



Comviva Technologies Limited

Regd. Office

A-26, Info City, Sector 34
Gurgaon-122001, Haryana
India

Tel: + 91 124 481 9000
Fax: + 91 124 841 9777
CIN: U72200HR1999PLC041214

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NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the members of Comviva Technologies Limited will be held on Thursday, 29th June 2017, at 11 AM at its registered office at A-26, Info City, Sector-34, Gurugram – 122001, Haryana to transact the following business:

ORDINARY BUSINESSES:

1. (a) To consider and adopt the Standalone Audited Financial Statement of the Company including Balance Sheet as at 31st March, 2017, Statement of Profit & Loss for the year ended on that date along with Cash Flow statement, notes and annexures and the Reports of the Board of Directors, Secretarial Auditors Report and Auditors Report thereon.

(b) To consider and adopt the Consolidated Audited Financial Statement of the Company including Balance Sheet as at 31st March, 2017, Statement of Profit & Loss for the year ended on that date along with Cash Flow statement, notes and annexures and the Reports of the Auditors Report thereon.
2. To appoint a Director in place of Mr. Vineet Nayyar (DIN: 00018243), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Chander Prakash Gurnani (DIN: 00018234), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
4. To appoint the Auditors of the Company and to fix their remuneration:

“RESOLVED THAT consent of the Members be and is hereby granted for appointment of M/s BSR & CO LLP, Chartered Accountants Gurugram (Haryana), bearing registration number 101248W/W-100022, in place of M/s Deloitte Haskins & Sells LLP, Chartered Accountants, who had submitted their resignation and shown their unwillingness to be re-appointed, from the conclusion of this Annual General Meeting until the conclusion of twenty third Annual General Meeting of the Company, subject to ratification of such appointment at every Annual General Meeting at such remuneration as may mutually be agreed upon between the auditors and the Board of Directors of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. Harjeet Singh Kohli (DIN: 07575784), be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT subject to the provisions of the Section 197 (9) of the Companies Act, 2013 read with relevant rules of the Companies (Appointment and Remuneration) Rules, 2014 and subject to approval of the Central Government, consent of the members be and is hereby accorded for approval of excess consolidated payment up to INR 2,16,04,804 (including Provident fund contribution and Gratuity) to Mr. Manoranjan Mohapatra (DIN: 00043930), Managing Director of the Company in excess of the permissible limits of Section 197 read with Schedule V of the Companies Act, 2013 during the financial year ending March, 2017.

RESOLVED FURTHER THAT an application with the Central Government be filed seeking their approval for waiver of payment of excess remuneration as stated above, to be paid to Mr. Manoranjan Mohapatra (DIN: 00043930), Managing Director of the Company in the prescribed e-Form.

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

“RESOLVED THAT, as recommended by the Nomination and Remuneration Committee, and pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013, consent of the members be and is hereby accorded to approve revised remuneration with effect from 1st April, 2017.

- **Fixed Pay 17,698,695 (inclusive of salary, allowances) to be paid monthly**
- **Variable Pay 8,190,315 (Performance Linked Incentive) to be paid annually after the end of the financial year**
- **Retirement & other benefits 14,12,040 (provident fund and gratuity as per statutory limits)**
- **Any ESOP grants by the parent company.**



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RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to revise remuneration of the Managing Director by an amount not exceeding 15% p.a. of his then current remuneration drawn on the basis of recommendation of the Nomination and Remuneration Committee, however the overall increase shall not in any case be in excess of the limits prescribed under the provisions of Section 197 or Schedule V read with other applicable provisions of the Act, unless it is approved by the Central Government.

RESOLVED FURTHER THAT any one of the Directors or Company secretary be and is hereby severally authorised to do all such acts, deeds and thing as may be required to give effect to this resolution.”

Place: Gurugram

Date : 02-06-2017

**By Order of the Board
for Comviva Technologies Limited**

Sd/-

**Sriram Gopalakrishnan
Company Secretary
Membership No. 11266**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF THE PROXY IS ENCLOSED. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED DULY COMPLETED AT COMPANY’S REGISTERED OFFICE NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.
2. To facilitate Shareholders of the Company to hold their Shares in a Dematerialized form, the Company is registered with the Depositories namely, National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) vide ISIN No. **INE074E01027**.
3. Members are requested to bring their copy of Annual Report at the meeting.

Corporate members intending to send their authorized representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.

4. The registers of Directors and KMP along with their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for the inspection by the members at the Annual General Meeting.
5. A statement setting out the material facts concerning each item of special business (explanatory statement) pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 is enclosed herewith.
6. The Registered Office of the Company is at walking distance and visible from Hero Chowk, Gurugram (Haryana)

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 4

Members in their Annual General Meeting held on 26th July, 2016 had appointed M/s Deloitte Haskins & Sells LLP, Chartered Accountants, as Auditor for the financial year ending March, 2017 and to hold the office till the conclusion of next annual general meeting schedule to be held during 29th June, 2017. However after completion of audit Ms/ Deloitte Haskins & Sells LLP, Chartered Accountants, has submitted their resignation and shown their unwillingness to be appointed as Auditor for the next financial year.

Audit committee had recommended name of BSR & CO LLP, as auditor of the Company to be appointed at the ensuing annual general meeting. They have given their consent and eligibility letter. The Board recommend their appointment for a period of five years, subject to ratification by the members at every annual general meeting.

None of the Directors, Key Managerial Personnel or their relatives are interested in the above resolution, except the appointee.

ITEM NO. 5

Mr. Harjeet Singh Kohli (DIN: 007575784) was co-opted by the Board through a circular resolution passed on 05th September 2016 as an Additional Director representing the Bharti group. As per the provisions of Section 161, an additional director can hold office only upto the date of ensuing Annual General Meeting. Your Company has received necessary proposal including security deposit of INR One Lakh from Bharti RBM holdings Pvt. Ltd, member of the Company, proposing his candidature to be appointed as a Director at the



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ensuing Annual General Meeting. Your directors recommend the resolution to be passed for his appointment at the ensuing annual general meeting.

None of the Directors, Key Managerial Personnel or their relatives are interested in the above resolution, except the appointee.

ITEM NO. 6

The remuneration paid to Mr. Manoranjan Mohapatra (DIN: 00043930), the Managing Director of the Company was revised by passing a Board resolution in the meeting held on 25th October, 2016 amounting to Rs. 3,37,33,804 (including Employer's PF contribution and Gratuity)

Due to unexpected fall in the profits of the Company for the F.Y. 2016-17, the remuneration so paid has exceeded the limit provided in Section 197 of the Companies Act, 2013 read with Schedule V and other applicable provisions of the Act i.e. 5% of the profits calculated under section 198 of the Act amounting to Rs. 1,21,29,000

Hence, approval of members is sought to approve the payment of excess remuneration amounting to Rs. 2,16,04,804 to the Managing Director, subject to Central Government's approval and also to apply to Central Government for the same.

Your Directors recommend the above special resolution for your approval.

None of the Directors, Key Managerial Personnel and their relatives are interested in the above Resolution except Mr. Manoranjan Mohapatra (DIN: 00043930), the Managing Director of the Company.

ITEM NO. 7

The Board of directors in their meeting held on 20th May 2015 had passed a resolution for re-appointment of Mr. Manoranjan Mohapatra (DIN:00043930), Managing Director of the Company for a period of five years which was subsequently approved by the members in their Annual General Meeting held on 25th June 2015. As per provision of Section 197, Company can pay upto 5% of its profits as calculated under the provisions of Section 198 of the Act and payment of remuneration can go upto 10% of the profits provided the same has been approved by the members as a special resolution. During the financial year ending March 2017, profits of the Company have declined due to market factors and lower spend by leading telecom customers prevailing in Telecom Sector. Payment of remuneration to the Managing Director paid in earlier years was within the ceiling of 5% but during the financial year ending March, 2017 this has gone beyond the ceiling of 5% of the net profits. Therefore, it is recommendable to raise the ceiling upto 10% of the net profits, as calculated under the provisions of Section 198 of the Act by passing a special resolution by the



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members. However the compensation approvals in monetary terms, continue to be in line with the earlier approvals given by the members in their Annual General Meeting held on 25th June 2015.

Your Directors recommend the above special resolution for your approval.

This may be treated as an abstract of the terms and conditions of payment of remuneration to the Managing Director under Section 190 of the Act.

None of the Directors, Key Managerial Personnel and their relatives are interested in the above Resolution except Mr. Manoranjan Mohapatra (DIN: 00043930), the Managing Director of the Company.

Additional information as required under Schedule V of the Act, is given herein below, for special business which shall form part of the both the items i.e. Item No. 6 & 7.

Additional information required as per Schedule V of the Companies Act, 2013:

I. General information:

- i. **Nature of industry:** The Company is engaged in Information Technology industry and develops softwares and other related applications for domestic market as well as exports to international markets.
- ii. **Date or expected date of commencement of commercial production:** The Company had already started its commercial production.
- iii. **Financial performance:**

Amount in Rs./ Millions

Year	for the year FY 2016-17	for the year FY 2015-16	for the year FY 2014-15
Total Income	5700	6491	6381
Profit before tax	276	1111	1191
Profit after tax	298	708	751

iv. Foreign investments or collaborations:

The Company has following subsidiaries overseas:

Sr. No.	Name of entity	Country of incorporation
1.	Comviva Technologies Inc.	A wholly owned subsidiary incorporated in USA
2.	Comviva Technologies Nigeria Limited	A wholly owned subsidiary incorporated in Nigeria.
3.	Comviva Technologies FZ-LLC	A wholly owned subsidiary incorporated in UAE.
4.	Comviva Technologies Singapore PTE Limited	A wholly owned subsidiary incorporated in Singapore.
5.	Terra Payment Services South Africa (PTY) Ltd.	A wholly owned subsidiary acquired in South Africa.
6.	Comviva Technologies B.V.	A wholly owned subsidiary incorporated in Netherland.
7.	Terra Payment Services (Netherlands) B.V.	A wholly owned subsidiary incorporated in Netherland.
8.	Comviva Technologies Limited Madagascar Sarlu	A wholly owned subsidiary incorporated in Madagascar.

- i. **II. Information about the appointee: Background details:** Mr. Manoranjan Mohapatra (DIN: 00043930) is associated with the Company since the year 2009. He is technocrat and having rich and diversified experience, which has taken the Company to great heights in terms of revenue generation, profitability and growth.
- ii. **Past remuneration:** Rs. 41,837,293 (Rupees Four Crore Eighteen lakhs Thirty Seven Thousand Two Hundred and Ninety three only) for the F.Y. 2015-16.
- iii. **Recognition or awards:** The Institute of Directors (IOD) has awarded the prestigious 'Distinguished Fellow' award to Mao in August 2011. The award recognizes Mao's effort in spearheading Comviva's growth into the current leadership position in the VAS industry, across continents. The Distinguished Fellow is an annual award, which honours members who have sustained a prominent and distinguished career or who have offered outstanding participation and services to the organization along with making special contributions to the community or business.
- iv. **Job profile and his suitability:** As CEO, Mao is responsible for creating, communicating and implementing the organization's vision, mission, and overall direction. He leads the development and implementation of the overall organization's strategy. He plays a key



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role along with the senior management team in formulating and implementing the strategic plan that guides the direction of the organization.

In pursuit of the strategic direction that has been set, Mao oversees the complete operation of the organization including the design of the organization in a manner that facilitates and supports the operations.

Ensuring the success of the organization in reaching its goals through regular goal setting activities, reviews, appropriate organizational level rewards and recognitions programs, providing leadership and motivation to advance employee engagement, and performance appraisals and correction actions for course correction is also a key responsibility that is effectively managed by Mao assisted by the senior management team.

From a strategic point of view, Mao also maintains an awareness of both the external and internal competitive landscape, opportunities for expansion, customers, markets, new industry developments and standards, and so forth. This also includes strategic corporate actions such as looking at potential acquisitions or divestments under circumstances that will enhance shareholder value.

Mao also acts as the custodian for corporate governance within Comviva. He controls the organization's way of doing business and ensures that Comviva always follows the highest ethical standards in all its business dealings while adhering to its societal commitments.

v. **Remuneration proposed (to be waived off):** Rs. 2,16,04,804

vi. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:**

Company Name	Industry	Revenue	CEO/WTD	Remuneration
Polaris Consulting	IT consulting, Outsourcing	1500 cr	Jitin Goyal	9 cr (paid outside India)
Mphasis	Technology services	3000 cr	Balu Ganesh Iyer	10.6 cr
Hexaware Technologies	IT, BPO, consulting	1300 cr	R Srikrishna	3.8 cr
Zensar	Technology Services	1200 cr	Ganesh Natrajan	5.9 cr
Eclerx	KPO	1100 cr	PD Mundhra	2.2 cr
Sonata Software	Technology services	530 cr	Srikar Reddy	4.3 cr



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- vii. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel:** Apart from receiving remuneration from the Company, the Company also reimburses ESOP payment to Tech Mahindra Ltd. (Holding Company) on behalf of Mr. Manoranjan Mohapatra (DIN: 00043930) for the shares allotted to him by Tech Mahindra Ltd. (Holding Company) under its ESOP schemes.

III. Other information:

- i. **Reasons for loss or inadequate profits:** Recently, the growth in Information technology sector has been slackening due to change in the policies and norms relating to H1B visa in the USA. Due to this and few other changes made in the policies, the Company was not able to match up with the previous year's profit figures.
- ii. **Steps taken or proposed to be taken for improvement:** During FY17 Company has witnessed lower margins, overall telecom sector had cost pressures and tightening their spending. To overcome this impact and improve the cost efficiency in the company, several organizational initiatives have been planned and are being implemented.

From a revenue point of view, Comviva is experiencing significant customer interest and traction in the Latin America region. Comviva's acquisition of ATS in FY16 has been a success in terms of presenting a local face in Latin America. In addition, Africa continues to power our growth with increasing engagement with two major operator groups that will lead to additional orders and revenue especially in MobiLytx and Mobile Financial Services.

From a market perspective, we have made significant efforts to break into South East Asia and have been successful with several new customer orders in FY17 and see good traction going forward as well.

Comviva is also increasingly focusing on non-telco segment in order to diversify into other customer segments. Furthermore, the investments in new product initiatives will lead to increase in revenues in the future as well.

Considering the above, we are confident that Comviva will maintain its long term revenue growth average.

From a cost and productivity point of view, Company has planned several strategies. Cost optimization plan has been initiated along with reorganizing delivery functions to increase the productivity. There has been a separate transformation office setup with a Chief Transformation Officer in place to dedicatedly drive these optimization initiatives across the organization with regular planning and tracking.

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Focusing on Ansible, Cloud based offerings, automation and remote support to reduce the cost of testing, support and project delivery have been initiated.

With above plans and focused efforts, the Company is expected to improve its revenue growth, productivity and efficiency further with the same resulting in additional profitability. We expect to see the company in the 18 to 20% range in the next couple of years.

iii. **Expected increase in productivity and profits in measurable terms:**

Particulars	Amt in INR Mn		
	FY17	FY18 (P)	FY19 (P)
Revenue	5,778	6,400	7,500
EBITDA	521	875	1,420
EBITDA%	9%	14%	19%

Place: Gurugram
Date: 02-06-2017

By Order of the Board
for Comviva Technologies Limited

Sd/-

Sriram Gopalakrishnan
Company Secretary
Membership No. 11266