which they occur. Past service cost is recognized in profit or loss in the period of a plan amendment.

ii) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. Contribution is made to recognised provident fund with effect from September 1, 2020. Till August 31, 2020 a portion of the contribution was made to the approved provident fund trust managed by the Company while the remainder of the contribution is made to the government administered pension fund. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return.

iii) Compensated absences:

The Company provides for the compensated absences subject to Company's certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for India location and some branches of Company, whereas provision for encashment of unavailed leave on retirement is made on actual basis for other branches of Company.

Actuarial gains and losses are recognized in full in the Statement of Profit and Loss in the period in which they occur. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

iv) Other short term employee benefits:

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognized during the period when the employee renders the service.

2.12 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes or deferred taxes are recognized in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax in future.
Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.13 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.
For the purpose of calculating diluted earnings/(loss) per share, the net profit/(loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.14 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities and Contingent assets are not recognized in the financial statements.

2.15 Provision for Warranty

The Company has an obligation by way of warranty to maintain the software during the period of warranty, which may vary from contract to contract. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost of service delivery. The Company estimates such cost based on historical experience and the estimates are reviewed periodically for material changes in the assumptions.

2.16 Research and Development

Expenditure on research is written off in the period in which it is incurred. Development expenditure incurred on specific projects is capitalised where the Board is satisfied that the following criteria have been met:

- it is technically feasible to complete the software product so that it will be available for use and management intends to complete the software product and use or sell it
- it can be demonstrated how the software product will generate probable future economic benefits
- adequate technical, financial, and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

External software license cost includes expenditure that is directly attributable to the acquisition of the items.

Computer software development expenditure and external software licenses recognised as assets are amortised on a straight-line basis over their estimated useful lives, which does not exceed 3 years

Development Costs

The Group capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

2.17 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the statement of profit and loss.

2.18 Discontinued operations

A discontinued operation is a component of Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business or geographical area of operations and

i. Is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or

ii. Is a subsidiary acquired exclusively with a view to re-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit loss is re-presented as if the operation had been discontinued from the start of the comparative period.

2.19 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 3A - Property, Plant and Equipment

Rs. in million

Particulars	Gross Block				Accumulated Depreciation / Amortization				Net Block	
	As at April 1, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 1, 2022	During the year	On disposal during the year	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Plant and equipments	982	82	68	996	817	105	69	853	143	165
Previous year	(900)	(114)	(32)	(982)	(746)	(102)	(31)	(817)	(165)	(154)
Furniture and fixtures	22	1	-	23	19	2	-	21	2	3
Previous year	(25)	(3)	(6)	(22)	(19)	(5)	(5)	(19)	(3)	(6)
Office equipments	94	3	2	95	72	9	1	80	15	22
Previous year	(94)	(3)	(3)	(94)	(64)	(11)	(3)	(72)	(22)	(30)
Improvement to leased premises	54	1	-	55	51	3	-	54	1	3
Previous year	(108)	-	(54)	(54)	(88)	(14)	(51)	(51)	(3)	(20)
Total	1,152	87	70	1,169	959	119	70	1,008	161	193
Previous year	(1,127)	(120)	(95)	(1,152)	(917)	(132)	(90)	(959)	(193)	(210)

Note 3B - Right of use asset

Rs. in million

Particulars	Gross Block				Accumulated Depreciation / Amortization				Net Block	
	As at April 1, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 1, 2022	During the year	On disposal during the year	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Right to use of office premises	467	15	-	482	262	96	-	358	124	205
Previous year	(462)	(5)	-	(467)	(174)	(88)	-	(262)	(205)	(288)
Total	467	15	-	482	262	96	-	358	124	205
Previous Year	(462)	(5)	-	(467)	(174)	(88)	-	(262)	(205)	(288)

Note 3C - Intangible Assets (Other than internally generated)

Rs. in million

Particulars	Gross Block				Accumulated Depreciation / Amortization				Net Block	
	As at April 1, 2022	Additions during the year	Disposals during the year	As at March 31, 2023	As at April 1, 2022	During the year	On disposal during the year	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Computer software	590	21	-	611	590	16	-	606	5	-
Previous year	(587)	(3)	-	(590)	(587)	(3)	-	(590)	-	-
Intellectual property rights	163	-	-	163	110	32	-	142	21	53
Previous year	(163)	-	-	(163)	(78)	(32)	-	(110)	(53)	(85)
Total	753	21	-	774	700	48	-	748	26	53
Previous Year	(750)	(3)	-	(753)	(665)	(35)	0	(700)	(53)	(85)

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 3D - Intangible assets under development (Internally generated assets)

The Company has incurred in Research and Development costs towards research, technology, engineering and new product development. The Company follows a policy of capitalising new product development, which meets the criteria of Ind AS 38 intangible assets and has accordingly recognised such cost as Internally generated intangible asset under 'intangible assets under development'.

The details of expenses which are recognised as intangible assets under development is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Salary, wages and bonus	256	-
Subcontracting cost	70	-
Total	326	-

Ageing of Intangible assets under development -

Intangible assets under development	Amount of Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	326	-	-	-	326
Projects temporarily suspended	-	-	-	-	-

	As at March 31, 2022				
Intangible assets under development	Amount of Intangible Assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development the completion of which is overdue:-

Intangible assets under development	As at March 31, 2023			
	Less than one year	1-2 years	2-3 years	More than 3 years
(i) Projects in progress				
Mobiquity Pay v11	96	-	-	-
PreTUPS V8	21	-	-	-
MRTM 0.5	49	-	-	-
DBXP	61	-	-	-

Note 3E - Capital work-in-progress

Capital work-in-progress ageing schedule as on March 31, 2023

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	35	-	-	-	35
Projects temporarily suspended	-	-	-	-	-

Capital work-in-progress ageing schedule as on March 31, 2022

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	37	-	-	-	37
Projects temporarily suspended	-	-	-	-	-

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

The Company does not have any CWIP which is overdue or as exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 4 (i)- Non-current investments :

Rs. in million

Particulars	As at		
	March 31, 2023		March 31, 2022
a) In subsidiaries			
Comviva Technologies Nigeria Limited 683,916,187 (March 31, 2022: 683,916,187) common Stock of Naira 1 each, fully paid up		151	151
Comviva Technologies FZ-LLC 55 (March 31, 2022: 55) Common Stock of AED 1,000 each, fully paid up		1	1
Comviva Technologies B.V. * 22,138,790 (March 31, 2022: 19,055,090) Common Stock of EUR 1 each, fully paid up		2,296	1,677
Comviva Technologies (Argentina) S.A.			13
790 (March 31, 2022: 790) common stock ARL 1 Each, fully paid)	14		
Less : Provision for diminution in the value of investments #	(14)	-	
Comviva Technologies Do Brasil Indústria, Comércio, Importação E Exportação LTDA (Formerly known as ATS Advanced Technology Solutions Do Brasil Industria, Comercio, Importacao E Exportacao LTDA)			
5,000 (March 31, 2022: 5,000) common stock BRL 1 Each, fully paid	2		
Less : Provision for diminution in the value of investments #	(2)	-	2
Comviva Technologies Madagascar Sarlu 3,200 shares (March 31, 2022: 3,200) for MGA 20,000 Each, fully paid		1	1
Comviva Technologies USA Inc 400,000 shares (March 31, 2022: 400,000) for USD 1 per share		30	30
Comviva Technologies Myanmar Limited 200,000 shares (March 31, 2022: 200,000) for USD 1 Each, fully paid		15	15
YABX India Private Limited 7,000,000 shares (March 31, 2022: 7,000,000) for INR 10 Each, fully paid		70	70
YABX Technologies (Netherlands) BV (Company has made investment on 24 March 2023, however shares are pending allotment)		83	-
Comviva Technologies Americas Inc.	1,794		-
22,000,000 shares (March 31, 2022: Nil) for USD 1 per share			
Less : Provision for diminution in the value of investments #	(522)	1,272	
Subtotal (a)		**3,919**	**1,960**
b) Investment in bonds-quoted (Carried at fair value through P&L)			
Corporate bonds		5	12
Subtotal (b)		**5**	**12**
Total (a)+(b)		**3,924**	**1,972**

Note : The Company has investments in subsidiaries . These investments are accounted for at cost less impairment. Management assesses the operations of these entities, including the future projections, to identify indications of diminution, other than temporary, in the value of the investments.In case where impairment triggers are identified, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized if the investment's carrying amount exceeds the greater of its fair value less costs to sell and value in use.The performance in few of the subsidiaries and the relevant economic and market indicators have led the company to reassess recoverable amount in the subsidiaries listed below, as at March 31, 2023.Since the recoverable amount determined was lower than the carrying value ofthe respective investment, the Company has recognized an impairment loss of 538 million for the year ended March 31, 2022 (March 31, 2022 Rs. Nil).

The discount rate used to determine the investment's value in use as at March 31, 2023 are as follows:

Particulars	**Mar-23**
Comviva Technologies Americas Inc.	15.15%
Comviva Technologies Do Brasil Indústria, Comércio, Importação E Exportação LTDA (Formerly known as ATS Advanced Technology Solutions Do Brasil Industria, Comercio, Importacao E Exportacao LTDA)	21.81%
Comviva Technologies (Argentina) S.A.	53.68%

Note 4 (ii) - Current investments :

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
a) Investment in mutual funds-unquoted (Carried at fair value through P&L)		
UTI Liquid Cash Plan - Direct Growth Plan: Nil units (Previous year: 164,031.66 units @ NAV Rs. 3,488.04)	-	572
Mahindra Manulife Liquid Fund Direct Growth: Nil units (Previous year: 275,760.45 units @ NAV Rs. 1,384.18)	-	382
Total	**-**	**954**

Note 5 - Loans : Non Current

Particulars	As at	
	March 31, 2023	March 31, 2022
Loans to subsidiary:		
- Considered good – Unsecured	163	15
- Allowance for expected credit loss	-	-
	163	15
Total	**163**	**15**

Loans and advances to Directors/ KMP/ Related parties as at March 31, 2023

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	0%
Directors	-	0%
KMPs	-	0%
Related Parties	163	100%

Loans and advances to Directors/ KMP/ Related parties as at March 31, 2022

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	0%
Directors	-	0%
KMPs	-	0%
Related Parties	15	100%

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 6 - Deferred tax assets (refer Note 39):

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Break up of deferred tax assets		
Provision for Employee benefits	180	159
Provision for doubtful Trade receivables	284	227
Investments		
Others	46	60
Break up of deferred tax liability		
Cash flow hedging reserve		-
Property, Plant & Equipment and Intangible assets	(62)	(1)
Changes in fair value of derivatives designated as hedges	(2)	(2)
Total	**446**	**443**

Note 7 - Other Assets :

(i) Other non current assets **Rs. in million**

Particulars	As at	
	March 31, 2023	March 31, 2022
- Balance with Government authorities	249	180
- Prepaid expenses	3	8
- Capital advances	-	2
Total	**252**	**190**

(ii) Other current assets **Rs. in million**

Particulars	As at	
	March 31, 2023	March 31, 2022
- Advance to suppliers		
-Considered good	139	22
-Considered doubtful	-	1
	139	23
Provision for doubtful advances	-	1
	139	22
- Other loan and advances		
-Considered good	33	15
-Considered doubtful	8	8
	41	23
-Provision for doubtful advances	8	8
	33	15
- Balance with Government authorities	221	203
- Prepaid expenses	166	143
- Contract Asset	1,173	548
Total	**1,732**	**931**

Note 8 - Inventories :

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
(Valued at lower of cost and net realizable value)		
- Others - Stock of IT equipments and purchased software (consumed in IT projects)	-	12
Total	**-**	**12**

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 9 - Trade receivables :

(i) Non current Trade receivables :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables - Unbilled	-	40
Total	**-**	**40**

(ii) Current Trade receivables :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables - Billed		
- Considered good – Unsecured	4,668	4,092
Less: Allowance for expected credit loss	930	791
	3,738	3,301
- Credit impaired – Unsecured	196	112
Less: Allowance for credit impairment	196	112
	-	-
Trade Receivables - Billed (A)	**3,738**	**3,301**
Trade Receivables - Unbilled (B)	**1,371**	**1,057**
Total (A+B)	**5,109**	**4,358**

Trade Receivables ageing schedule as at March 31, 2023

Rs. in million

Particulars	Outstanding for following periods from due date of payments: Not Due	Less than 6 months	6 months - 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
Trade Receivables - Billed							
Undisputed trade receivables- considered good	916	1,985	634	495	236	402	4,668
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	25	-	171	196
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed dues- Unbilled	-	-	-	-	-	-	-
Undisputed dues- Unbilled	-	-	-	-	-	-	-
Intercompany- Unbilled	-	-	-	-	-	-	-
Intercompany Trade Receivables	-	-	-	-	-	-	-
	916	**1,985**	**634**	**520**	**236**	**573**	**4,864**
Less: Allowance for doubtful trade receivables							1,126
							3,738
Trade receivable - Unbilled (Non current and current)							**1,371**
Total Trade Receivables							**5,109**

Trade Receivables ageing schedule as at March 31, 2022

Rs. in million

Particulars	Outstanding for following periods from due date of payments: Not Due	Less than 6 months	6 months - 1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
Trade Receivables - Billed							
Undisputed trade receivables- considered good	606	1,671	529	650	358	278	4,092
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	112	112
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed dues- Unbilled	-	-	-	-	-	-	-
Undisputed dues- Unbilled	-	-	-	-	-	-	-
Intercompany- Unbilled	-	-	-	-	-	-	-
Intercompany Trade Receivables	-	-	-	-	-	-	-
	606	**1,671**	**529**	**650**	**358**	**391**	**4,204**
Less: Allowance for doubtful trade receivables							903
							3,301
Trade receivable - Unbilled (Non current and current)							**1,097**
Total Trade Receivables							**4,398**

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Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 10 - Cash and cash equivalents :

Rs. in million

Particulars	As at	
	March 31, 2023	**March 31, 2022**
Cash on hand	-	-
Remittances in transit	277	215
Balances with banks:		
- In current accounts	484	242
- In deposit accounts	359	217
Total	**1,120**	**674**

Note 11 - Other balances with bank :

Rs. in million

Particulars	As at	
	March 31, 2023	**March 31, 2022**
Earmarked balances with bank		
- Balance held under margin money account	8	7
Total	**8**	**7**

Note 12 - Other financial assets :

(i) - Other Financial assets : Non Current

Rs. in million

Particulars	As at	
	March 31, 2023	**March 31, 2022**
Security deposits		
- Considered good	55	50
- Considered doubtful	-	-
	55	50
- Provision for doubtful advances	-	-
	55	50
Total	**55**	**50**

(ii) - Other Financial assets : Current

Rs. in million

Particulars	As at	
	March 31, 2023	**March 31, 2022**
Dues from subsidiary companies		
- Considered good	229	159
- Considered doubtful	96	89
	325	248
- Provision for doubtful advances	96	89
	229	159
Derivative financial assets	-	7
Interest accrued	10	12
Security deposits		
- Considered good	2	2
- Considered doubtful	4	4
	6	6
- Provision for doubtful advances	4	4
	2	2
Total	**241**	**180**

Note 13 - Share capital :

Particulars	As at			
	March 31, 2023		March 31, 2022	
	Number	Rs. in million	Number	Rs. in million
(a) Authorized :				
Equity shares of Rs. 10 each	2,55,00,000	255	2,55,00,000	255
Series A 0.001% fully convertible non-cumulative preference shares of Rs. 10 each	80,00,000	80	80,00,000	80
(b) Issued, subscribed and fully paid up :				
Equity shares of Rs. 10 each fully paid up	2,43,43,226	243	2,18,69,000	219
Total	**2,43,43,226**	**243**	**2,18,69,000**	**219**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at			
	March 31, 2023		March 31, 2022	
	Number	Rs. in million	Number	Rs. in million
Equity Shares				
Opening Balance	2,18,69,000	219	2,18,69,000	219
Add: Shares issued during the year	24,74,226	24	-	-
Closing Balance	2,43,43,226	243	2,18,69,000	219

(ii) Terms, rights and restrictions attached to:

Equity Shares:
The Company has equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the equity shares held by the shareholders.

Series A 0.001% fully convertible non-cumulative preference shares:
The Company has class of fully convertible non-cumulative redeemable preference shares having a par value of Rs. 10 per share.

(iii) Details of shares held by the holding Company

Particulars	Number of Shares	
	As at March 31, 2023	As at March 31, 2022
Tech Mahindra Limited	24,341,139*	21,866,913*

* It includes 7 shares which are held by seven Individual nominee shareholders of Tech Mahindra Limited.

(iv) Details of equity shares held by shareholder holding more than 5%:

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No of Shares	% of Holding#	No of Shares	% of Holding#
Tech Mahindra Limited*	2,43,41,139	99.99%	2,18,66,913	99.99%

This percentage of holding is presented with reference to Issued, Subscribed and Paid up.
*It is the sole promoter of the Company.

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 14 - Other Equity :

Rs. in million

Particulars	**As at**			
	March 31, 2023		**March 31, 2022**	
Securities premium account				
Opening balance	566		566	
Add: Addition on account of issue of shares	2,376		-	
Closing balance		2,942		566
Capital Reserves		53		53
Hedging reserve (refer note 29)				
Opening balance	5		7	
(Less): Other Comprehensive loss	(4)		(2)	
Closing balance		1		5
Surplus in the statement of profit and loss				
Opening balance	7,599		7,627	
Add : Profit for the year	516		439	
Add: Other Comprehensive loss	(14)		(30)	
(Less): Dividend *	-		(437)	
Closing balance		8,101		7,599
Total		**11,097**		**8,223**

* Interim dividend of Rs. 20 per equity share was paid during the year ended 31st March 2022

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 15 - Provisions :

(i) Non-current provisions

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Provision for employee benefits		
-Gratuity	215	178
-Compensated absences	54	42
-Other employee benefit obligation	72	27
Total	**341**	**247**

(ii) Current provisions

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Provision for employee benefits		
-Gratuity	45	37
-Compensated absences	30	24
-Other employee benefit obligation	39	16
	114	77
Provision for warranties	8	8
Total	**122**	**85**

Note 16 - Other liabilities :

(i) Non-current liabilities

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Unearned revenue	3	0
Total	**3**	**0**

(ii) Current liabilities

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Unearned revenue	19	19
Statutory remittances	135	112
Advance from customers	142	105
Total	**296**	**236**

Note 17 - Trade payables :

Rs. in million

Particulars	**As at**	
	March 31, 2023	**March 31, 2022**
Creditors for supplies / services	1,601	1,084
Creditors for supplies / services under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)	55	20
Total	**1,656**	**1,104**

* Refer note 36 for Disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Trade Payables ageing schedule as on March 31, 2023

Rs. in million

Particulars	**Outstanding for following periods from due date of payments**					
	Not Due	**Less than 1 year**	**1-2 yrs.**	**2-3 yrs.**	**More than 3 years**	**Total**
Undisputed MSME	13	40	2	0	0	**55**
Undisputed Others	3	354	1	1	5	**364**
Disputed dues- MSME	-	-	-	-	-	**-**
Disputed dues- Others	-	-	-	-	-	-
Disputed dues- Unbilled	-	-	-	-	-	-
Undisputed dues- Unbilled	-	-	-	-	-	-
Intercompany- Unbilled	-	-	-	-	-	-
Intercompany Trade Payables	-	-	-	-	-	-
	16	**394**	**3**	**1**	**5**	**419**
Add: Accrued expenses						1,237
Total Trade payables						**1,656**

Trade Payables ageing schedule as on March 31, 2022

Rs. in million

Particulars	**Outstanding for following periods from due date of payments**					
	Not Due	**Less than 1 year**	**1-2 yrs.**	**2-3 yrs.**	**More than 3 years**	**Total**
Undisputed MSME	4	16	-	-	-	**20**
Undisputed Others	81	59	-	3	1	**144**
Disputed dues- MSME	-	-	-	-	-	**-**
Disputed dues- Others	-	-	-	-	-	-
Disputed dues- Unbilled	-	-	-	-	-	-
Undisputed dues- Unbilled	-	-	-	-	-	-
Intercompany- Unbilled	-	-	-	-	-	-
Intercompany Trade Payables	-	-	-	-	-	-
	85	**75**	**-**	**3**	**1**	**164**
Add: Accrued expenses						940
Total Trade payables						**1,104**

Note 18 - Other Financial liabilities:

(i) Other Financial liabilities : Current

Rs. in million

Particulars	As at	
	March 31, 2023	**March 31, 2022**
Accrued salary and benefits	284	307
Payables on purchase of Property, plant and equipment	4	57
Contractual obligation	11	10
Due to subsidiary	14	14
Derivative financial liabilities	11	-
Total	**324**	**388**

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 19 - Revenue from continuing operations :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Licence Fee with Implementation and other services	6,236	4,266
Revenue sharing arrangements	537	466
Annual maintenance contract services	1,557	1,500
	8,330	6,233
Income from sale of equipments and software (third party)	444	251
Total	**8,774**	**6,484**

Note 20 - Other income :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income	21	13
Profit on sale of current investments	10	47
Dividend received from subsidiaries	-	65
Dividend received on mutual fund investments	9	-
Gain due to fair valuation changes on financial assets (net)	-	(4)
Profit on sale of subsidiary	-	2
Profit on sale of property, plant and equipment (net)	3	1
Foreign Exchange gain (net)	133	80
Sundry Balances written back	-	37
Income from sub-lease	16	12
Reimbursement of expenses	31	54
Miscellaneous Income	-	8
Total	**223**	**315**

Note 21 - Employee benefits expense :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	3,066	2,462
Contribution to provident and other funds	164	128
Gratuity expenses	37	41
Staff welfare expenses	72	43
Total	**3,339**	**2,674**

Note 22 - Finance costs :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on lease liability	14	18
Total	**14**	**18**

Comviva Technologies Limited
Notes forming part of the Standalone Financial Statements

Note 23 - Other expenses :

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
Cost of hardware equipments,softwares and other items		998		627
Royalty and software charges		23		19
Travelling and conveyance		247		50
Freight and forwarding charges		13		8
Recruitment Expenses		72		20
Power and fuel		25		23
Rent		11		16
Rates and taxes		4		59
Insurance		55		49
Repairs and maintenance		338		224
Advertising and sales promotion		87		78
Communication costs		19		22
Corporate Social Responsibility		36		34
Legal and professional fees		99		108
Conference expenses		37		9
General office expenses		23		11
Provision for doubtful debts (net)				
- Bad debts	149		281	
- Provision for debts	154		33	
		303		314
Miscellaneous expenses		19		13
Total		**2,409**		**1,684**

25. Details of employee benefits as required by the IND AS-19 – Employee Benefits are as under:

a) Defined Contribution Plan

The Company makes contributions to Provident Fund which is defined contribution plan for qualifying employees. Under this Scheme, the Company contributes a specified percentage of the payroll costs to the fund. Amounts recognised as an expense in the Statement of Profit and Loss is Rs.164 million (year ended March 31, 2022 : Rs. 128 million) for provident fund contributions.

b) Defined Benefit Plan - Gratuity

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan is partially funded.

I] Changes in Defined Benefit Obligation (‘DBO’) and Trust Fund plan assets recognized in the Balance Sheet are as under:

Rs. in million

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Defined Benefit Obligation as at the beginning of the year	217	177
Current Service Cost	25	32
Interest cost	12	9
Benefits Paid	(31)	(41)
Acquisition (gain)/loss	20	-
Actuarial (gain)/loss - experience	22	35
Actuarial (gain)/loss - demographic assumptions	-	-
Actuarial (gain)/loss - financial assumptions	(3)	5
Defined Benefit Obligation as at the end of the year	**262**	**217**

II] Change in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows :

Rs. in million

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Fair value of plan assets at the beginning of the year	2	2
Interest income on plan assets	0	0
Contributions by employer	-	-
Benefits Paid	-	-
Remeasurement- Return on plan assets excluding amount included in interest income	0	0
Fair value of plan assets at end of the year	**2**	**2**

Net defined benefit Asset/(Liability) **Rs. in million**

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Defined benefit obligation	262	217
Fair value of plan assets	(2)	(2)
Net defined benefit obligation disclosed as:	260	215
- Current provisions	45	37
- Non current provisions	215	178

As at March 31, 2023 and March 31, 2022 plan assets were primarily invested in insurer managed funds

IV] Components of employer expenses recognised in the Statement of Profit and Loss:

Rs. in million

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Current Service Cost	25	32
Interest cost on Defined Benefit Obligation	12	9
Expected return on plan assets	(0)	(0)
Total expense recognised in the Statement of Profit & Loss (Refer note 21)	**37**	**41**

V] Actuarial (Gain)/Loss recognized in Other Comprehensive Income

Rs. in million

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Actuarial (gain)/loss due to defined benefit obligation experience	(22)	(35)
Actuarial (gain)/loss - demographic assumptions	-	-
Actuarial (gain)/loss due to defined benefit obligation assumption changes	3	(5)
Remeasurement- Return on plan assets excluding amount included in interest income	0	0
Net (gain)/loss recognised in Other Comprehensive Income	**(19)**	**(40)**

VI] Assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.10%	6.30%
Salary Escalation Rate	7.50%	7.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Employee Separation Rate	17.00%	17.00%

a) Discount rate : It is based upon the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities.

b) Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) Employee separation Rate: The assumption of Employee separation rate represents the Company's expected experience of employee turnover.

VII] Sensitivity analysis

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 and March 31, 2022 is as shown below:

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
A: Discount rate		
1. Effect on DBO due to 0.5% increase in discount rate	(6)	(5)
2. Effect on DBO due to 0.5% decrease in discount rate	6	5
B: Salary Escalation Rate		
1. Effect on DBO due to 0.5% increase in Salary escalation rate	6	4
2. Effect on DBO due to 0.5% decrease in Salary escalation rate	(6)	(4)
C: Withdrawal Rate		
1. Effect on DBO due to 5% increase in withdrawal rate	(5)	(3)
2. Effect on DBO due to 5% decrease in withdrawal rate	6	3

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

VIII] Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows: (Rs. in million)

Payout in the next	As at March 31, 2023	As at March 31, 2022
1 year	49	40
1-2 years	44	32
2-3 years	42	34
3-4 years	45	33
4-5 years	61	35
5 years and beyond	256	165

XIII] Plan asset information:

Particulars	As at March 31, 2023	As at March 31, 2022
Schemes of insurance - conventional products	100%	100%

XIV] Description of Plan characteristics and associated risks:

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

1. Interest rate risk
2. Salary Inflation risk
3. Demographic risk

XV] Description of Funding arrangements and policies:

The gratuity scheme of the Company is funded by way of a separate irrevocable Trust and the Company is expected to make regular contributions to the Trust. The fund is managed by an insurance Company and the assets are invested in their conventional group gratuity product.

26. Disclosure as per IND AS 116-Leases **Rs. in million**

Particulars	As at March 31, 2023	As at March 31, 2022
Minimum Lease Payments		
- Not later than one year	105	79
- Later than one year and not later than five years	48	143
- Later than five years	-	-

Amounts recognised in statements of cash flows:

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash outflow for leases	79	85
Total	**79**	**85**

27. Related Party Disclosure

a) Name of the related party and nature of relationship:-

Name of the Related Party	**Extent of holding / Relationship**
Mahindra and Mahindra Limited	Entity having significant influence
Tech Mahindra Limited	Holding Company
Where control exists:	
Comviva Technologies Nigeria Limited	100 % Subsidiary
Comviva Technologies FZ-LLC	100 % Subsidiary
Comviva Technologies USA INC.	100 % Subsidiary
Comviva Technologies Myanmar Limited	100 % Subsidiary
Comviva Technologies Cote D'Ivoire *	100 % Subsidiary
Comviva Technologies Madagascar Sarlu.	100 % Subsidiary
YABX Technologies (Netherlands) BV	100 % Subsidiary
YABX India Private Limited	100 % Subsidiary
Comviva Technologies B.V. and its subsidiaries	100 % Subsidiary
Comviva Technologies (Argentina) S.A.	99.96% subsidiary of Comviva Technologies B.V.
Comviva Technologies Do Brasil Indústria, Comércio, Importação E Exportação LTDA	99.96% subsidiary of Comviva Technologies B.V.
Comviva Technologies Colombia S.A.S.	100% subsidiary of Comviva Technologies B.V.
Comviva Technologies (Australia) Pty. Ltd	100% subsidiary of Comviva Technologies B.V.
Emagine International Pty. Ltd.**	100% subsidiary of Comviva Technologies (Australia) Pty. Ltd
Comviva Technologies Mexico, S. de R.L. de C.V.##	99.96% subsidiary of Comviva Technologies B.V.
Comviva Technologies Americas Inc.###	100% Subsidiary
Comviva International Netherlands B.V. (Formerly known as DynaCommerce Holding B.V.)####	100% Subsidiary of Comviva Technologies B.V.
Other related parties with whom transactions during the year/previous year:	
PT Tech Mahindra Indonesia	Fellow subsidiary
Tech Mahindra Foundation	Fellow subsidiary
Mahindra Educational Institutions	Fellow subsidiary
Tech Mahindra Healthcare LLC	Fellow subsidiary
Tech Mahindra Nigeria Limited	Fellow subsidiary
Tech Mahindra Guatemala, S.A.	Fellow subsidiary
The CJS Solutions Group, LLC (The HCI Group)	Fellow subsidiary
Born Commerce Private Limited	Fellow subsidiary
Key Management Personnel:	
Manoranjan Mohapatra	Whole time director & CEO
Neeraj Jain	Chief Financial Officer
Parminder Singh Bakshi	Company Secretary

* Incorporated on 18 February 2020, yet to commence operations

** The Company has been deregistrated with effect from 01 June 2022.

Dissolved and liquidated with effect from March 03, 2021. However, the process of cancellation of registration before Mexican tax authorities is pending as on date of this Report.

Incorporated on 4 November 2021.

During the year one of the subsidiary namely, Comviva Technologies Netherlands BV has acquired 100 % shares of Comviva International Netherlands BV (formerly known as DynaCommerce Holding BV),

b) Transactions with Related Parties:

Rs. in million

Particulars	Transactions For the year ended March 31, 2023 Revenue / (Expense)									Balance as at March 31, 2023 Assets / (Liabilities)											
	Sales	Interest Income	Dividend received/ (paid)	Cost of Goods/ Service (received)/ provided	Reimbursement of (Expenses)/ income	Donation Given	Investment made in subsidiaries	Loan given to subsidiaries	Managerial Remuneration	Trade Receivable	Unbilled Revenue	Contract Asset	Other Current Assets	Trade Payables#	Loans & other financial assets / liabilities	Contractual obligation	Investment	Interest Accrued	Deferred Revenue	Advance from Customers	Accrued benefit payable
Subsidiary Companies																					
Comviva Technologies Nigeria Limited	-	-	-	-	-	-	-	-	-	143	-	-	-	-	0	-		-	-	-	-
Comviva Technologies FZ-LLC	214	-	-	(199)	-	-	-	-	-	282	6	28	33	(0)	27	-		-	10	3	-
Comviva Technologies B.V.	697	-	-	8	-	-	620	-	-	480	159	62	6	-	(14)	(11)		-	-	0	-
Comviva Technologies (Argentina) S.A.	13	-	-		-	-	-	-	-	17	6	-	-	-	-	-		-	-	-	-
Comviva Technologies Madagascar Sarlu	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Comviva Technologies Myanmar Limited	-	-	-	-	31	-	-	-	-	-	-	-	-	-	195	-		-	-	-	-
YABX India Private Limited	-	6	-	-	2	-	-	148	-	4	-	-	-	-	163	-		6	-	-	-
YABX Technologies (Netherlands) BV	-	-	-	-	-	-	83	-	-	-	-	-	-	(10)	7	-		-	-	-	-
Comviva Technologies USA inc	-	-	-	-	-	-	-	-	-	-	-	-	-	(0)	-	-		-	-	-	-
Comviva Technologies do Brasil	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Comviva Technologies Colombia S.A.S.	9	-	-	-	-	-	-	-	-	-	16	-	-	-	-	-		-	-	-	-
Comviva Technologies Australia	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Comviva Technologies Americas Inc.	-	-	-	-	-	-	1,794	-	-	-	-	-	-	-	-	-		-	-	-	-
Comviva Technologies Florida	-	-	-	(0)	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
Holding Company	-	-	-	-	-	-	-	-					-								
Tech Mahindra Limited	817	-	-	-	(23)		-	-	-	80	95	24	3	(93)					4	3	-
	-	-	-	-	-	-					-	-	-	-	-	-	-	-	-		
Fellow Subsidiaries																					
PT Tech Mahindra Indonesia	36	-	-	-	-	-	-	-	-	11	5									247	-
Tech Mahindra Foundation	.	-	-	-	-	-	-	-	-												-
Mahindra Educational Institutions	-	-	-	-	-	(19)	-	-	-												-
Tech Mahindra Nigeria Limited	(0)	-	-	-	-	-	-	-	-												-
Tech Mahindra Arabia Ltd.	266	-	-	-	-	-						84									
Tech Mahindra Ltd - Belgium	(0)	-	-	-	-	-															
Born Commerce Private Limited	4	-	-	-	-	-	-	-	-												-
The CJS Solutions Group, LLC (The HCI Group)	-	-	-	-	-	-	-	-	-	-	-	-		-							-
Key Management Personnel*																					
Manoranjan Mohapatra	-	-	-	-	-	-	-	-	(33)	-	-	-	-	-	-	-	-	-	-	-	(10)
Neeraj Jain	-	-	-	-	-	-	-	-	(11)	-	-	-	-	-	-	-	-	-	-	-	(2)
Parminder Singh Bakshi	-	-	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-	-	-	-	(0)

Note:
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Rs. in million

Particulars	Transactions For the year ended March 31, 2022 Revenue / (Expense)									Balance as at March 31, 2022 Assets / (Liabilities)											
	Sales	Interest Income	Dividend Received	Cost of Goods/ Service (received)/ provided	Reimbursement of Expenses	Donation Given	Investment made in subsidiaries ##	Loan given to subsidiaries	Managerial Remuneration	Trade Receivable	Unbilled Revenue	Contract Asset	Other Current Assets	Trade Payables#	Loans & other financial assets / liabilities	Contractual obligation	Investment	Interest Accrued	Deferred Revenue	Advance from Customers	Accrued benefit payable
Subsidiary Companies																					
Comviva Technologies Nigeria Limited	90	-	-	-	-	-	-	-	-	131	-	-	-	-	89	-	-	-	-	-	-
Comviva Technologies FZ-LLC	22	-	49	(111)	-	-	-	-	-	151	18	27	-	(35)	(0)	-	1	-	(0)	(1)	-
Comviva Technologies B.V.	362	-	-	(210)	-	-	1,383	-	-	114	206	20	-	(155)	(12)	(10)	293	-	(0)	(0)	-
Comviva Technologies (Argentina) S.A.	8	-	-	(28)	-	-	-	-	-	8	-	-	-	-	-	-	14	-	-	-	-
Comviva Technologies Madagascar Sarlu	-	-	16	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-
Comviva Technologies Myanmar Limited	-	-	-	-	54	-	-	-	-	-	-	-	-	-	152	-	15	-	-	-	-
YABX India Private Limited	-	0	-	-	2	-	-	38	-	-	2	-	-	-	13	-	20	0	-	-	-
YABX Technologies (Netherlands) BV	-	-	-	(9)	-	-	50	-	-	-	-	-	-	(9)	7	-	-	-	-	-	-
Comviva Technologies Colombia S.A.S.	32	-	-	(83)	-	-	-	-	-	8	-	9	-	(59)	-	-	-	-	-	(0)	-
Holding Company																					
Tech Mahindra Limited	125	-	(437)	-	(23)	-	-	-	-	104	11	15	3	(50)	-	-	-	-	(9)	(3)	-
Fellow Subsidiaries																					
PT Tech Mahindra Indonesia	54	-	-	-	-	-	-	-	-	11	2	-	-	-	-	-	-	-	(3)	(2)	-
Tech Mahindra Foundation	-	-	-	-	-	(17)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tech Mahindra Nigeria Limited	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-
Tech Mahindra Guatemala, S.A.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
The CJS Solutions Group, LLC (The HCI Group)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mahindra Educational Institutions	-	-	-	-	-	(5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Key Management Personnel*																					
Manoranjan Mohapatra	-	-	-	-	-	-	-	-	(36)	-	-	-	-	-	-	-	-	-	-	-	(25)
Neeraj Jain	-	-	-	-	-	-	-	-	(11)	-	-	-	-	-	-	-	-	-	-	-	(3)
Parminder Singh Bakshi	-	-	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-	-	-	-	(0)

*The breakup of compensation of Key management personnel is as follows: Rs. in million

Key Management Personnel	Short-term employee benefits	Post-employment benefits***	Other long-term benefits***	Termination benefits	Termination benefits	Total
Manoranjan Mohapatra	33	-	-	-	-	33
	[36]	[-]	[-]	[-]	[-]	[36]
Neeraj Jain	11	-	-	-	-	11
	[11]	[-]	[-]	[-]	[-]	[11]
Parminder Singh Bakshi	2	-	-	-	-	2
	[2]	-	-	-	-	[2]

*** Employment benefits comprising gratuity, and compensated absences are not disclosed as these are determined for the Company as a whole.
Figures in brackets "[ ]" are for the year ended March 31, 2022
Trade payables includes creditors for capital goods.
Refer note 4 (i) for closing balance of investments

28 Contingent Liabilities and Commitments:

(i) Contingent Liabilities:

Rs. in million

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Income tax matters (refer note I)	1,988	1,592
2	Indirect tax matters (refer note II)	555	408
3	Other claims against the Company not acknowledged as debts (refer note III)	49	48

Note:

I Income Tax Matter:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. The disputes relate to tax treatment of certain expenses claimed as deductions, computation and eligibility of tax incentives or allowances. The Company has contingent liability in respect of demands from direct tax authorities in India and other jurisdictions, which are being contested by the Company on appeal amounting Rs. 1,988 million and Rs. 1,592 million as at March 31, 2023 and March 31, 2022 respectively. The Company periodically receives notices and inquiries from income tax authorities related to the Company’s operations in the jurisdictions it operates in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution. The number of years that are subject to tax assessments varies depending on tax jurisdiction. The major tax jurisdictions of Comviva Technologies Limited include India and African countries. In India, tax filings from fiscal 2017 are generally subject to examination by the tax authorities. In African counties, the statute of limitation vary by state.

II Indirect Tax Matter:

The Company has ongoing disputes with tax authorities mainly relating to availment of input tax credit and indirect tax matters. The Company has demands amounting to Rs. 555 million and Rs. 408 million as at March 31, 2023 and March 31, 2022, respectively from various indirect tax authorities which are being contested by the Company based on the management evaluation and on the advice of tax consultants.

III Other Claims:

Other claims aggregating Rs. 49 million and Rs. 48 million as at March 31, 2023 and March 31, 2022, respectively, against the Company have not been acknowledged as debt. The amounts assessed as contingent liability do not include interest that could be claimed by counter parties.

(ii) Commitments :

Rs. in million

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	126	151

29. Financial Instruments

The Company's Board of Directors have an overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

I] Financial instruments by category
The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

Rs. in million

Particulars	Amortised cost*	Financial assets/ liabilities at fair value through profit or loss	Derivative instruments in hedging relationship	Total carrying value	Total fair value*
Assets:					
Investment in bonds-quoted (Refer note 4 (i) (b))	-	5	-	5	5
Investment in mutual fund (Refer note 4 (ii))	-	-	-	-	-
Cash and cash equivalents (refer note 10)	1,120	-	-	1,120	1,120
Other balances with banks (refer note 11)	8	-	-	8	8
Trade receivables (refer note 9)	5,109	-	-	5,109	5,109
Loans (refer note 5)	163	-	-	163	163
Other financial assets (refer note 12(i) & 12(ii))	296	-	-	296	296
Total	**6,696**	**5**	-	**6,701**	**6,701**
Liabilities:					
Trade payables (refer note 17)	1,656	-	-	1,656	1,656
Lease Liability	153	-	-	153	153
Other financial liabilities (refer note 18(i))	324	-	11	335	335
Total	**2,133**	-	**11**	**2,144**	**2,144**

*Fair value of amortised assets is same as carrying value

The carrying value and fair value of financial instruments by categories as at March 31, 2022 were as follows:

Rs. in million

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Derivative instruments in hedging relationship	Total carrying value	Total fair value*
Assets:					
Investment in bonds-quoted (Refer note 4 (i) (b))	-	12	-	12	12
Investment in mutual fund (Refer note 4 (ii))	-	954	-	954	954
Cash and cash equivalents (refer note 10)	674	-	-	674	674
Other balances with banks (refer note 11)	7	-	-	7	7
Trade receivables (refer note 9)	4,398	-	-	4,398	4,398
Loans (refer note 5)	15	-	-	15	15
Other financial assets (refer note 12(i) & 12(ii))	222	1	7	230	230
Total	**5,317**	**966**	7	**6,290**	**6,290**
Liabilities:					
Trade payables (refer note 17)	1,104	-	-	1,104	1,104
Lease liability	222	-	-	222	222
Other financial liabilities (refer note 18(i) & 18(ii))	388	-	-	388	388
Total	**1,714**	-	-	**1,714**	**1,714**

*The fair value of cash and cash equivalents, other balances with bank, trade receivables, trade payables and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

II] Fair Value Hierarchy
The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are

The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities at net market value.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2023:

Rs. in million

Particulars	As at March 31, 2023	Fair value measurement as at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investment in bonds-quoted	5	5	-	-
Investments in mutual fund	-	-	-	-
Derivative financial instruments - foreign currency forward contracts	-	-	-	-
Liabilities				
Derivative financial instruments - foreign currency forward contracts	11	-	11	-

Rs. in million

Particulars	As at March 31, 2022	Fair value measurement as at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investment in bonds-quoted	12	12		
Investments in mutual fund	954	954	-	-
Derivative financial instruments - foreign currency forward contracts	7	-	7	-
Liabilities				
Derivative financial instruments - foreign currency forward contracts	-	-	-	-

III] Financial Risk Management

Financial Risk Factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

(i) Market risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro against the respective functional currency of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange currency risk.

The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currency of the Company. Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Company as disclosed in note below.

The carrying amounts of the Company’s foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

Rs. in million

Particulars	**Currency**	**As at March 31, 2023**	**As at March 31, 2022**
Financial assets	EUR	1,412	946
	USD	4,096	2,297
	Others	695	875
Financial liabilities	EUR	-	49
	USD	70	526
	Others	51	221

Forex sensitivity analysis:

A reasonably possible strengthening by 10% of EUR and USD against the Indian Rupee as at March 31, 2023 and March 31, 2022 will affect the statement of profit and loss by the amounts shown below:

Rs. in million

Currency	**As at March 31, 2023**	**As at March 31, 2022**
EUR	141	90
USD	403	177

(b) Foreign Exchange Contracts

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential effects on the financial performance of the Company.

The Company enters into foreign Exchange Forward Contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian Rupee. The counter party to the Company’s foreign currency Forward Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. These contracts are for a period lies between 1 day to 1 year.

The following are the principal amounts of outstanding foreign currency exchange forward entered into by the Company which have been designated as Cash Flow Hedges:

Currency	**Amount outstanding as at March 31, 2023 in foreign currency**	**Fair value Gain/ (loss) in Rs.**
In USD	20.00 million (March 31, 2022: 20.50 mn)	20.50 million (March 31, 2022: 6 mn)
In Euro	10.00 million (March 31, 2022: 1.45 mn)	1.45 million (March 31, 2022: 2 mn)

The movement in hedging reserve for derivatives designated as Cash Flow Hedges is as follows:

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
(a) Balance at the beginning of the year	6	9
(b) Changes in the fair value of effective portion of derivatives - (loss)/gain	-	(32)
(c) Net loss/(gain) reclassified to statement of profit and loss on occurance of hedged forcasted transactions	(5)	30
(d) (Loss)/gain on cash flow hedging derivatives, net (b+c)	(5)	(3)
(e) Balance at the end of the year	2	6
(f) Tax impact on effective portion of outstanding derivatives	(0)	(1)
(g) Balance at the end of the year, net of deferred tax (e+f)	1	5

(ii) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by government and quasi government organizations with high credit ratings.

Credit Risk Exposure

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 6207 million and Rs. 4,629 million as at March 31, 2023 and March 31, 2022 respectively, being the total of the carrying amount of trade receivables, unbilled revenue (excluding contract assets) and other various financial assets.

Trade receivable

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses financial position at each reporting date whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding accounts receivable and unbilled revenue as of March 31, 2023 and March 31, 2022. The concentration of credit risk is limited due to the fact that the customer base is large.

The expected credit loss allowance is based on the ageing of receivables and the rates in the provision matrix. Movement in the expected credit loss allowance is as follows:

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**903**	**841**
Provided during the year	647	488
Reversed/utilised during the year	(455)	(432)
Reinstatement impact	31	5
Balance at the end of the year	**1,126**	**903**

(iii) Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligation. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023

Rs. in million

Particulars	Less Than 1 Year	More Than 1 Year	Total
Borrowings	-	-	-
Lease Liabilities	105	48	153
Trade Payables	1,656		1,656
Other financial liabilities	324		324

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022

Rs. in million

Particulars	Less Than 1 Year	More Than 1 Year	Total
Borrowings	-	-	-
Lease Liabilities	79	143	222
Trade Payables	1,104	-	1,104
Other financial liabilities	388	-	388

30 Auditor Remuneration(net of indirect taxes)

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory Audit	6	5
Tax Audit	0	0
For other services (certifications, etc.)	1	1
For reimbursement of expenses	-	0
Total	**7**	**6**

31 Corporate Social Responsibilty

a) Gross Amount required to be spent by the Company during the year is Rs. 36 million (previous year Rs. 34 million) (calculated at 2% of the average net profits of the Company during the three immediately preceding financial years)

b) Amount spent during the year on:

Rs. in million

Particulars	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset*	2 [5]	- [-]	2 [5]
On purposes other than construction/acquisition of any asset*	34 [29]	- [-]	34 [29]

* Numbers in brackets "[ ]" pertains to previous year March 31, 2022

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the Company during the year	36	34
Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	2	5
(ii) On purposes other than (i) above	34	29
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Environmental sustainability and promoting education	Education and vocational activities, women empowerment and food supply
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
(i) Tech Mahindra Foundation	-	17
(ii) Mahindra Educational Institutions	19	5

32 Basic and Diluted Earning per share

Rs. in million except earning per share

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Nominal value per equity share	10	10
Profit after tax from continuing operations	566	450
Profit after tax from discontinued operations	(50)	(11)
Profit attributable to equity shareholders	516	439
	No. of Shares	**No. of Shares**
Weighted average number of equity shares	22,693,742	21,869,000
Weighted average number of diluted equity shares	22,693,742	21,869,000
Earning per share from continuing operations		
Earning Per Share- Basic	24.92	20.58
Earning Per Share- Diluted	24.92	20.58
Earning per share from discontinued operations		
Earning Per Share- Basic	(2.18)	(0.50)
Earning Per Share- Diluted	(2.18)	(0.50)
Earning per share from continuing and discontinued operations		
Earning Per Share- Basic	22.74	20.08
Earning Per Share- Diluted	22.74	20.08

33 Provision for warranty:

The movement in the said provision is summarized below:

Rs. in million

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Opening Balance	8	8
Add: Additional provision made during the year	8	-
Less: Provision reversed during the year	(8)	(0)
Closing balance	**8**	**8**

Note: Provision for warranty is estimated and made based on technical estimates of the management and is expected to be settled over the period of next

34 Segment Information has been presented in the Consolidated Financial Statements in accordance with Indian Accounting Standard Ind AS 108, Operating Segments as notified under the Companies (Indian Accounting Standard) Rules, 2015.

35 The Company has accounted as an expense of Rs. 5.54 million (year ended March 31, 2022: Rs. 10 million) pertaining to amortised cost of stock options granted to certain employees of the Company granted by Tech Mahindra Limited, its holding Company. This cost is being accounted as an employee

36 Based on the information available with the Company, following creditors have been identified as "Supplier" within the meaning of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

Disclosures under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Dues to micro and small suppliers	**As at March 31, 2023**	**As at March 31, 2022**
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
Principal	55	20
Interest	-	-
The amounts of the payments made to micro, small and medium suppliers beyond the appointed day during each accounting year.	-	-
The amount of interest paid under the act beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED	-	-

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2023 and March 31, 2022 has been made in the financial statements based on information received and available with the Company.

37 Disclosures for revenue from contracts with customers

a) Disaggregation of revenue

Revenue disaggregation by nature of services is as follows:

Rs. in million

Nature of Services	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
Licence fee with implementation and other services	6,236	2	6,238	4,500	233	4,733
Revenue sharing arrangements	537	-	537	233	-	233
Annual maintenance contract services	1,557	-	1,557	1,500	-	1,500
Income from sale of equipments and software (third party)	444	-	444	251	-	251
Total *	**8,774**	**2**	**8,776**	**6,484**	**233**	**6,717**

Revenue disaggregation by geography is as follows: **Rs. in million**

Geography	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
India	1,318	-	1,318	673		673
Rest of world	7,456	2	7,458	5,811	233	6,044
Total *	**8,774**	**2**	**8,776**	**6,484**	**233**	**6,717**

b) Significant changes in the contract assets balances is as follows:

Rs in million

Particulars	Total	Total
Opening balance	548	346
Add: Revenue recognised during the period	954	435
Less: Invoiced during the period	(328)	(215)
Add/less: Others	(2)	(18)
Closing balance	**1,172**	**548**

c) Remaining performance obligations

The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation for contracts where the performance obligation is a part of a contract that has an original expected duration of one year or less or the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revalidations, adjustments for revenue that has not materialized and adjustments for currency.

d) Significant changes in the contract liabilities balances is as follows:

Rs in million

Unearned Revenue	Total	Total
Opening balance	20	21
Less: Revenue recognised during the period that was included in the unearned revenue at the beginning of the year	(9)	(21)
Add: Invoiced during the period (excluding revenue recognized during the year)	12	19
Closing balance	**23**	**19**

e) The following table provides information in respect of amount of revenue recognised in the statement of profit and loss with the contracted price showing separately each of the adjustments made to the contract price:

Rs in million

Particulars	Total	Total
Contracted transaction for the year	8,841	6,733
Less: Adjustment for penalties / liquidated damages	(65)	(16)
Revenue recognized in the statement of profit and loss for the year	**8,776**	**6,717**

4 customers represents 10% or more of the Company's total revenue during the years ended.

38 Income Tax Expense

Tax expense in the statement of profit and loss comprises:

Rs in million

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Current tax:		
-Tax expense related to current year	698	1,098
-Tax expense related to earlier year	-	-
Total Current tax	**698**	**1,098**

The tax expense for the period can be reconciled to the accounting profit as follows:

Rs in million

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Profit before Tax	1,217	1,540
Enacted/effective tax rate	25.17%	25.17%
Income tax expense calculated at enacted/effective tax rate	**306**	**387**
Effect of expenses/income that are not admissible in determining taxable profit^	335	131
Effect of income taxes related to prior years^	-	519
Effect of tax on income at different rates	22	33
Others	35	28
Income tax expense recognised in profit or loss	**698**	**1,098**

^ Includes ineligible foreign tax credits

Note:
The tax rate used for the above reconciliations are the rates as applicable for the respective periods payable by corporate entities in India on taxable profits under the India tax laws.

39 Deferred Tax:

The following is the analysis of deferred tax assets presented in the balance sheet:

Rs in million

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Deferred tax assets	446	446
Deferred tax liabilities	-	(3)
Deferred tax assets (net)	**446**	**443**

The tax effect of significant timing differences that has resulted in deferred tax assets are given below:

Rs in million

Particulars	**For the year ended March 31,2023**			
	Opening balance	**Recognized in Profit and loss**	**Recognized in OCI**	**Closing balance**
Provision for Employee benefits	159	16	5	180
Provision for doubtful Trade receivables	227	57	-	284
Property, Plant & Equipment and Intangibles assets	(1)	(61)	-	(62)
Investments	-	-	-	-
Changes in fair value of derivatives designated as hedges	(2)	(1)	1	(2)
Others	60	(14)	-	46
Net Deferred Tax Assets	**443**	**(3)**	**6**	**446**

Rs in million

Particulars	**For the year ended March 31, 2022**			
	Opening balance	**Recognized in Profit and loss**	**Recognized in OCI**	**Closing balance**
Provision for Employee benefits	171	(22)	10	159
Provision for doubtful Trade receivables	212	15	-	227
Property, Plant & Equipment and Intangibles assets	(31)	30	-	(1)
Changes in fair value of derivatives designated as hedges	(2)	(1)	1	(2)
Others	84	(24)	-	60
Net Deferred Tax Assets	**434**	**(2)**	**11**	**443**

40 Foreign Exchange Management Act, 1999 disclosure :

The Company is required to collect outstanding dues from customers outside India within 9 months of supply of goods or service made. (March 31, 2022: 15 months) . If any Company is unable to collect the due amount within the stipulated timeline, it has to apply to RBI for extension. The Company has trade receivable amounting to Rs. 1,649 mn (March 31, 2022: 1,635 mn) outside India which has not been collected within the stipulated deadline. For these trade receivables, the Company has filed an extension request (ETX filing) with RBI through its authorised dealers.

Further, a Company is also required to pay the outstanding dues to vendors outside India within 9 months of receipt of goods or service. The trade payables outside India outstanding for more than 9 months are Rs. Nil (March 31, 2022: Nil).

41 Code of Social Security, 2020

The Code on Social Security, 2020 (‘Code’) relating to employee benefits received the Presidential assent in September 2020. The Ministry of Labour and Employment had released draft rules for the Code on November 13, 2020 and had invited suggestions from stakeholders which are under active consideration by the Ministry. However, the effective date from which the changes are applicable is yet to be notified. The Company will evaluate and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

42A Analytical ratios

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022	Variance	Variance reasons
1	Current Ratio (in times)	3.17	3.42	-7.30%	
2	Debt-Equity Ratio (in times)	0.01	0.03	0.00%	
3	Debt Service Coverage Ratio (in times)	17.09	9.89	72.73%	Variance due to higher tax expenses in previous financial year on account of excess Foreign tax credit write off.
4	Return on Equity Ratio (in %)	5.22%	5.19%	0.46%	
5	Trade Receivables turnover ratio (in times)	2.49	1.86	33.85%	Variance due to better collections during the current financial year
6	Trade payables turnover ratio (in times)	2.30	1.96	17.20%	
7	Net capital turnover ratio (in times)	1.56	1.33	17.04%	
8	Net profit ratio (in %)	5.88%	6.54%	-10.05%	
9	Return on Capital employed (in %)	10.71%	17.99%	-40.47%	Variance due to capital infusion of Rs. 2,400 million in current year.
10	Return on investment (in %)	1.26%	3.25%	-61.18%	Variance due to redemption of mutual funds.

The basis of computation of above parameters is provided in the table below:

1	Current Ratio	Current assets / current liabilities
2	Debt-Equity Ratio	(Non-current borrowings (+) current borrowings) / Equity * including lease liabilities
3	Debt Service Coverage Ratio	Profit before depreciation, amortisation, finance costs, exceptional items and tax / (interest expenses (+) principal repayments of long-term debt (+) payment of lease liabilities)
4	Return on Equity Ratio	Net Profits after taxes / Average Shareholder’s Equity
6	Trade Receivables turnover ratio	(Gross credit sales (-) sales return) / (Opening Trade receivables (+) Closing Trade receivables) / 2
7	Trade payables turnover ratio	(Gross credit purchases (-) purchase return) / (Opening Trade payables (+) Closing Trade payables) / 2
8	Net capital turnover ratio	(Total sales (-) sales returns) / (current assets (-) current liabilities.)
9	Net profit ratio	Net Profits after taxes / (Total sales (-) sales returns)
10	Return on Capital employed	Earning before interest and taxes / (Tangible Net Worth (+) Total Debt (+) Deferred Tax Liability)
11	Return on investment	Income generated from invested funds / Average invested funds in treasury investments

42B Additonal regulatory information required required by the Schedule III of Companies Act 2013.

a. The Company does not own any immovable property.

b. The Company does not have transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956.

c. The Company does not hold any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

d. The Company has not availed borrowings from banks or financial institutions on the basis of security of current assets and has not been declared a wilful defaulter by any bank or financial institutions or government or government authority.

e. The Company has not traded or invested in crypto currency or virtual currency during the current year.

f. a) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the intermediary shall:
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
b) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

h. The Company does not have any charges, satisfaction of which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

43 Discontinued Operations

In the FY 2015-16, The group has acquired the business of TSLEE with the acquisition of ATS Advanced Technology Solutions S.A. (renamed as Comviva Technologies (Argentina) S.A. after acquisition) and ATS Advanced Technology solutions do Brasil Industria,Comercio, importacao E Exportacao Ltda (renamed as Comviva Technologies Do Brasil Industria, Comércio, Importação e Exportação Ltda). The acquisition was done with the purpose of expansion in LATAM Market and also the European Market.
However, due to low volume of business and continuing operational losses, the company, during the current year has decided to discontinue the operations of TSLEE product and to focus on other product lines for better profit margins.

The financial performance of the discontinued operations are as follows:

Rs. in million

Particulars	**For the year ended Mar 31, 2023**	**For the year ended Mar 31, 2022**
Revenue from operations	2	233
Other income (net)	-	-
Total income	**2**	**233**
Expenses		
(a) Employee benefits expense	70	46
(b) Subcontracting cost	28	
(c) Finance costs	-	-
(d) Depreciation and amortization expense	-	-
(e) Other expenses	21	227
Total expenses	**119**	**273**
Loss before tax from Discontinued Operations	**(117)**	**(40)**
Tax (credit) from Discontinued Operations	(67)	(29)
Loss after tax from Discontinued Operations	**(50)**	**(11)**

Cash flow from (used in) discontinued operations:

Rs. in million

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Net cash used in operating activities	(52)	(194)
Net cash flow for the year	**(52)**	**(194)**

44 Previous year's figures have been re-classified to confirm to this year's classification.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No : 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Rahim Merchant
Partner
Membership No.: 132907
Pune

Manoranjan Mohapatra
Whole Time Director and CEO
Gurugram
DIN: 00043930

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Comviva Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Comviva Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the* Consolidated *Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's directors' report, but does not include the financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive loss, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter(s)

a. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs.7,276 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs.4,107 million and net cash flows (before consolidation adjustments) amounting to Rs.795 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

b. The financial statements/financial information of 12 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs.2,030 million as at 31 March 2023, total revenues (before consolidation adjustments) of Rs1,698 million and net cash flows (before consolidation adjustments) amounting to Rs.(390) million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at

31 March 2023 on the consolidated financial position of the Group. Refer Note 28 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2023.

d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 45 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 45 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report(s) of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune

Membership No.: 132907

Date: 24 April 2023

ICAI UDIN:23132907BGYQAI9424

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Comviva Technologies Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Clause (xxi) of the Companies (Auditor's Report) Order, 2020 (CARO): In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the entities	CIN	Relationship
Yabx India Private Limited	U74999HR2020PTC087507	Subsidiary

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Place: Pune
Membership No.: 132907

Date: 24 April 2023
ICAI UDIN:23132907BGYQAI9424

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Comviva Technologies Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Comviva Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company/Company/Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's/Company's/Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Comviva Technologies Limited for the year ended 31 March 2023 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter(s)

The internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary company is not material to the Holding Company.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Rahim Merchant

Partner

Membership No.: 132907

ICAI UDIN:23132907BGYQAI9424

Place: Pune

Date: 24 April 2023

COMVIVA TECHNOLOGIES LIMITED
Consolidated Balance Sheet as at March 31, 2023

Rs. in million

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non current assets			
(a) Property, plant and equipment	3A	296	333
(b) Capital work-in-progress	3D	116	71
(c) Right of use assets	3B	193	231
(d) Intangible assets	3C	871	979
(e) Intangible assets under development	3E	361	-
(f) Goodwill	34	694	748
(g) Financial assets			
(i) Investments	7B	6	12
(ii) Trade receivables			
Unbilled	8(i)	-	49
(iii) Other financial assets	11(i)	63	52
(h) Income tax Asset (net)		1,011	811
(i) Deferred tax assets (net)		1,164	538
(j) Other non-current assets	5(i)	253	191
Total non-current assets		5,028	4,015
Current assets			
(a) Inventories	6	-	17
(b) Financial assets			
(i) Investments	7A	-	954
(ii) Trade receivables			
Billed	8(i)	4,272	3,834
Unbilled	8(ii)	2,106	1,306
(iii) Cash and cash equivalents	9	2,891	1,300
(iv) Other balances with bank	10	100	72
(v) Other financial assets	11(ii)	8	21
(c) Other current assets	5(ii)	1,866	1,015
Total current assets		11,243	8,519
TOTAL ASSETS		**16,271**	**12,534**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	243	219
(b) Other equity	13		
Reserves and Surplus		10,358	7,207
Items of Other Comprehensive Income		(15)	(2)
Equity attributable to owners of the company		10,586	7,424
Non-controlling interest		0	0
Total Equity		10,586	7,424
Non current liabilities			
(a) Financial liabilities			
Lease Liabilities		126	171
(b) Provisions	15(i)	439	300
(c) Other non-current liabilities	16(i)	1	0
(d) Deferred tax liabilities (net)	4B	-	-
Total non-current liabilities		566	471
Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities		140	94
(ii) Borrowings	14	-	1,528
(iii) Trade payables	17	3,473	1,782
(iv) Other financial liabilities	18	423	500
(b) Other current liabilities	16(ii)	456	343
(c) Provisions	15(ii)	202	139
(d) Income tax liabilities (net)		425	253
Total current liabilities		5,119	4,639
TOTAL EQUITY AND LIABILITIES		**16,271**	**12,534**
See accompanying notes forming part of consolidated financial statements	1-46		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Rahim Merchant
Partner
Membership No.: 132907
Pune

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO
Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

COMVIVA TECHNOLOGIES LIMITED
Consolidated Statement of Profit and Loss for the year ended March 31, 2023

Rs. in million except earnings per share

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	19	12,450	8,194
Other income	20	68	253
Total income (I+II)		**12,518**	**8,447**
Expenses			
(a) Employee benefits expense	21	4,017	3,283
(b) Subcontracting cost		2,375	588
(c) Finance costs	22	46	30
(d) Depreciation and amortization expense	3	507	320
(e) Provision for impairment	34	123	-
(f) Other expenses	23	3,998	2,592
Total expenses		**11,066**	**6,813**
Profit before tax from continuing operations		**1,452**	**1,634**
Tax expenses	36		
(a) Current tax		853	1,128
(b) Deferred tax		(156)	(41)
		697	1,087
Profit after tax from continuing operations		**755**	**547**
DISCONTINUED OPERATIONS	42		
(a) Profit/(Loss) before tax from Discontinued Operations		(324)	73
(b) Tax (credit) /expense of Discontinued Operations		(207)	48
Profit after tax from discontinued Operations		**(117)**	**25**
Profit after tax for the year		**638**	**572**
Other comprehensive (loss)/income			
(I) Items that will not be reclassified to profit or loss			
(a) Re-measurement (loss) /gain on defined benefit plans		(20)	(40)
(II) Income tax relating to items that will not be reclassified to profit or loss		5	10
(I) Items that will be reclassified to profit or loss			
(a) Net movement of effective portion on cash flow hedge		(4)	(3)
(b) Exchange differences in translating the financial statements of foreign operations		182	(55)
(c) Hyperinflation adjustment on non monetary position	38	(40)	28
(II) Income tax relating to items that will be reclassified to profit or loss		1	1
Other comprehensive loss for the year		**124**	**(59)**
Total comprehensive income for the year		**763**	**513**
Profit for the year attributable to:			
Owners of the Company		638	572
Non controlling interests		-	-
Other comprehensive loss for the year attributable to:			
Owners of the Company		124	(59)
Non controlling interests		-	-
Total comprehensive income for the year attributable to:			
Owners of the Company		763	513
Non controlling interests		-	-
Earnings per equity share -Continuing Operations **(Face value of Rs. 10/- each)**	30		
(a) Basic (in Rs.)		33.29	25.03
(b) Diluted (in Rs.)		33.29	25.03
Earnings per Equity share - Discontinued Operations			
(a) Basic (in Rs.)		(5.15)	1.14
(b) Diluted (in Rs.)		(5.15)	1.14
Earnings per Equity share -Continuing and Discontinued Operations			
(a) Basic (in Rs.)		28.14	26.17
(b) Diluted (in Rs.)		28.14	26.17
See accompanying notes forming part of consolidated financial statements	1-46		

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Rahim Merchant
Partner
Membership No.: 132907
Pune

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO
Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

COMVIVA TECHNOLOGIES LIMITED
Consolidated Statement of changes in equity for the year ended March 31, 2023

a. Equity share capital

Particulars	Number of Shares	Equity Share Capital (Rs. in million)
Balance at April 1, 2021	2,18,69,000	219
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	**2,18,69,000**	**219**
Balance at April 1, 2022	2,18,69,000	219
Changes in equity share capital during the year	24,74,226	24
Balance as at March 31, 2023	**2,43,43,226**	**243**

b. Other equity

Rs. in million

Particulars	Reserves & Surplus				Items of OCI		Owners Equity	Non-Controlling interest	Total
	Securities Premium	Capital reserve	Retained Earnings	Share Option Outstanding Account	Foreign Currency Translation Reserve	Effective portion of cash flow hedge			
Balance at April 1, 2021	567	53	6,525	-	(32)	7	7,120	-	7,120
Profit during the year	-	-	572	-	-	-	572	-	572
Other comprehensive loss	-	-	(2)	-	(55)	(2)	(59)	-	(59)
Total comprehensive income	-	-	570	-	(55)	(2)	513	-	513
Share based payments to employees	-	-	-	9	-	-	9	-	9
Shares issue to non-controlling interest on exercise of ESOP	-	-	-	-	-	-	-	0	0
Transfer from share option outstanding account on exercise of stock options	-	-	-	(0)	-	-	(0)	0	-
Dividend (refer note 12)	-	-	(437)	-	-	-	(437)	-	(437)
Balance as at March 31, 2022	**567**	**53**	**6,658**	**9**	**(87)**	**5**	**7,205**	**0**	**7,205**
Balance at April 1, 2022	567	53	6,658	9	(87)	5	7,205	0	7,205
Profit during the period	-		638	-	-	-	638	-	638
Addition on account of issue of shares	2,376						2,376		2,376
Other comprehensive loss	-	-	(15)	-	142	(3)	124	-	124
Total comprehensive income	**2,376**	-	623	-	142	(3)	3,138	-	3,138
Share based payments to employees	-	-	-	0	-	-	0		0
Balance as at March 31, 2023	**2,943**	**53**	**7,281**	**9**	**55**	**2**	**10,343**	**0**	**10,343**

Securities Premium:
The aggregate difference between the par value of shares and the subscription amount is recognised as share premium.

Capital Reserve :
The company recognises profit and loss on purchase, sale, issue or cancellation of the company's own equity instruments to capital reserve.

Retained Earnings:
Retained earnings represents the undistributed profits of the Company accumulated as on Balance Sheet date.

Foreign currency translation reserve :
The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

Cash Flow Hedging Reserve :
The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged transaction occurs.

Share Option Outstanding Account :
It represents the fair value of services received against employees stock options.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Rahim Merchant
Partner
Membership No.: 132907
Pune

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO
Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

COMVIVA TECHNOLOGIES LIMITED
Consolidated Statement of Cash Flows for the year ended March 31, 2023

Rs. in million

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Rs. in million	Rs. in million	Rs. in million	Rs. in million
A] Cash flows from operating activities				
Profit before tax		1,128		1,707
Adjustments for:				
Depreciation and amortization	507		320	
Profit on sale of property, plant and equipment	(8)		(1)	
Profit on sale of investment	(18)		(47)	
Gain due to fair valuation changes on financial assets	(1)		4	
Interest expense	46		30	
Interest income	(25)		(16)	
Share options expenses	0		9	
Profit on sale of subsidiary	-		(2)	
Unrealised foreign exchange difference (net)	333		(110)	
Reversal of provision no longer required	-		(39)	
Provision for doubtful debt	197		386	
		1,031		534
Operating profit before working capital changes		2,159		2,241
Working capital adjustments:				
Trade Payables, other liabilities and provisions	1,750		157	
Other financial liabilities, other liabilities and provisions			6	
Trade receivables	(1,322)		(642)	
Other financial assets and other assets	(694)		(155)	
		(266)		(634)
Cash generated from operations		1,893		1,607
Income taxes paid (net of refund)		(880)		(955)
Net cash flows from operating activities (A)		1,013		651
B] Cash flows from investing activities				
Purchase of property, plant and equipment, intangible assets & intangible assets under development	(751)		(202)	
Interest Received	27		5	
Proceeds from sale/ redemption of Mutual Funds	1,402		4,670	
Proceed from sale of subsidiary	-		2	
Fixed deposit with bank	(28)			
Purchase of Mutual Funds	(440)		(4,080)	
Proceeds from sale/ redemption of Bonds	16		-	
Payment towards acquisition of business	(584)		(1,495)	
Sale of property, plant and equipment	127		6	
Proceeds from additional business consideration	(1)		-	
Proceeds from additional business consideration	-		724	
Proceeds from inter-corporate loan	-		154	
Net cash flows from investing activities (B)		(232)		(216)
C] Cash flows from financing activities				
Repayment of lease liabilities	(99)		(82)	
Proceeds/(repayment) of short term borrowings	(1,528)		110	
Payment of dividend	-		(437)	
Proceeds from issue of share capital	2,400			
Finance Cost	77		(45)	
Net cash flows from financing activities (C)		850		(454)
D] Exchange differences on translation of foreign currency cash and cash equivalents		(40)		16
Net increase/(decrease) in cash and cash equivalents (A + B+ C)		1,591		(3)
Cash & cash equivalents at the end of the period		2,891		1,300
Cash & cash equivalents at the beginning of the year		1,300		1,304
Net increase/(decrease) in cash and cash equivalents		1,591		(4)

COMVIVA TECHNOLOGIES LIMITED
Consolidated Statement of Cash Flows for the year ended March 31, 2023

Rs. in million

Particulars	As at March 31, 2023	As at Mar 31, 2022
	Rs.	Rs.
Note 1:		
Cash and cash equivalents include:		
Cash on hand	0	0
Remittances in transit	348	219
Balance with banks		
- In current accounts	1,871	675
- In deposit accounts	672	406
Total Cash and Cash equivalents - refer note - 9	**2,891**	**1,300**

Note 2:
Figures in brackets represent outflow of cash and cash equivalents.

Note 3:
The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 on Cash Flow Statements.

Note 4:
During the current and previous period, there were no non-cash changes in financial liabilities resulting from financing activities. Accordingly, the reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing acivities including both changes arising from cash flow and non-cash flow changes as required based on paragraph 44 of Ind AS 7 on "Statement of Cash Flows" has not been given.

See accompanying notes forming part of consolidated financial statements 1-46

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Comviva Technologies Limited

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Partner
Membership No.: 132907
Pune

Jagdish Mitra
Director
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Neeraj Jain
Chief Financial Officer
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Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023

Date: April 24, 2023

1. Company Overview

Comviva Technologies Limited ("the Company") is provider of mobility solutions and a part of Mahindra Group. The company's offerings are broadly divided into three categories: Financial Solutions, Digital Systems and Growth Marketing. Its extensive portfolio of solutions spans digital financial services, customer value management, messaging and broadband solution and digital lifestyle services. The company strives to enable service providers to enhance customer experience, resolve real, on-ground challenges and leverage technology to transform the lives of customers. Comviva's solutions are deployed at various service providers and financial institutions and enrich the lives of people to deliver a better future.

The Company is a subsidiary of Tech Mahindra Limited.

The consolidated financial statements for the period ended March 31, 2023 were approved by the Board of Directors and authorized for issue on April 24, 2023.

2. Significant Accounting Policies

2.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis for preparation of consolidated financial statements

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee ("INR"). Further, amounts which are less than half a million are reported as '0'. The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates. These consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle.

In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 *Inventories* or value in use in Ind AS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Current/ Non-current classification

The Group classifies an asset as current asset when:
- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –
- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

2.3 Basis of Consolidation:

The consolidated financial statements comprise the financial statements of Comviva Technologies Limited and its subsidiaries (the Company and its subsidiaries constitute "the Group").

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All inter-company transactions, balances and income and expenses and cash flows are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the company's interests and the non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

Particulars of Consolidation:

The consolidated financial statements present the consolidated accounts of the Group, which consists of accounts of the Company and its subsidiaries:

Investment in Subsidiaries:

Sr. No.	Name of the Subsidiary	Country of Incorporation	As at March 31, 2023	As at March 31, 2022
1	Comviva Technologies Nigeria Limited	Nigeria	100%	100%
2	Comviva Technologies FZ-LLC	UAE, Dubai	100%	100%
3	Comviva Technologies B.V. and its subsidiaries:	Netherlands	100%	100%
	i. Comviva Technologies (Argentina) S.A. (0.04% held by Comviva Technologies limited)	Argentina	100%	100%
	ii. Comviva Technologies Do Brasil Indústria, Comércio, Importação E Exportação LTDA (0.04% held by Comviva Technologies limited)	Brazil	100%	100%
	iii. Comviva Technologies Colombia S.A.S.	Colombia	100%	100%
	iv. Comviva Technologies Mexico, S. de R.L. de C.V.* (0.04% held by Comviva Technologies FZ LLC)	Mexico	100%	100%
	v. Comviva Technologies (Australia) Pty. Ltd. And its subsidiary	Australia	100%	100%
	vi. Comviva International Netherlands B.V. (formerly known as DynaCommerce Holding BV)***	Netherlands	100%	-
	a. Emagine International Pty. Ltd.^	Australia	100%	100%
4	Comviva Technologies Madagascar Sarlu	Madagascar	100%	100%
5	YABX Technologies (Netherlands) BV***	Netherlands	100%	100%
6	Comviva Technologies USA Inc.	USA	100%	100%
7	Comviva Technologies Myanmar Ltd.	Myanmar	100%	100%
8	Comviva Technologies Cote D'ivorie**	Ivory Coast	100%	100%
9	Yabx India Private Limited	India	99.80%	99.80%
10	Comviva Technologies Americas Inc	USA	100%	100%

*, Comviva Technologies Mexico, S de R.L. de C.V. has been dissolved and liquidated with effect from March 3, 2021. However, the process of cancellation of registration before Mexican tax authorities is pending as on date of this Report.

The Company also maintains an ESOP named "Comviva ESOP Trust" which is also consolidated in company financial statements.

**, The Company incorporated another wholly owned subsidiary named Comviva Technologies Cote D'ivorie in February 2020, however capital is not infused till March 31, 2023 and no business in same is started.

***, During the year one of the subsidiary namely, Comviva Technologies Netherlands BV has acquired 100 % shares of Comviva International Netherlands BV (formerly known as DynaCommerce Holding BV), refer note 40 for more details.

^ With effect from 1st June 2022, company has been deregistered.

2.4 Use of Estimates:

The preparation of consolidated financial statements requires the management of the Group to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Critical accounting estimates

i) Revenue Recognition

The Group applies the proportionate method for measurement of performance obligation in accounting for its fixed price contracts. Use of the proportionate method requires the Group to estimate the efforts to date as a proportion of the total budgeted efforts. Efforts have been used to measure progress towards completion as there is a direct relationship between input and productivity.

ii) Income taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The policy for the same has been explained under Note 2.17.

iii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 2.5.

iv) Provisions

Provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. The policy for the same has been explained under Note 2.19.

v) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103. Ind AS 103 requires the identifiable net assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets and their estimated useful life. These valuations are generally conducted by independent valuation experts.

vi) Impairment of Goodwill

The Group estimates the value in use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted- average cost of capital based on the historical market returns of comparable companies.

2.5 Property, Plant & Equipment and Other Intangible assets

Property, Plant & Equipment and Other Intangible assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciation / amortization of Property, Plant & Equipment and Other Intangible assets:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortization on Property, Plant & Equipment including assets taken on lease, other than freehold land is charged based on straight line method on an estimated useful life except in respect of the following categories of assets, where the life of the assets has been assessed as under based on technical advice, considering the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Type of Asset	**Estimated useful life**
Plant and Equipment (including Computers and Electrical Equipment)	3 -5 years
Office Equipment	5 years
Furniture and Fixtures	5 years

The estimated useful lives and residual values of the Property, Plant & Equipment and Other Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of Property, Plant & Equipment and intangible assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment and intangible assets is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss.

Improvements to leased premises are amortized over their estimated useful life or period of the lease, whichever is shorter.

Assets costing upto Rs. 5,000 are fully depreciated in the year of purchase except when they are part of a larger capital investment programme.

Computer Software and Hardware acquired for specific projects are amortized over the initial contract life of the project.

The cost of software purchased for internal use is capitalized and depreciated in full in the month in which it is put to use.

Intellectual Property Right (IPR) is amortized over a period of upto 6 years.

Customer relationships & contracts are amortized over a period of 3 years and commercial contracts are amortised over a period of 7 years.

Licenses are amortized over a period of 2 years.

2.6 Business Combination

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at fair value at the date of acquisition. Transaction costs incurred in connection with a business acquisition are expenses as incurred.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with IND AS 109 Financial Instruments or IND AS 37 Provisions, Contingent Liabilities and Contingent Assets, with the corresponding gain or loss being recognised in standalone statement of profit or loss.

2.7 Goodwill and intangible assets

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount. Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

2.8 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue to allocate the consideration in the contract.

2.9 Impairment of Assets

i) Financial assets

Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a Group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortized cost is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. In a subsequent period, if the amount of impairment loss decreases and the decrease can be related objectively to an event, the previously recognised impairment is reversed through profit or loss.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e., higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss.

Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis of the carrying amount of each asset in the unit.

2.10 Inventories

Inventories are stated at lower of cost or net realizable value. In determining the cost of materials, the weighted average cost method is used.

2.11 Non – current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the balance sheet.
If the criteria stated by IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of:

i. It's carrying amount before the asset was classified as held for sale, and
ii.It's recoverable amount at the date when the disposal group ceases to be classified as held for sale.

2.12 Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

Revenue from time and material and job contracts is recognized on output basis measured by units delivered, efforts expended, number of transactions processed, etc.

Revenue related to fixed price maintenance and support services contracts where the Group is standing ready to provide services is recognized based on time elapsed mode and revenue is straight lined over the period of performance.

In case of revenue sharing arrangements, revenue is recognized basis actual usage of value-added services as per contractually agreed rates.

Revenue from the sale of distinct internally developed software and manufactured systems and third party software is recognized upfront at the point in time when the system / software is delivered to the customer. In cases where implementation and / or customization services rendered, revenue against these services recognized over the period of time using proportionate method for measuring performance obligation.

Revenue on fixed price development contracts is recognised using the 'percentage of completion' method of accounting, unless work completed cannot be reasonably estimated. Percentage of completion is determined based on actual hours incurred to date as a percentage of total budgeted hours required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Group does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable.

Revenue from the sale of distinct third party hardware is recognized at the point in time when risk and rewards is transferred to the customer.

The solutions offered by the Group may include supply of third-party equipment or software. In such cases, revenue for supply of such third party products are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognizes revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

Unearned and deferred revenue ("contract liability") is recognized when there are billings in excess of revenues.

Use of judgments in revenue recognition.

The Group's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Contract fulfilment costs are generally expensed as incurred except for certain software license costs which meet the criteria for capitalization. The assessment of this criterion requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Dividend income is recognized when the Group's right to receive dividend is established.

2.13 Foreign currency transactions

(a) Presentation and functional currencies

The functional currency of Comviva Technologies Limited is Indian Rupees (INR) whereas the functional currency of foreign subsidiaries is the currency of their countries of domicile.

(b) Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency (INR) using exchange rates prevailing on the dates of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the profit or loss.

(c) Adjustment due to hyperinflation

After July 1, 2018, the Argentine economy was considered, for purposes of IND AS 29 as hyperinflationary. The financial statements of the subsidiaries whose functional currency is the Argentine Peso have been restated.

The non-monetary items of the statement of financial position as well as the income statement, comprehensive incomes and cash flows of the group's entities, whose functional currency corresponds to a hyperinflationary economy, are adjusted for inflation and re-expressed in accordance with the variation of the consumer price index ("CPI"), at each presentation date of its financial statements. The re-expression of non-monetary items is made from the date of initial recognition in the statements of financial position and considering that the financial statements are prepared under the historical cost criterion.

Net losses or gains arising from the re-expression of non-monetary items and income and costs are recognized in the consolidated income statement under "Hyperinflation Adjustment on non monetary position".

Net gains and losses on the re-expression of opening balances due to the initial application of IND AS 29 are recognized in the consolidated retained earnings.

Re-expression due to hyperinflation will be recorded until the period in which the economy of the entity ceases to be considered as a hyperinflationary economy, at that time, the adjustments made by hyperinflation will be part of the cost of non-monetary assets and liabilities.

The comparative amounts in the consolidated financial statements of the Company are presented in a stable currency and are not adjusted for subsequent changes in the price level or exchange rates.

2.14 Foreign Operations:

For the purpose of these financial statements, the assets and liabilities of the Group's foreign operations are translated using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on translation are recognized in other comprehensive income and accumulated in equity.

2.15 Financial Instruments:

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in profit or loss.

i) Non-derivative financial instruments:

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value

Financial asset not measured at amortized cost is carried at fair value through profit or loss (FVTPL) on initial recognition, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

The Group, on initial application of IND AS 109 *Financial Instruments*, has made an irrevocable election to present in other comprehensive income subsequent changes in fair value of equity instruments not held for trading.

Financial asset at FVTPL are measured at fair values at the end of each reporting period, with any gains or losses arising on re-measurement recognized in Statement of profit and loss.

Financial liabilities

Financial liabilities maturing after one year are subsequently carried at amortized cost using the effective interest method.

For trade payables and other financial liabilities maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ii) Derivative financial instruments and hedge accounting

The Group uses foreign currency forward contracts / options to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. The Group designates some of these as cash flow hedges applying the recognition and measurement principles set out in the Ind AS 109.

The use of foreign currency forward contracts / options is governed by the Group policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the Group's risk management strategy. The counter party to the Group's foreign currency forward contracts is generally a bank. The Group does not use derivative financial instruments for speculative purposes.

Foreign currency forward contract/option derivative instruments are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognized in other comprehensive income and accumulated under Hedging Reserve and the ineffective portion is recognized immediately in the Statement of Profit and Loss.

Amounts previously recognized in other comprehensive income and accumulated in Hedging Reserve are reclassified to profit or loss in the same period in which gains/losses on the item hedged are recognized in the Statement of Profit or Loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in other comprehensive income and accumulated in Hedging Reserve are transferred from Hedging Reserve and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Any Profit or Loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense in the period in which such cancellation or renewal occurs. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument classified in Hedging Reserve is retained there and is classified to Statement of Profit and Loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in Hedging Reserve is transferred to the Statement of Profit and Loss for the period.

iii) De-recognition of financial instruments

The group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The group derecognizes financial liabilities when, and only when, the group's obligation is discharged, cancelled or have expired.

2.16 Employee benefits

i) Gratuity:

The group accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for India location. Certain overseas subsidiaries/ branches of the group also provide for retirement benefit plans in accordance with the local laws.

Actuarial gains and losses are recognized in full in other comprehensive income and accumulated in equity in the period in which they occur. Past service cost is recognized in profit or loss in the period of a plan amendment.

ii) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company and its Indian subsidiaries make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. Full contribution is made to recognised provident fund. The contributions to the trust managed by the Company is accounted for as a defined benefit plan as the Company is liable for any shortfall in the fund assets based on the government specified minimum rates of return.

iii) Compensated absences:

The group provides for the compensated absences subject to group's certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for India location and some branches of Company, whereas provision for encashment of unavailed leave on retirement is made on actual basis for foreign subsidiaries and other branches of Company.
Actuarial gains and losses are recognized in full in the Statement of Profit and Loss in the period in which they occur.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

iv) Other short term employee benefits:

Other short-term employee benefits such as overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees, are recognized during the period when the employee renders the service.

2.17 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income taxes or deferred taxes are recognized in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.
Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Group will pay normal income tax in future.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.18 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/(loss) per share, the net profit/(loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.19 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities and Contingent assets are not recognized in the financial statements.

2.20 Provision for Warranty

The Group has an obligation by way of warranty to maintain the software during the period of warranty, which may vary from contract to contract. Costs associated with such sale are accrued at the time when related revenues are recorded and included in cost-of-service delivery. The Group estimates such cost based on historical experience and the estimates are reviewed periodically for material changes in the assumptions.

2.21 Research and Development

Expenditure on research is written off in the period in which it is incurred. Development expenditure incurred on specific projects is capitalised where the Board is satisfied that the following criteria have been met:

- it is technically feasible to complete the software product so that it will be available for use and management intends to complete the software product and use or sell it
- it can be demonstrated how the software product will generate probable future economic benefits
- adequate technical, financial, and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

External software license cost includes expenditure that is directly attributable to the acquisition of the items. Computer software development expenditure and external software licenses recognised as assets are amortised on a straight-line basis over their estimated useful lives, which does not exceed 3 years

Development Costs

The Group capitalises costs for product development projects. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

2.22 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the statement of profit and loss.

2.23 Discontinued operations

A discontinued operation is a component of Group's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

i. Is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or

ii. Is a subsidiary acquired exclusively with a view to re-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit loss is re-presented as if the operation had been discontinued from the start of the comparative period.

2.24 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Comviva Technologies Limited
Notes forming part of the Consolidated financial statements

Note 3A - Property, Plant and Equipment

Rs. in million

Particulars	Gross Block							Accumulated Depreciation/Amortization						Net Block	
	As at April 1, 2022	Additions on Acquisition	Additions	Disposals	Discontinued Operations	Translation exchange difference	As at March 31, 2023	As at April 1, 2022	For during the period	Disposal	Discontinued Operations	Translation exchange difference	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
3A. Tangible Assets															
Plant and equipment	1,219	5	110	96	-	46	1,284	981	136	13	-	(21)	1,083	201	238
(Previous year)	(1,075)	(26)	(170)	(35)	-	17	(1,219)	(899)	(133)	(35)	-	16	(981)	(238)	(176)
Furniture and fixtures	41	0	1	7	-	3	38	27	5	1	-	1	32	6	14
(Previous year)	(36)	(7)	(3)	(8)	-	(3)	(41)	(26)	(7)	(7)	-	(1)	(27)	(14)	(10)
Office equipment	134	-	3	34	-	4	107	78	12	4	-	2	88	19	56
(Previous year)	(102)	(30)	(3)	(3)	-	(2)	(134)	(67)	(12)	(3)	-	(2)	(78)	(56)	(35)
Improvement to leased premises	98	51	1	-	-	8	158	73	15	(0)	-	0	88	70	25
(Previous year)	(144)	-	(0)	(55)	-	(9)	(98)	(101)	(22)	(51)	-	(1)	(73)	(25)	(43)
Total	1,492	56	115	137	-	61	1,587	1,159	168	18	-	(18)	1,291	296	333
Previous Year	(1,357)	(63)	(176)	(101)	(0)	3	(1,492)	(1,093)	(174)	(96)	-	12	(1,159)	(333)	(264)

Note 3B - Right of use asset

Rs. in million

Particulars	Gross Block							Accumulated Depreciation/Amortization						Net Block	
	As at April 1, 2022	Additions on Acquisition	Additions	Disposals	Discontinued Operations	Translation exchange difference	As at March 31, 2023	As at April 1, 2022	For during the period	Disposal	Discontinued Operations	Translation exchange difference	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Right of Use for Office Premises	534	77	15	-	-	(11)	615	303	124	-	-	(5)	422	193	231
(Previous year)	(519)	-	(18)	-	-	3	(534)	(200)	(103)	-	-	(0)	(303)	(231)	(319)
Total	534	77	15	-	-	(11)	615	303	124	-	-	(5)	422	193	231
Previous Year	(519)	-	(18)	-	-	3	(534)	(200)	(103)	-	-	(0)	(303)	(231)	(319)

Note 3C - Intangible Assets
(Other than internally generated)

Rs. in million

Particulars	Gross Block							Accumulated Depreciation/Amortization						Net Block	
	As at April 1, 2022	Additions on Acquisition	Additions	Disposals	Discontinued Operations	Translation exchange difference	As at March 31, 2023	As at April 1, 2022	For during the period	Disposal	Discontinued Operations	Translation exchange difference	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Computer software	628	-	31	3	-	(21)	635	628	26	3	-	(21)	630	5	0
(Previous year)	(620)	(2)	(10)	-	-	4	(628)	(619)	(6)	-	-	(3)	(628)	0	(1)
Intellectual property rights	773	0	(0)	-	-	49	822	198	127	-	-	6	331	491	575
(Previous year)	(226)	(543)	-	-	-	(4)	(773)	(165)	(32)	-	-	(1)	(198)	(575)	(61)
Intangible Assets-Customer rights	-	-	(0)	-	-	(0)	(0)	0	(0)	-	-	(0)	(0)	0	0
(Previous year)	(188)	-	0	(181)	-	7	-	(188)	-	(181)	-	7	0	(0)	(0)
Intangible Assets-Commercial agreements	409	-	0	-	-	35	444	5	62	-	-	2	69	375	404
(Previous year)	-	(407)	-	-	-	(2)	(409)	-	(5)	-	-	(0)	(5)	(404)	-
Total	1,810	0	31	3	-	63	1,901	831	215	3	-	(13)	1,030	871	979
Previous Year	(1,034)	(952)	(10)	(181)	-	5	(1,810)	(972)	(43)	(181)	-	3	(831)	(979)	(62)

Note 3D - Capital work-in-progress

Capital work-in-progress ageing schedule as on March 31, 2023

CWIP	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	116	-	-	-	116
Projects temporarily suspended	-	-	-	-	-

As at 31-Mar-2023	**CWIP to be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Project 1	116	-	-	-	116
Project 2	-	-	-	-	-

Capital work-in-progress ageing schedule as on March 31, 2022

CWIP	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	71	-		-	71
Projects temporarily suspended	-	-	-	-	-

As at 31-Mar-2022	**CWIP to be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Project 1	71				
Project 2					

The group does not have any CWIP which is overdue or as exceeded its cost compared to its original plan and hence CWIP (including intangible assets under development) completion schedule is not applicable.

Note 3E - Intangible assets under development
(Internally generated assets)

The Group has incurred in Research and Development costs towards research, technology, engineering and new product development. The Group follows a policy of capitalising new product development, which meets the criteria of Ind AS 38 Intangible assets and has accordingly recognised such cost as Internally generated Intangible asset under 'Intangible assets under development'.

The details of expenses which are recognised as Intangible assets under development is as follows:

Rs. in million

Particulars	**March 31, 2023**	**March 31, 2022**
Salaries, wages and bonus	260	-
Subcontracting cost	101	-
Total	**361**	**-**

Intangible Asset under Development (IAUD) Ageing schedule as on March 31, 2023

Intangible assets under development	**Amount in IAUD for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	361	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible Asset under Development whose completion is overdue compared to its original plan:

As at 31-Mar-2023	**Amount in IAUD for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Mobiquity Pay v11	96	-	-	-	-
PreTUPS V8	21	-	-	-	-
MRTM 0.5	49	-	-	-	-
DBXP	61	-	-	-	-

Intangible Asset under Development (IAUD) Ageing schedule as on March 31, 2022
There were no intangible asset under development as on March 31, 2022

Note 4A - Deferred tax assets (net) :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Break up of deferred tax assets		
Provision for Employee benefits	152	159
Provision for doubtful trade receivables	227	227
Brought forward business losses	482	92
Others	306	63
Break up of deferred tax liability		
Changes in fair value of derivatives designated as hedges	(2)	(2)
Property, Plant & Equipment and Intangible assets	(1)	(1)
Total	**1,164**	**538**

Note 5 - Other Assets :

(i) 0ther non current assets

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances		
Considered good	0	2
Considered doubtful	-	-
	0	2
Provision for doubtful advances	-	-
	0	2
Prepaid expenses	4	9
Balance with Government authorities		
Considered good	249	180
Considered doubtful	-	-
	249	180
Provision for doubtful balances	-	-
	249	180
Total	**253**	**191**

(ii) 0ther current assets

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Advance to suppliers		
Considered good	145	25
Considered doubtful	-	1
	145	26
Provision for doubtful advances	-	1
	145	25
Other loans and advances		
Considered good	45	19
Considered doubtful	8	8
	53	27
Provision for doubtful advances	8	8
	45	19
Balance with Government authorities	253	216
Prepaid expenses	164	144
Contract Assets	1,259	611
Total	**1,866**	**1,015**

Note 6 - Inventories :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Valued at lower of cost and net realizable value)		
Others - Stock of IT equipments, purchased software (Consumed in IT projects) and others	-	17
Total	**-**	**17**

Note 7 - Investments

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
A) Investment in Mutual Funds - unquoted (Carried at fair value through P&L)		
Mahindra Manulife Liquid Fund Direct Growth: Nil units (Previous year: 275,760.45 units) (Previous year: NAV Rs. 1,384.18)	-	382
UTI Liquid Cash Plan - Direct Growth Plan: Nil units (Previous year: 164,031.66 units) (Previous year: NAV Rs. 3,488.04)	-	572
	-	954
B) Investment in bonds-quoted (Carried at fair value through P&L)		
Corporate bonds	6	12
	6	12
Total	**6**	**966**
Aggregate value of quoted investment	6	12
Aggregate value of unquoted investment	-	954
Aggregate market value of quoted investment	6	12

Note 8 - Trade receivables :

(i) Non Current Trade receivables :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables -Unbilled	-	49
Total	-	49

(ii) Current Trade receivables :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
-Considered good – Unsecured	5,218	4,682
Less: Allowance for expected credit loss	946	848
	4,272	3,834
- Credit impaired – Unsecured	96	73
Less: Allowance for credit impairment	96	73
	-	-
Trade receivables -Billed (A)	4,272	3,834
Trade receivables -Unbilled (B)	2,106	1,306
Total (A+B)	**6,378**	**5,140**

Trade Receivables ageing schedule as at March 31, 2023

Rs. in million

Particulars	Outstanding for following periods from due date of payments						
	Not Due	Less than 6 months	6 months -1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
Trade Receivables - Billed							
Undisputed trade receivables- considered good	1,258	2,112	580	539	301	428	5,218
Undisputed trade receivables- credit impaired	-	-	-	25	-	71	96
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
	1,258	2,112	580	564	301	499	5,314
Less: Allowance for doubtful trade receivables							1,042
							4,272
Add : Trade receivable - Unbilled (Non current and current)							2,106
Total Trade Receivables							**6,378**

Trade Receivables ageing schedule as at March 31, 2022

Rs. in million

Particulars	Outstanding for following periods from due date of payments						
	Not Due	Less than 6 months	6 months -1 year	1-2 yrs	2-3 yrs	More than 3 years	Total
Trade Receivables - Billed							
Undisputed trade receivables- considered good	858	1,954	572	690	359	249	4,682
Undisputed trade receivables- credit impaired	-	-	-	-	-	73	73
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Total	**858**	**1,954**	**572**	**690**	**249**	**322**	**4,755**
Less: Allowance for doubtful trade receivables							921
							3,834
Add : Trade receivable - Unbilled (Non current and current)							1,306
Total Trade Receivables							**5,140**

Note 9 - Cash and cash equivalents :

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Cash on hand	0	0
Remittances in transit	348	219
Balances with banks:		
- In current accounts	1,871	675
- In deposit accounts	672	406
Total	**2,891**	**1,300**

Note 10 - Other balances with bank :

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Earmarked balances with bank		
-Balance held under escrow/margin account	33	10
-Balances held as margin money/security towards obtaining Bank Guarantees	67	62
Total	**100**	**72**

Note 11 - Other Financial assets

(i) 0ther non current financial assets Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Security deposits		
Considered good	63	52
Considered doubtful	-	-
	63	52
Provision for doubtful security deposit	-	-
	63	52
Total	**63**	**52**

(ii) 0ther current financial assets Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Derivative financial assets	-	8
Security deposits (net of provision)	2	2
Interest accrued	6	11
Total	**8**	**21**

Comviva Technologies Limited
Notes forming part of the Consolidated financial statements

Note 12 -Equity Share capital :

Particulars	As at			
	March 31, 2023		March 31, 2022	
	Number	Rs. in million	Number	Rs. in million
(a) Authorised :				
Equity shares of Rs. 10 each	2,55,00,000	255	2,55,00,000	255
Series A 0.001% fully convertible non-cumulative preference shares of Rs. 10 each	80,00,000	80	80,00,000	80
(b) Issued, subscribed and fully paid up :				
Equity shares of Rs. 10 each fully paid up	2,43,43,226	243	2,18,69,000	219
Total	2,43,43,226	243	2,18,69,000	219

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at			
	March 31, 2023		March 31, 2022	
	Number	Rs. in million	Number	Rs. in million
Equity Shares				
Opening Balance	2,18,69,000	219	2,18,69,000	219
Add: Additions during the period	24,74,226	24	-	-
Closing Balance	2,43,43,226	243	2,18,69,000	219

(ii) Terms, rights and restrictions attached to:

Equity Shares:
The Company has equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the equity shares held by the shareholders.

Series A 0.001% fully convertible non-cumulative preference shares:
The Company has fully convertible non-cumulative redeemable preference shares having a par value of Rs. 10 per share.

(iii) Details of shares held by the holding company

Particulars	Number of Shares as at	
	March 31, 2023	March 31, 2022
Tech Mahindra Limited	24,341,139*	21,866,913

* It includes 7 shares which are jointly held by Tech Mahindra Limited and Individual shareholders in Tech Mahindra Limited's kitty.

(iv) Details of equity shares held by shareholder holding more than 5%:

Name of shareholder	As at March 31, 2023		March 31, 2022	
	No. of Shares	% of Holding #	No. of Shares	% of Holding #
Tech Mahindra Limited*	24,341,139	99.99%	21,866,913	99.99%

This percentage of holding is presented with reference to Issued, Subscribed and Paid up.
*It is the sole promoter of the company.

Comviva Technologies Limited
Notes forming part of the Consolidated financial statements

Note 13 - Other Equity :

Rs. in million

Particulars	As at			
	March 31, 2023		March 31, 2022	
Securities premium account				567
Opening balance	567		567	
Add: Addition on account of issue of shares	2,376		-	
Closing balance		2,943		567
Capital Reserve		53		53
Hedging Reserve (refer note 26)				
Opening balance	5		7	
(Less): change in fair value of forward contracts (net)	(3)		(2)	
Closing balance		2		5
Foreign Currency Translation Reserve				
Opening balance	(87)		(32)	
Add: Foreign currency translation differcence	142		(55)	
Less: Foreign currency translation on subsidiary sold				
Closing balance		55		(87)
Share options outstanding account				
Opening balance	9		-	
Add/(less): amortised amount of stock compensation cost (net)	0		9	
Less: Transfer to non- controlling interest	-		(0)	
Closing balance		9		9
Surplus in the statement of profit and loss				
Opening balance	6,658		6,525	
Add: Profit for the period/year	638		572	
(Less): Other comprehensive loss	(15)		(2)	
Less: Dividend *	-		(437)	
Closing balance		7,281		6,658
Statutory Reserve#		0		0
Total		**10,343**		**7,205**

#In accordance with the Memorandum and Articles of Association, Comviva Technologies FZ LLC, has established a statutory reserve by appropriation of 10% of net profit for each year until the reserve equals 50% of the share capital. This reserve is not available for distribution, except in the circumstances stipulated by the Memorandum and Articles of Association. No further transfer is required as the reserve is equal to 50% of share capital as at December 31, 2022.

*Interim dividend of Rs. 20 per equity share was paid during the year ended 31st March, 2022.

Note 14 -Borrowings :

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Secured:		
From bank*	-	12
From related party (refer note 26)	-	1,516
Total	**-**	**1,528**

* Includes working capital loans carrying an interest rate of 34.88% and 38.30% in previous year. These loans were repayable on demand.

Note 15 -Provisions :

(i) Non current provisions

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Provision for employee benefits		
-Gratuity	247	201
-Compensated absences	92	64
-Other employee benefit obligations	100	35
Total	**439**	**300**

(ii) Current provisions

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Provision for employee benefits		
-Gratuity	46	37
-Compensated absences	88	74
-Other employee benefit obligations	60	20
	194	131
Provision for warranties	8	8
Total	**202**	**139**

Note 16 - Other liabilities :

(i) Non-current liabilities

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Unearned revenue	1	0
Total	**1**	**0**

(ii) Current liabilities

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
Unearned revenue	43	36
Statutory remittances	171	146
Advance from customers	242	161
Total	**456**	**343**

Note 17 - Trade payables :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for supplies / services	3,473	1,782
Total	**3,473**	**1,782**

Trade Payables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payments: Not Due	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	Total
Undisputed MSME	13	35	2	0	0	50
Undisputed Others	19	968	-	-	3	990
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
						1,040
Add: Accrued expenses						2,433
Total trade payables						**3,473**

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payments: Not Due	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	Total
Undisputed MSME	4	16	-	-	-	20
Undisputed Others	48	97	-	3	1	149
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
						169
Add: Accrued expenses						1,613
Total trade payables						**1,782**

Note 18 - Other Financials liabilities:

Other Financial Liabilities : Current

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Derivative financial liabilities	11	-
Payables on purchase of property, plant and equipment	4	58
Interest accrued	-	-
Accrued salary and benefits	408	442
Total	**423**	**500**

Note 19 - Revenue from continuiung operations :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Licence Fee with Implementation and other services	8,467	4,430
Revenue sharing arrangements	1,788	1,587
Annual maintenance contract services	1,515	1,781
	11,770	7,799
Income from sale of equipments and software	680	396
Total	**12,450**	**8,194**

Note 20 - Other income :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income	25	16
Profit on sale of investment in mutual funds and bonds	18	47
(Loss)/gain due to fair valuation changes on financial assets	1	(4)
Profit on sale of subsidiary	-	2
Foreign Exchange gain (net)	-	127
Profit on sale of property, plant and equipment	8	1
Sundry Balances written back	-	39
Income from Sublease	14	10
Miscellaneous Income	2	15
Total	**68**	**253**

Note 21 - Employee benefits expense :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	3,594	2,935
Contribution to provident fund and other funds	291	239
Gratuity expense	49	46
Staff Welfare Expenses	83	55
Share based payment expense	0	8
Total	**4,017**	**3,283**

Note 22- Finance costs :

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on bank overdraft and others	30	10
Interest expense on lease liability	16	20
Total	**46**	**30**

Comviva Technologies Limited
Notes forming part of the Consolidated financial statements

Note 23 - Operating and other expense:

Rs. in million

Particulars	**For the year ended March 31, 2023**		**For the year ended March 31, 2022**	
Cost of hardware equipment, softwares and other items		2,044		873
Royalty and software charges		365		428
Travelling and conveyance		280		58
Freight and forwarding charges		19		9
Recruitment Expenses		82		23
Power and fuel		28		25
Rent		12		23
Rates and taxes		14		83
Insurance		71		56
Repairs and maintenance		378		261
Advertising and sales promotion		119		102
Communication costs		34		32
Corporate Social Responsibility		36		34
Legal and professional fees		199		159
Conference expenses		40		16
General office expenses		24		6
Provision for doubtful debts (net)				
- Bad debts	154		344	
- Provision for bad debts	43	197	39	383
Exchange gain/loss (net)		15		
Exchange loss (net)		-		
Miscellaneous expenses		41		21
Total		**3,998**		**2,592**

24. Details of employee benefits as required by the IND AS-19 – Employee Benefits are as under:

a) Defined Contribution Plan
The Company makes contributions to Provident Fund which is defined contribution plan for qualifying employees. Under this Scheme, the Company contributes a specified percentage of the payroll costs to the fund. Amounts recognised as an expense in the Statement of Profit and Loss in respect of defined contribution plan is Rs. 136 million (year ended march 31, 2022: Rs. 239 million).

b) Defined Benefit Plan - Gratuity
In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan is partially funded.

I] Changes in Defined Benefit Obligation ('DBO') and Trust Fund plan assets recognized in the Balance Sheet are as under:

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation as at the beginning of the year	239	195
Current Service Cost	37	37
Interest cost	12	9
Benefits Paid	(36)	(42)
Acquisition (gain)/loss	20	-
Actuarial (gain)/loss - experience	24	35
Actuarial (gain)/loss - demographic assumptions	-	-
Actuarial (gain)/loss - financial assumptions	(3)	5
Defined Benefit Obligation as at the end of the year	**293**	**239**

II] Change in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows :

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	2	1
Interest income on plan assets	0	0
Contributions by employer	-	-
Benefits Paid	-	-
Remeasurement- Return on plan assets excluding amount included in interest income	0	0
Fair value of plan assets at end of the year	**2**	**1**

III] Net defined benefit Asset/(Liability)

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation	293	239
Fair value of plan assets	(2)	(1)
Net defined benefit obligation disclosed as:	291	238
- Current provisions	46	37
- Non current provisions	245	201

As at March 31, 2023 and March 31, 2022 plan assets were primarily invested in insurer managed funds

IV] Components of employer expenses recognised in the Statement of Profit and Loss:

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current Service Cost	37	37
Interest cost on Defined Benefit Obligation	12	9
Expected return on plan assets	(0)	(0)
Total expense recognised in the Statement of Profit & Loss (Refer note 21)	**49**	**46**

V] Components of employer expenses recognised in the other comprehensive income:

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gain)/loss due to defined benefit obligation experience	(24)	(35)
Actuarial (gain)/loss - demographic assumptions		-
Actuarial (gain)/loss due to defined benefit obligation assumption changes	3	(5)
Remeasurement- Return on plan assets excluding amount included in interest income	0	0
Net (gain)/loss recognised in Other Comprehensive Income	**(21)**	**(40)**

VI] Assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.10%	6.30%
Salary Escalation Rate	7.50%	7.00%
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
Employee separation Rate	17.00%	17.00%

a) Discount rate : It is based upon the market yields available on Government Bonds at the accounting date with a term that matches that of the obligation.

b) Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c) Employee separation Rate: The assumption of Employee separation rate represents the company's expectation of employee turnover.

VII] Sensitivity analysis

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
A: Discount rate		
1. Effect on DBO due to 0.5% increase in discount rate	(6)	(5)
2. Effect on DBO due to 0.5% decrease in discount rate	6	5
B: Salary Escalation Rate		
1. Effect on DBO due to 0.5% increase in Salary escalation rate	7	4
2. Effect on DBO due to 0.5% decrease in Salary escalation rate	(6)	(4)
C: Withdrawal Rate		
1. Effect on DBO due to 5% increase in withdrawal rate	(5)	(3)
2. Effect on DBO due to 5% decrease in withdrawal rate	6	3

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

VIII] Expected benefit payments for the period ended **(Rs. in million)**

Payout in the next	As at March 31, 2023	As at March 31, 2022
1 year	50	41
1-2 years	45	32
2-3 years	43	35
3-4 years	46	33
4-5 years	63	36
5 years and beyond	263	168

IX] Plan asset information:

Particulars	As at March 31, 2023	As at March 31, 2022
Schemes of insurance - conventional products	100%	100%

X] Description of Plan characteristics and associated risks-

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

1. Interest rate risk
2. Salary Inflation risk
3. Demographic risk

XI] Description of Funding arrangements and policies-

The Gratuity scheme of the company is partially funded by way of a separate irrevocable Trust and the company is expected to make regular contributions to the Trust. The fund is managed internally by the company and assets are invested in insurance funded arrangements.

25. Disclosure as per IND AS 116-Leases

Amounts recognised in statements of cash flows:

Rs. in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash outflow for leases	119	103
Total	**119**	**103**

26. Segment Information

a) Business segments:

The company is engaged in the business of mobility solutions and IT services. As defined in Ind AS 108, the 'Chief Operating Decision Maker' (CODM) considers entire business as single operating segment. The company's operating divisions are managed from India. There are four customers who account for more than 10% of the company's revenue individually.

b) Geographical segments:

The geographical information analyses the company's revenue by the company's country of domicile (i.e. India) and outside India (i.e. Rest of world) presenting geographical information, segment revenue has been on the geographic location of customers.

Rs. in million

Particulars	For the year ended March 31, 2023		
	India	Rest of the world	Total
Revenue from operations	1,318	11,488	12,806

Particulars	For the year ended March 31, 2022		
	India	Rest of the world	Total
Revenue from operations	673	8,088	8,761

Management believes that it is currently not practicable to bifurcate the assets based on geographies. Hence, no disclosure is provided for the same.

27. Related Party Disclosure

a) Name of the related party and nature of relationship:

Name of the Related Party	Nature of Relationship
Mahindra and Mahindra Limited	Entity having significant influence
Tech Mahindra Limited	Holding company
Related parties with whom transactions during the year/previous year:	
PT Tech Mahindra Indonesia	Fellow subsidiary
Tech Mahindra Foundation	Fellow subsidiary
Mahindra Educational Institutions	Fellow subsidiary
Tech Mahindra Nigeria Limited	Fellow subsidiary
The CJS Solutions Group, LLC (The HCI Group)	Fellow subsidiary
Leadcom Integrated Solutions (L.I.S.) Ltd.	Fellow subsidiary
Tech Mahindra (Americas) Inc.	Fellow subsidiary
BORN Group Inc.	Fellow subsidiary
BORN Commerce Private Limited	Fellow subsidiary
Tech Mahindra Arabia Limited	Fellow subsidiary
Key Management Personnel:	
Manoranjan Mohapatra	Whole-time Director & Chief Executive Officer
Neeraj Jain	Chief Financial Officer
Parminder Singh Bakshi	Company Secretary

b) Transactions with Related Parties:

Rs. in million

Particulars	Transactions for the year ended March 31, 2023 Revenue/(Expense)												Balance as at March 31, 2023 Assets/(Liabilities)										
	Sales	Interest Income / (Expense)	Loan repaid	Dividend Paid	Cost of Goods/ Service & Subcontracting cost	Reimbursement of Expenses (Net)	Donation Given	Loan received/ (repayment) from subsidiaries	Equity Shares issued	Security Premium received	Acquisition of subsidiary	Managerial Remuneration	Trade Receivable	Unbilled Revenue	Contract Asset	Trade Payables	Loans	Other current assets	Prepaid Expenses	Interest Accrued	Deferred Revenue	Advance from Customers	Accrued benefit payable
Holding Company																							
Tech Mahindra Limited	948	-	-	-	(454)	(31)	-	-	25	2,376	(585)	-	212	136	24	(613)	-	-	0	-	(4)	(4)	-
Fellow Subsidiaries																							
PT Tech Mahindra Indonesia	36	-	-	-	-	-	-	-	-	-	-	-	6	5	-	-	-	-	-	-	(0)	-	-
Tech Mahindra Foundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mahindra Educational Institutions	-	-	-	-	-	-	(19)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tech Mahindra Nigeria Limited	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)	-
The CJS Solutions Group, LLC (The HCI Group)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15)	-	-	-	-	-	-	-
Leadcom Integrated Solutions (L.I.S.) Ltd.	-	-	-	-	(896)	-	-	-	-	-	-	-	-	-	-	(360)	-	-	-	-	-	-	-
Tech Mahindra (Americas) Inc.	-	(26)	(1,650)	-	-	-	-	-	-	-	-	-	-	-	-	(44)	-	-	-	-	-	-	-
BORN Group Inc.	1	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-
BORN Commerce Private Limited	4	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-
Tech Mahindra Arabia Limited	266	-	-	-	-	-	-	-	-	-	-	-	16	-	84	-	-	-	-	-	-	-	-
Key Management Personnel*																							
Manoranjan Mohapatra	-	-	-	-	-	-	-	-	-	-	-	(33)	-	-	-	-	-	-	-	-	-	-	(10)
Neeraj Jain	-	-	-	-	-	-	-	-	-	-	-	(11)	-	-	-	-	-	-	-	-	-	-	(2)
Parminder Singh	-	-	-	-	-	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-	-	-	(0)

Particulars	Transactions for the year ended March 31, 2022												Balance as at March 31, 2022										
	Sales	Interest Expense	Loan repaid	Dividend Paid	Cost of Goods/ Service received	Reimbursement of Expenses (Net)	Donation Given	Loan received/ (repayment) from subsidiaries	Equity Shares issued	Security Premium received	Acquisition of subsidiary	Managerial Remuneration	Trade Receivable	Unbilled Revenue	Contract Asset	Trade Payables#	Loans	Other current assets	Prepaid Expenses	Interest Accrued	Deferred Revenue	Advance from Customers	Accrued benefit payable
Holding Company																							
Tech Mahindra Limited	131	-			-	(27)	-	-				-	113	13	15	(52)	-	-	3	-	(9)	(3)	-
Fellow Subsidiaries																							
PT Tech Mahindra Indonesia	54	-			-	-	-	-				-	11	2	-	-	-	-	-	-	(3)	(2)	-
Tech Mahindra Foundation	-	-			-	-	(17)	-				-	-	-	-	-	-	-	-	-	-	-	-
Mahindra Educational Institutions	-	-			-	-	(5)	-				-	-	-	-	-	-	-	-	-	-	-	-
Tech Mahindra Nigeria Limited	-	1			-	-	-	-				-	-	0	-	-	-	-	-	-	-	(21)	-
The CJS Solutions Group, LLC (The HCI Group)	-	-			-	-	-	-				-	-	-	-	(14)	-	-	-	-	-	-	-
Leadcom Integrated Solutions (L.I.S.) Ltd.	-	-			(55)	-	-	-				-	-	-	-	(55)	-	-	-	-	-	-	-
Tech Mahindra (Americas) Inc.	-	2			(13)	-	-	1,516				-	-	-	-	(13)	(1,516)	-	-	(2)	-	-	-
Key Management Personnel*																							
Manoranjan Mohapatra	-	-			-	-	-	-				(36)	-	-	-	-	-	-	-	-	-	-	(25)
Neeraj Jain	-	-			-	-	-	-				(11)	-	-	-	-	-	-	-	-	-	-	(3)
Parminder Singh	-	-			-	-	-	-				(2)	-	-	-	-	-	-	-	-	-	-	(0)

Note:
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

*The breakup of compensation of Key management personnel is as follows:

Rs. in million

Key Managerial Personnel	Short-term employee benefits	Post-employment benefits**	Other long-term benefits**	Termination benefits	Total
Manoranjan Mohapatra	33 (36)	- [-]	- [-]	- [-]	33 (36)
Neeraj Jain	11 (11)	- [-]	- [-]	- [-]	11 (11)
Parminder Singh Bakshi	2 (2)	- [-]	- [-]	- [-]	2 (2)

** Employment benefits comprising gratuity, and compensated absences are not disclosed as these are determined for the company as a whole.
Figures in brackets "[ ]" are for year ended March 31, 2022.
Trade payables includes creditors for capital goods.

28 Contingent Liabilities and Commitments:

(i) Contingent Liabilities:

Rs. in million

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Bank Guarantees	103	61
2	Income tax matters (refer note I)	2,012	1,613
3	Indirect tax matters (refer note II)	555	408
4	Other claims against the company not acknowledged as debts (refer note III)	49	48

Note:

I Income Tax Matter:

The Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. The disputes relate to tax treatment of certain expenses claimed as deductions, computation and eligibility of tax incentives or allowances. The Company has contingent liability in respect of demands from direct tax authorities in India and other jurisdictions, which are being contested by the Company on appeal amounting Rs. 2,013million and Rs. 1,613 million as at March 31, 2023 and March 31, 2022 respectively. The Company periodically receives notices and inquiries from income tax authorities related to the Company's operations in the jurisdictions it operates in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution. The number of years that are subject to tax assessments varies depending on tax jurisdiction. The major tax jurisdictions of Comviva Technologies Limited include India and African countries. In India, tax filings from fiscal 2017 are generally subject to examination by the tax authorities. In African counties, the statute of limitation vary by state.

II Indirect Tax Matter:

The Company has ongoing disputes with tax authorities mainly relating to availment of input tax credit and indirect tax matters. The Company has demands amounting to Rs. 555 million and Rs. 408 million as at March 31, 2023 and March 31, 2022, respectively from various indirect tax authorities which are being contested by the Company based on the management evaluation and on the advice of tax consultants.

III Other Claims:

Other claims aggregating Rs. 49 million and Rs. 48 million as at March 31, 2023 and March 31, 2022, respectively, against the Company have not been acknowledged as debt. The amounts assessed as contingent liability do not include interest that could be claimed by counter parties.

(ii) Commitments :

Rs. in million

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	179	187

29. Financial instruments

I] Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2023 were as follows:

Rs. in million

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Derivative instruments in hedging relationship	Total carrying value and Fair value*
Assets:				
Cash and cash equivalents (refer note 9)	2,891	-	-	2,891
Other balances with banks (refer note 10)	100	-	-	100
Investment in bonds-quoted (Refer Note 7B)		6		6
Trade receivables (refer note 8(i) and 8(ii))	6,378	-	-	6,378
Other financial assets (refer note 11(i) and 11(ii))	71	-	-	71
Total	9,440	6	-	9,446
Liabilities:				
Trade payables (refer note 17)	3,473	-	-	3,473
Borrowings (refer note 14)	-	-	-	-
Lease liabilities	266	-	-	266
Other financial liabilities (refer note 18)	412	-	11	423
Total	4,151	-	11	4,162

The carrying value and fair value of financial instruments by categories as at March 31, 2022 were as follows:

Rs. in million

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Derivative instruments in hedging relationship	Total carrying value and Fair value*
Assets:				
Cash and cash equivalents (refer note 9)	1,300	-	-	1,300
Other balances with banks (refer note 10)	72	-	-	72
Investment in bonds-quoted (Refer Note 7B)	-	954	-	954
Investment in mutual fund (refer note 7A)	-	12	-	12
Trade receivables (refer note 8(i) and 8(ii))	5,190	-	-	5,190
Other financial assets (refer note 11(i) and 11(ii))	65	1	7	73
Total	**6,627**	**967**	**7**	**7,601**
Liabilities:				
Trade payables (refer note 17)	1,782	-	-	1,782
Borrowings (refer note 14)	1,528	-	-	1,528
Lease liabilities	265	-	-	265
Other financial liabilities (refer note 18)	500	-	-	500
Total	**4,075**	**-**	**-**	**4,075**

*The fair value of cash and cash equivalents, other balances with bank, trade receivables, unbilled receivables, loans, trade payables, borrowings and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

II] Fair Value Hierarchy
The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required): The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

Rs. in million

Particulars	As at March 31, 2023	Fair value measurement As at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual fund	-	-	-	-
Investment in bonds-quoted	6	6	-	-
Derivative financial liabilities	11	-	11	-

Particulars	As at March 31, 2022	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Assets				
Investments in mutual fund	954	954	-	-
Investment in bonds-quoted	12	12	-	-
Derivative financial assets	8	-	8	-

III] Financial Risk Management

Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses derivative financial instruments to mitigate foreign exchange related risk exposures.

(i) Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign currency exchange rate risk
The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro against the respective functional currency of the Group. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange currency risk.

The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the respective functional currency of the Group. Further the exposure as indicated below is mitigated by some of the derivative contracts entered into by the Group as disclosed in note below.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

Rs. in million

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
Financial assets	EUR	924	1,024
	USD	3,885	2,391
	Others	910	1,576
Financial liabilities	EUR	(21)	41
	USD	(720)	1,283
	Others	(58)	200

Forex sensitivity analysis:
A reasonably possible strengthening by 10% of EUR, USD against the Indian Rupee as at March 31, 2023 and March 31, 2022 will affect the statement of profit and loss by the amounts shown below:

Rs. in million

Currency	As at March 31, 2023	As at March 31, 2022
EUR	95	98
USD	460	111

(b) Foreign Exchange Contracts

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential effects on the financial performance of the Company.

The Company enters into foreign Exchange Forward Contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian Rupee. The counter party to the Company's foreign currency Forward Contracts is generally a bank. These contracts are entered into to hedge the foreign currency risks of certain forecasted transactions. These contracts are for a period lies between 1 day to 1 year.

The following are the principal amounts of outstanding foreign currency exchange forward entered into by the Company which have been designated as Cash Flow Hedges:

Currency	Amount outstanding as at March 31, 2023 in foreign currency	Fair value Gain/ (loss) in Rs.
In USD	20.00 million (March 31, 2023: 20.50 mn)	20.50 million (March 31, 2022: 6 mn)
In Euro	10.00 million (March 31, 2023: 1.45 mn)	1.45 million (March 31, 2022: 2 mn)

The movement in hedging reserve for derivatives designated for cash flow hedges is as follows:

Rs. in million

Particulars	As at	
	March 31, 2023	March 31, 2022
(a) Balance at the beginning of the period	7	9
(b) Changes in the fair value of effective portion of derivatives - Gain/(loss)	-	(32)
(c) Net (gain)/loss reclassified to statement of profit and loss on occurrence of hedged forecasted transactions	(5)	30
(d) Gain/(loss) on cash flow hedging derivatives, net (b+c)	(5)	(3)
(e) Balance at the end of the period	2	7
(f) Tax impact on effective portion of outstanding derivatives	(0)	(2)
(g) Balance at the end of the period, net of deferred tax (e+f)	1	5

(ii) Credit risk
Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk.

Credit risk on cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted bonds issued by government and quasi government organizations with high credit ratings.

Credit Risk Exposure
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 6,449 million, Rs. 5,262 million as at March 31, 2023, March 31, 2022 respectively, being the total of the carrying amount of trade receivables, unbilled revenue and other financial assets. In addition, the Group is exposed to credit risk in relation to financial guarantees given to banks provided by the Group. The Group's maximum exposure in this respect is the maximum amount the Group would have to pay if the guarantee is called on. Refer Note 28(i).

Trade receivable
Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Group recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Group's exposure to customers is diversified. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Movement in the Expected credit loss allowance:

Rs. in Million

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**921**	**875**
Provided during the year	578	490
Reversed/utilised during the year	(486)	(449)
Reinstatement impact	29	5
Balance at the end of the year	**1042**	**921**

(iii) Liquidity Risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligation. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023:

Rs. in million

Particulars	Less Than 1 Year	More than 1 year	Total
Borrowings	-	-	-
Lease Liabilities	-	-	-
Trade Payables	3,468	6	3,474
Other financial liabilities	423	-	423

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022:

Rs. in million

Particulars	Less Than 1 Year	More than 1 year	Total
Borrowings	1,528	-	1,528
Lease Liabilities	94	171	265
Trade Payables	1,782	-	1,782
Other financial liabilities	500	-	500

Capital management

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, creditor and customer confidence, and ensure future development of its business activities and appropriate return to shareholders in terms of dividend payout. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

30 Basic and Diluted Earning per share

Rs. in million except earning per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Nominal value per equity share	10	10
Profit after tax from continuing operations	755	547
Profit after tax from discontinued operations	(117)	25
Profit for the period attributable to equity shareholders	638	572
	No. of Shares	**No. of Shares**
Weighted average number of equity shares	2,26,93,742	2,18,69,000
Weighted average number of diluted equity shares	2,26,93,742	2,18,69,000
Earning per share from continuing operations		
Earning Per Share- Basic	33.29	25.03
Earning Per Share- Diluted	33.29	25.03
Earning per share from discontinued operations		
Earning Per Share- Basic	(5.15)	1.14
Earning Per Share- Diluted	(5.15)	1.14
Earning per share from continuing and discontinued operations		
Earning Per Share- Basic	28.14	26.17
Earning Per Share- Diluted	28.14	26.17

31 Provision for warranty:

The movement in the said provision is summarized below:

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	8	9
Add: Additional provision made during the year	8	-
Less: Provision reversed during the year	(8)	(1)
Closing balance	**8**	**8**

Note: Provision for warranty is estimated and made based on technical estimates of the management and is expected to be settled over the period of next

32 The Group has accounted as an expense of Rs. 6 million for the year ended March 31, 2023 (year ended March 31, 2022: Rs. 10 million) pertaining to amortised cost of stock options granted to certain employees of the group granted by Tech Mahindra Limited, its holding company. This cost is being accounted as an employee benefits expense.

33 There are no non-wholly owned subsidiaries that have material non-controlling interests.

34 Allocation of goodwill by segments as at March 31, 2023 and March 31, 2022 is as follows:

Following is the summary of changes in carrying amount of goodwill:

Rs. in million

Particulars	**As at March 31, 2023**	**As atMarch 31, 2022**
Balance at the beginning of year	748	224
Addition on acquisition (refer note 40)	182	492
Effect of foreign currency exchange differences*	32	32
Impairment recognised during the year	(268)	-
Balance at the end of the year	**694**	**748**

* Includes impact of hyperinflation

Allocation of goodwill to cash-generating units:

In accordance with IND AS 36 “Impairment of Assets” the Group performed impairment testing of Goodwill assigned to each Cash Generating Unit (CGU) as at 31st March, 2023. The recoverable amount of CGU is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the management covering a year and over and an applicable discount rate. Goodwill has been allocated for impairment testing purposes to their underlying geographical / segmental classification.

Based on the results of the Goodwill impairment test, the estimated value in use in all CGUs except for table given below were higher than their respective carrying amount, hence impairment provision recorded during the current year is INR 268 million (31st March, 2022 - Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

The discount rate used to determine recoverable amount as at March 31, 2023 are as follows:

Particulars	**Mar-23**	
	Discount rate	**Rs. in million**
VSPP-Video processing platform	15.15%	123 mn
TSLEE	52.74%*	145 mn

*Discount rate is based on weighted average inflation differential and country risk premium of Argentina, Brazil, India, Netherlands and USA

Key assumptions used are as follows:
Budgeted Projections: The values assigned to the assumption reflect past experience and are consistent with the management’s plans for focusing operations in these markets. The management believes that the planned market share growth is reasonably achievable.
Price inflation: The values assigned to the key assumption are consistent with external sources of information.

35 Disclosures for Revenue from Contracts with Customers

a) Disaggregation of revenue

Revenue disaggregation by nature of services is as follows:

Rs in million

Nature of Services	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Continued	Discontinued	Total	Continued	Discontinued	Total
Licence Fee with Implementation and other services	8,467	356	8,823	4,430	567	4,997
Revenue sharing arrangements	1,788	-	1,788	1,587		1,587
Annual maintenance contract services	1,515	-	1,515	1,781		1,781
Income from sale of equipments and software (third party)	680	-	680	396		396
Total	**12,450**	**356**	**12,806**	**8,194**	**567**	**8,761**

Revenue disaggregation by geography is as follows:

Rs in million

Geography	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Continued	Discontinued	Total	Continued	Discontinued	Total
India	1,318	-	1,318	673	-	673
Rest of world	11,132	356	11,488	7,521	567	8,088
Total	**12450**	**356**	**12,806**	**8194**	**567**	**8,761**

b) The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation for contracts where the performance obligation is a part of a contract that has an original expected duration of one year or less or the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in scope of contracts, periodic revalidations, adjustments for revenue that has not materialized and adjustments for currency.

c) Significant changes in the contract assets balances is as follows:

Rs in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	611	357
Add: Revenue recognised during year	1,075	519
Less: Invoiced during year	(430)	(248)
Add/Less: Translation loss/(gain)	-	(0)
Add/Less: Others	(54)	(17)
Closing balance	1,202	611

d) Significant changes in the contract liabilities balances is as follows:

Rs in million

Unearned Revenue	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance	36	45
Less: Revenue recognised during the period that was included in the unearned revenue at the beginning of the year	(36)	(45)
Add: Invoiced during the period (excluding revenue recognized during the year)	70	36
Add/Less: Translation loss/(gain)	-	-
Closing balance	70	36

e) The following table provides information in respect of amount of revenue recognised in the statement of profit and loss with the contracted

Rs in million

Particulars	Continued	Total
Contracted transaction	12,875	8,777
Less: Adjustment for volume discount, cash discount, upfront discount	-	-
Less: Adjustment for penalties / liquidated	(69)	(16)
Revenue recognized in the statement of profit and loss	12,806	8,761

36 Income Tax Expense

Tax expense in the statement of profit and loss comprises: **Rs in million**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
-Tax expense related to current period	853	1,128
-Tax expense related to earlier years	-	-
Total Current tax	**853**	**1,128**

The tax expense for the period can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	1,128	1,707
Enacted tax rate	25.17%	25.17%
Income tax expense calculated at enacted tax rate	**284**	**430**
Effect of expenses/income that are not admissible in determining taxable profit^	234	131
Effect of differential overseas tax rates	22	33
Effect of income taxes related to prior years	10	519
Effect of tax on income at different rates	303	15
Tax expense recognised in profit or loss	**853**	**1,128**

^ includes ineligible foreign tax credit

37 Deferred Tax:

The following is the analysis of Deferred tax assets presented in the Balance Sheet:

Rs. in million

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	1,164	541
Deferred tax liabilities	-	(3)
Deferred tax assets	**1,164**	**538**

The tax effect of significant timing differences that has resulted in deferred tax assets are given below:

Rs. in million

Particulars	For the year ended March 31, 2023					
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Exchange rate difference	Acquired in acquisition	Closing balance
Provision for Employee benefits	159	20	5	4		188
Provision for doubtful trade receivables and inventory	227	47		9	-	283
Brought forward business losses	92	79		9	193	372
Property, Plant & Equipment and Intangible assets	(1)	(7)		(1)	-	(9)
MAT credit entitlement	-				-	-
Others	63	201		39	-	303
Changes in fair value of derivatives designated as hedges	(2)	22	1	4	-	25
Deferred Tax Assets	**538**	**362**	**6**	**64**	**193**	**1,162**

Rs. in million

Particulars	For the year ended March 31, 2022					
	Opening balance	Recognised in Profit and loss	Recognised in OCI	Exchange rate difference	Acquired in acquisition	Closing balance
Provision for Employee benefits	191	(42)	10	-	-	159
Provision for doubtful trade receivables and inventory	212	18	-	(3)	-	227
Brought forward business losses	67	28	-	(3)	-	92
Property, Plant & Equipment and Intangible assets	(18)	16	-	2	-	(1)
MAT credit entitlement	-	-	-	-	-	-
Others	89	(26)	-	-	-	63
Changes in fair value of derivatives designated as hedges	(2)	(1)	1	-	-	(2)
Deferred Tax Assets	**539**	**(7)**	**11**	**(2)**	**-**	**538**

38 Disclosure for Hyperinflation adjustments as per Ind AS 29:

For the calculation of the hyperinflation adjustment of Subsidiary Company with functional Argentine Peso, the company uses the index calculated by the Argentine Federation of Professional Councils of Economic Sciences resulting from combining the National Consumer Price Index ("CPI") published by the National Institute of Statistics and Censuses of the Argentine Republic ("INDEC") with the IPIM.

Month	Index	Coefficient
Apr-22	717	0.526
May-22	753	0.552
Jun-22	793	0.582
Jul-22	852	0.625
Aug-22	911	0.668
Sep-22	967	0.709
Oct-22	1029	0.754
Nov-22	1079	0.792
Dec-22	1135	0.832
Jan-23	1203	0.882
Feb-23	1283	0.941
Mar-23	1364	1.000

The effect of inflation on the Company's net monetary position in the consolidated income statements for the year ended March 31, 2023 were as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Increase in Assets	7	4
(Increase)/Decrease in Liabilities	-	-
(Increase)/decrease in components of Equity	(47)	24
Non monetary position impact income	(40)	28

39 Employee Stock Option Scheme

I. ESOP 2021 scheme

The company has a two different share based employee benefit program i.e. 2020 Employee stock options plan – ESOP scheme 1 and ESOP scheme 2 in its subsidiary 'YABX India Private Limited' that allows employees to acquire shares of the Company subject to vesting and performance conditions. A share option scheme for employees was approved on 15th September 2020 by the shareholders of the Company under which the employees of the Company were granted stock options that vest in a granted manner over a period of 3 years. An exercise price of INR 10 was fixed for this purpose.

These schemes have been awarded during the period ended 31 March 2022, whose details are given as under:-

Particulars	ESOP scheme 1	ESOP scheme 2
Maximum number of options granted under the plan	42,79,765	17,75,000
Method of settlement	Equity settled plans	Equity settled plans
Vesting period	3 years	1 years
Vesting conditions	Service period and performance based conditions	Service period

The vesting percentage basis period, of above schemes are as follows:-

Particulars	ESOP scheme 1	ESOP scheme 2
With in 1 year	20%	100%
1 to 2 years	40%	-
2 to 3 years	40%	-

Movement in respect of stock options granted to employees of the Company during the year and outstanding as at the year end is set out below:
ESOP scheme 1:-

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at beginning of the year	34,84,764	-	33,01,925	-
Options granted during the year	4,66,204	10	9,77,840	10
Exercised during the year	13,461	-	13,831	-
Forfeited/lapsed during the year	1,44,726	-	5,34,397	-
Outstanding at the end of the year	37,92,781	10	37,31,537	10
Vested options at the end of the year	3,08,017		2,46,773	
Unvested options at the end of the year	34,84,764		34,84,764	

ESOP scheme 2:-

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Weighted average exercise price	No. of options	Weighted average exercise price
Outstanding at beginning of the year	17,75,000	-	17,75,000	-
Options granted during the year	-	10	-	10
Exercised during the year	-	-	-	-
Surrendered during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	17,75,000	10	17,75,000	10
Vested options at the end of the year	17,75,000	10	17,75,000	10
Unvested options at the end of the year	-	10	-	10

The employee stock compensation cost for the Employee stock options plan – ESOP scheme 1 and ESOP scheme 2 has been computed by reference to the fair value of share options

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	ESOP scheme 1	ESOP scheme 2	ESOP scheme 1	ESOP scheme 2
Fair value of options	2.17 to 6.07	1.64	2.17 to 3.24	1.64
Exercised price	10	10	10	10
Expected Volatility (%)	65.48.%	57.17%	32.39%	32.39%
Expected Life (in years)	2.00 to 3.71	1.04 to 2.04	2.00 to 3.71	1.04 to 2.04
Expected Dividend (%)	-	-	-	-
Risk free interest rate (%)	4.44 to 7.17	3.83 to 4.44	4.44 to 5.14	3.83 to 4.44

2. ESOP 2021 scheme

The company has a two different share based employee benefit program i.e. 2021 Equity Incentive Plan – ESOP scheme 1 and ESOP scheme 2 in its subsidiary 'Comviva Technologies USA Inc.' that allows employees to acquire shares of the Company subject to vesting and performance conditions. A share option scheme for employees was approved on 1st April 2021 by the shareholders of the Company under which the employees of the Company were granted stock options that vest in a granted manner over a period of 3 years. An exercise price of USD 0.75 for ESOP scheme 1 and USD 1 for ESOP scheme 2 was fixed for this purpose.

These schemes have been awarded during the period ended 31 March 2022, whose details are given as under:-

Particulars	ESOP scheme 1	ESOP scheme 2
Maximum number of options granted under the plan	4,41,000	3,06,250
Method of settlement	Equity settled plans	Equity settled plans
Vesting period	Upto 4 years	1 day
Vesting conditions	Service period and performance based conditions	Service period

The vesting percentage basis period, of above schemes are as follows:-

Particulars	ESOP scheme 1	ESOP scheme 2
On same day	-	100%
With in 2 year	20%	-
2 to 3 years	40%	-
3 to 4 years	40%	-

Movement in respect of stock options granted to employees of the Company during the year and outstanding as at the year end is set out below:

2021 Factoreal ESOP scheme 1

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Weighted average exercise price (USD)	No. of options	Weighted average exercise price (USD)
Outstanding at beginning of the year	4,41,000	1	-	-
Options granted during the year	36,750	0.75	4,41,000	0.75
Exercised during the year	-	-	-	-
Forfeited/lapsed during the year	-	-	-	-
Outstanding at the end of the year	4,77,750	0.75	4,41,000	0.75
Unvested options at the end of the year	4,77,750	0.75	4,41,000	0.75

2021 Factoreal ESOP scheme 2

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Weighted average exercise price (USD)	No. of options	Weighted average exercise price (USD)
Outstanding at beginning of the year	3,06,250	-	-	-
Options granted during the year	-	1	3,06,250	1
Exercised during the year	-	-	-	-
Forfeited/lapsed during the year	-	-	-	-
Outstanding at the end of the year	3,06,250	1	3,06,250	1
Vested options at the end of the year	3,06,250	1	3,06,250	1

The employee stock compensation cost for the Employee stock options plan – ESOP scheme 1 and ESOP scheme 2 has been computed by reference to the fair value of share options

Particulars	As at March 31, 2023		As at March 31, 2022	
	ESOP scheme 1	ESOP scheme 2	ESOP scheme 1	ESOP scheme 2
Fair value of options (USD)	0 to 0.63	0.30	0 to 0.63	0.30
Exercised price (USD)	0.75	1.00	0.75	1.00
Expected Volatility (%)	61.28%	61.28%	61.28%	61.28%
Expected Life (in years)	3 to 5	0.05 to 2.00	3 to 5	0.05 to 2.00
Expected Dividend (%)	-	-	-	-
Risk free interest rate (%)	5.04 to 5.80	3.83 to 4.52	5.04 to 5.80	3.83 to 4.52

40 Business Combinations:

Details of acquisitions during the year ended March 31, 2023:

The Company through its wholly owned subsidiary , Comviva Technologies B.V, acquired Comviva International Netherlands B.V. (Previously Dynacommerce Holding BV) for a transaction value of Eur 7 million (Rs. 585 million) in January 2023, which has been paid upfront. The initial accounting for the business combination has been determined provisionally. DynaCommerce Holding BV is end-to-end, omni-channel solution for telecommunication operators, media and other companies, with a goal of simplifying digital transformation and ensuring agile digital service delivery.

Particulars	EUR in Million	INR in Million
Fair value of net assets as on the date of acquisition	5	403
Goodwill	2	181
Purchase Consideration	7	585

41 Corporate Social Responsibilty

a) Gross Amount required to be spent by the Company during the year is Rs. 36 million (previous year Rs. 34 Million) (calculated at 2% of the average net profits of the Company during the three immediately preceding financial years)

b) Amount spent during the year on:

Rs. in million

Particulars	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset*	2 [5]	- [-]	2 [5]
On purposes other than construction/acquisition of any asset*	35 [29]	- [-]	35 [29]

* Numbers in brackets "[ ]" pertains to previous year March 31, 2022.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the Company during the year	36	34
Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	2	-
(ii) On purposes other than (i) above	35	34
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Environmental sustainability and promoting education	Education and vocational activities, women empowerment and food supply
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
(i) Tech Mahindra Foundation	-	17
(ii) Mahindra Educational Institutions	19	5

42 Discontinued Operations

In the FY 2015-16, The group has acquired the business of TSLEE with the acquisition of ATS Advanced Technology Solutions S.A. (renamed as Comviva Technologies (Argentina) S.A. after acquisition) and ATS Advanced Technology solutions do Brasil Industria,Comercio, importacao E Exportacao Ltda (renamed as Comviva Technologies Do Brasil Industria, Comércio, Importação e Exportação Ltda). The acquisition was done with the purpose of expansion in LATAM Market and also the European Market. However, due to low volume of business and continuing operational losses, the management during the current year has decided to discontinue the operations of TSLEE product and to focus on other product lines for better profit margins.

The financial performance of the discontinued operations are as follows:

Rs. in million

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Revenue from operations	356	567
Other income (net)	-	-
Total income	**356**	**567**
Expenses		
(a) Employee benefits expense	454	347
(b) Subcontracting cost	-	-
(c) Finance costs	-	-
(d) Depreciation and amortization expense	-	-
(e) Provision for impairment (Refer note 34)	145	
(f) Other expenses	81	147
Total expenses	**680**	**494**
Profit/(Loss) before tax from Discontinued Operations	**(324)**	**73**
Tax expenses of Discontinued Operations	**(207)**	**48**
(Loss)/Profit after tax from Discontinued Operations	**(117)**	**25**

Net cash flow attributable to the operating, investing and financing activities of discontinued operations is presented below:

Rs. in million

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Operating activities	(166)	(121)
Net cash flows for the period	**(166)**	**(121)**

Comviva Technologies Limited

Notes forming part of the consolidated financial statements

43.Additional Information as required by Schedule III of the Companies Act, 2013 of enterprises consolidated as subsidiaries

Annexure I

Name of the entity	Net Assets, i.e., total assets minus total liabilities				Share in profit or loss				Share in other comprehensive income				Share in total comprehensive income			
	F.Y. 2022-2023		F.Y. 2021-2022		F.Y. 2022-2023		F.Y. 2021-2022		F.Y. 2022-2023		F.Y. 2021-2022		F.Y. 2022-2023		F.Y. 2021-2022	
	As % of consolidated Net Assets	INR Amount (In Million)	As % of consolidated Net Assets	INR Amount (In Million)	As % of consolidated Profit or Loss	INR Amount (In Million)	As % of consolidated Profit or Loss	INR Amount (In Million)	As % of consolidated other comprehensive income	INR Amount (In Million)	As % of consolidated other comprehensive income	INR Amount (In Million)	As % of consolidated total comprehensive income	INR Amount (In Million)	As % of consolidated total comprehensive income	INR Amount (In Million)
Parent Company																
Comviva Technologies Limited	107%	11,340	114%	8,442	81%	516	77%	439	-15%	(18)	55%	(32)	65%	498	79%	407
Subsidiaries:																
Foreign																
Comviva Technologies Nigeria Limited	1%	98	0%	15	13%	86	5%	31	0%	-	0%	-	11%	86	6%	31
Comviva Technologies Singapore PTE. Limited^^	0%	-	0%	-	0%	-	5%	31	0%	-	0%	-	0%	-	6%	31
Comviva Technologies FZ-LLC	-1%	(117)	-1%	(70)	-6%	(41)	-20%	(115)	0%	-	0%	-	-5%	(41)	-22%	(115)
Comviva Technologies Netherland BV	13%	1,424	19%	1,404	-102%	(650)	70%	401	0%	-	0%	-	-85%	(650)	78%	401
Comviva Technologies (Argentina) S.A. (formerly, ATS Advanced Technology Solutions S.A.)	1%	121	2%	113	-2%	(11)	1%	5	0%	-	0%	-	-1%	(11)	1%	5
ATS Advanced Technology solutions do Brasil Industria,Comercio, importacao E Exportacao Ltda	0%	50	0%	24	4%	27	-2%	(9)	0%	-	0%	-	4%	27	-2%	(9)
Comviva Technologies (Australia) Pty. Ltd	-1%	(152)	-1%	(106)	-8%	(49)	2%	9	0%	-	0%	-	-6%	(49)	2%	9
Emagine International Pty. Ltd.^	3%	299	4%	306	0%	-	-2%	(10)	0%	-	0%	-	0%	-	-2%	(10)
Comviva Technologies Mexico, S. de R.L. de C.V.^^^	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-
Comviva Technologies Colombia S.A.S	1%	63	1%	43	4%	25	0%	(0)	0%	-	0%	-	3%	25	0%	(0)
Comviva Technologies Madagascar Sarlu.	0%	(1)	0%	3	0%	(3)	-1%	(4)	0%	-	0%	-	0%	(3)	-1%	(4)
YABX Technologies (Netherlands) BV	-1%	(87)	-1%	(81)	-13%	(80)	-12%	(67)	0%	-	0%	-	-11%	(80)	-13%	(67)
YABX India Private Limited	1%	90	1%	72	3%	19	2%	14	0%	(0)	1%	(0)	2%	19	3%	14
Comviva Technologies USA INC.	-1%	(157)	0%	(31)	-19%	(121)	-9%	(52)	0%	-	0%	-	-16%	(121)	-10%	(52)
Comviva Technologies Myanmar Limited	0%	(24)	0%	3	-4%	(27)	-7%	(42)	0%	-	0%	-	-4%	(27)	-8%	(42)
Comviva Technologies COTE D'IVOIRE	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-
Comviva Technologies Americas Inc	15%	1,630	0%	1	-27%	(174)	0%	1	0%	-	0%	-	-23%	(174)	0%	1
Comviva International Netherlands B.V.^^^^	-5%	(482)	0%	-	-11%	(68)	0%	-	0%	-			-9%	(68)		
Adjustments on consolidation	-33%	(3,509)	-37%	(2,714)	186%	1,190	-11%	(60)	114%	142	45%	(27)	175%	1,331	-17%	(87)
Total	100%	**10,586**	100%	**7,424**	100%	**638**	100%	**572**	100%	**124**	100%	**(59)**	100%	**762**	100%	**513**
Minority interest in all subsidiaries	0%	0	0%	**0**	0%	**-**	0%	**-**	0%	**-**	0%	**-**	0%	**-**	0%	**-**
Total	100%	**10,586**	100%	**7,424**	100%	**638**	100%	**572**	100%	**124**	100%	**(59)**	100%	**762**	100%	**513**

^ The Company is in process of de-registration of this entity. The final de-registration application was filed with local authorities on 28th March 2022.

^^ Effective November 12, 2021 entire stake in Comviva Technologies Singapore Pte. Ltd. has been divested.

^^^ Liquidated with effect from March 03, 2021

^^^^Comviva International Netherlands B.V. aquired on 2nd January 2023.

44 The Company does not have transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956.

45 Additonal regulatory information required required by the Schedule III of Companies Act 2013.

a. The Company does not own any immovable property.

b. The Company does not hold any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

c. 1) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

2) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

46 Previous year's figures have been re-classified to conform to this year's classification.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

Rahim Merchant
Partner
Membership No.: 132907
Pune

Date: April 24, 2023

For and on behalf of the Board of Directors of
Comviva Technologies Limited

Jagdish Mitra
Director
Gurugram
DIN: 06445179

Manoranjan Mohapatra
Whole-time Director and CEO
Gurugram
DIN: 00043930

Neeraj Jain
Chief Financial Officer
Gurugram

Parminder Singh Bakshi
Company Secretary
Gurugram

Date: April 24, 2023