



XSL/SE/2019-20/12

August 13, 2020

The Secretary  
Listing Department  
BSE Limited  
PJ Towers,  
Dalal Street,  
Mumbai - 400 001  
Script Code: 532616

The Secretary  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block, Bandra Kurla  
Complex, Bandra (East), Mumbai 400 051  
Script Code: XCHANGING

**Sub: Outcome of the Board Meeting**

**Ref: Regulation 30, 33 & other applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Xchanging Solutions Limited, a DXC  
Technology Company

CIN: L72200KA2002PLC030072  
Registered Office: Kalyani Tech Park - Survey  
no 1, 6 & 24, Kundanhalli Village, K R Puram  
Hobli, Bangalore – 560066, Karnataka, India  
T +91.(0) 80.43640000  
[www.dxc.technology](http://www.dxc.technology)

Dear Sir/Madam,

This is to inform you that the Board of Directors of the Company at their meeting held today, August 13, 2020, have inter-alia considered and approved the following:

1. Unaudited financial results (Standalone and Consolidated) of the Company for the quarter and three months ended June 30, 2020;

We are enclosing herewith copy of unaudited financial results (Standalone and Consolidated) of the Company along with limited review report of the Statutory Auditor.

The results will be published in the newspapers in terms of Regulation 47(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in due course.

Unaudited financial results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2020 along with limited review report of the Statutory Auditor will also be placed on the website of the Company.

2. In continuation of the intimation dated August 5, 2020 with respect to the receipt of a letter from DXC Technology India Private Limited, a member of the promoter/promoter group of the Company expressing the intention to, either individually or together with one or more members of the promoter/promoter group of the Company, launch an offer to voluntarily delist the Company's equity shares from the BSE Limited and the National Stock Exchange of India Limited (together, the "Stock Exchanges") by acquiring all the equity shares held by the public shareholders of the Company in accordance the SEBI (Delisting of Equity Shares) Regulations, 2009 (the "Delisting Regulations") and other applicable provisions



of law (the “**Delisting Proposal**”), the meeting of the Board was convened today, i.e. August 13, 2020, to *inter alia* consider the Delisting Proposal.

The Board *inter alia* noted that as per the Delisting Regulations:

- (a) the Delisting Proposal is required to be approved by the Board and the shareholders of the Company, in accordance with the Delisting Regulations; and
- (b) the Delisting Proposal is required to be approved by the Board only after receipt of a due diligence report from a Merchant Banker appointed by the Board in this regard.

In view of the above, the Board transacted the following:

- (a) considered and took on record the Delisting Proposal;
- (b) approved the appointment of Saffron Capital Advisors Pvt. Ltd., having SEBI Registration INM000011211 (“**Merchant Banker**”), in accordance with Regulation 8(1A)(ii) of the Delisting Regulations, for the purposes of carrying out the due diligence in accordance with Regulation 8(1A)(iii), Regulation 8(1A)(iv), Regulation 8(1D) and other relevant provisions of the Delisting Regulations (“**Due Diligence**”);
- (c) authorized identified personnel to take all necessary steps to procure from the Stock Exchanges details of trading in shares of the Company for a period of 2 years prior to the date of this Board Meeting by the top 25 shareholders, along with details of off-market transactions by such shareholders for a period of 2 years and any other necessary information, as the Merchant Banker deems fit in connection with the Due Diligence and provide the same to the Merchant Banker; and
- (d) took on record the letter received from the Promoter along with the certificate dated August 12, 2020 from S. L. Gadhiya & Co., Chartered Accountants, certifying that the floor price for the Delisting Proposal is INR 44.64 per equity share, determined in accordance with Regulation 15(2) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time. The actual pricing for the delisting will be determined as per the process set out in the Delisting Regulations.



After the receipt of the due diligence report by the Merchant Banker, the Board will meet again to discuss and take a decision on the Delisting Proposal.

3. The meeting of the Board commenced at 11:40 AM and concluded at 03.30 PM.

Moreover, pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 including amendments thereof, Trading Window of Xchanging Solutions Limited will be opened from August 16, 2020.

You are kindly requested to take the above information on record.

Thanking You,

Yours Sincerely,  
For Xchanging Solutions Limited

A handwritten signature in blue ink, appearing to read 'Aruna', with a horizontal line extending to the right.

Aruna Mohandoss  
Company Secretary & Compliance Officer  
Membership No. A24023

Address: Kalyani Tech Park - Survey N0 1, 6 & 24, Kundanhalli Village,  
K R Puram Hobli, Bangalore - 560066, Karnataka, India



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM  
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
XCHANGING SOLUTIONS LIMITED**

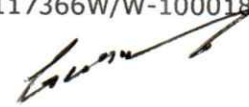
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **XCHANGING SOLUTIONS LIMITED** ("the Company"), for the quarter ended June 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



**Deloitte  
Haskins & Sells LLP**

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Gurvinder Singh**  
(Partner)  
(Membership No. 110128)  
(UDIN: 20110128AAAACP4569)

Place: Bengaluru  
Date: August 13, 2020



(Rs in lakhs except for per share data)

Statement of Standalone Unaudited Financial Results for the Quarter ended 30/06/2020					
Sl. No.	Particulars	Quarter ended 30/06/2020	Quarter ended 31/03/2020	Corresponding quarter ended 30/06/2019	Year ended 31/03/2020
		(Unaudited)	(Refer note 3)	(Unaudited)	(Audited)
1.	Revenue from operations	1,070	1,018	1,088	4,270
2.	Other income (Refer note 6)	841	270	754	1,568
3.	<b>Total Income (1+2)</b>	<b>1,911</b>	<b>1,288</b>	<b>1,842</b>	<b>5,838</b>
4.	<b>Expenses</b>				
	Employee benefits expense	531	506	532	2,090
	Finance costs	7	2	1	11
	Depreciation and amortisation expense	36	25	13	77
	Other expenses	223	242	282	1,027
	<b>Total expenses (4)</b>	<b>797</b>	<b>775</b>	<b>828</b>	<b>3,205</b>
5.	<b>Profit before tax (3-4)</b>	<b>1,114</b>	<b>513</b>	<b>1,014</b>	<b>2,633</b>
6.	<b>Tax expense / (benefit)</b>				
	Current tax	310	181	275	802
	Current tax- for the earlier year	-	-	-	(579)
	Deferred tax	29	(7)	33	141
	<b>Total tax expense (6)</b>	<b>339</b>	<b>174</b>	<b>308</b>	<b>364</b>
7.	<b>Profit for the period (5-6)</b>	<b>775</b>	<b>339</b>	<b>706</b>	<b>2,269</b>
8.	<b>Other comprehensive income/ (expense)</b>				
	(i) Items that will not be reclassified to profit or loss				
	- Remeasurements gains/ (losses) on defined benefit plans	(9)	(19)	-	4
	(ii) Income tax relating to items that will not be reclassified to profit or loss	2	5	-	(1)
9.	<b>Total other comprehensive income/ (expense) (8(i))+8(ii))</b>	<b>(7)</b>	<b>(14)</b>	<b>-</b>	<b>3</b>
10.	<b>Total Comprehensive Income for the period (7+9)</b>	<b>768</b>	<b>325</b>	<b>706</b>	<b>2,272</b>
11.	Paid up equity share capital (Face value per Share Rs 10/-, fully paid)	11,140	11,140	11,140	11,140
12.	Other Equity (excluding Revaluation Reserve)	-	-	-	11,571
13.	Earnings per Equity Share (Face value of Rs.10 each) (not annualised for the quarters)				
	Basic- In Rs.	0.70	0.30	0.63	2.04
	Diluted- In Rs.	0.70	0.30	0.63	2.04

**Notes:**

- The above unaudited financial results of Xchanging Solutions Limited (the Company) have been reviewed and recommended by the Audit Committee to the Board, and approved by the Board of Directors at its meeting held on August 13, 2020. The statutory auditors have carried out limited review of financial results for the quarter ended June 30, 2020.
- In accordance with Ind AS 108 – “Segment Reporting” the Company has identified only one primary segment viz., Information Technology (IT) services and accordingly the above results relate to this segment.
- The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures of the full financial year ended March 31, 2020 and published year to date figures upto the third quarter ended December 31, 2019, which were subjected to limited review by the statutory auditors of the Company.
- The Company has considered internal sources of information up to the date of approval of the financial results in determining the impact on various elements of its financial results. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables and investments. The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on such evaluation. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results. The Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.
- As on date, the members of the promoter/promoter group of the Company held 83,552,787 equity shares of face value INR 10 each (“Equity Shares”) representing 75.00% of the equity share capital of the Company. A letter dated August 05, 2020, has been received by the Company from DXC Technology India Private Limited (DXC Tech) a member of the promoter/promoter group of the Company, expressing their intention to launch an offer to voluntarily delist the Company’s equity shares from the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) by acquiring all equity shares held by the public shareholders of the Company in accordance with the Regulation 29 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Delisting of Equity Shares) Regulations, 2009 (“Delisting Regulations”) and other applicable provisions of law. The Board in its meeting held on August 13, 2020 have noted and placed on record the letter received from DXC Tech and further appointed a Merchant Banker to provide a due diligence report on delisting as required under the Delisting Regulations.
- Other Income for the quarter ended June 30, 2020 includes Rs 473, being interest received on income tax refund, pertaining to an earlier assessment year.
- Figures for the previous periods have been regrouped and reclassified, wherever necessary.

By Order of the Board of Directors



*Chandrasekhara Rao Boddaju*

**Chandrasekhara Rao Boddaju**  
**Managing Director and Chief Executive Officer**  
**DIN: 08185777**

Place : Hyderabad  
Date : August 13, 2020

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## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF XCHANGING SOLUTIONS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **XCHANGING SOLUTIONS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2020 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:
  - a. Xchanging Solutions (Singapore) Pte Ltd ("XSSPL") - Wholly Owned Subsidiary of Parent Company;
  - b. Xchanging Solutions USA Inc ("XSUI") - Wholly Owned Subsidiary of Parent Company;
  - c. Xchanging Solutions (Europe) Limited ("XSEL") - Wholly Owned Subsidiary of Parent Company;
  - d. Xchanging Solutions (Malaysia) Sdn Bhd - Wholly owned Subsidiary of XSSPL; and
  - e. NexPLICIT Infotech India Private Limited - Wholly owned Subsidiary of XSUI.

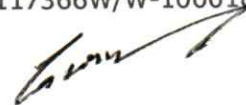


**Deloitte  
Haskins & Sells LLP**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated unaudited financial results includes the financial information of three subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total assets of Rs. 153 lakhs as at June 30, 2020, total revenue of Nil for the quarter ended June 30, 2020, and total loss after tax and total comprehensive loss of Rs. 0.07 lakhs each for the quarter ended June 30, 2020. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim information certified by the Management.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Gurvinder Singh**  
(Partner)  
(Membership No. 110128)  
(UDIN: 20110128AAAACQ3700)

Place: Bengaluru  
Date: August 13, 2020





(Rs in lakhs except for per share data)					
Statement of Consolidated Unaudited Financial Results for the Quarter ended 30/06/2020					
Sl. No.	Particulars	Quarter ended 30/06/2020	Quarter ended 31/03/2020	Corresponding quarter ended 30/06/2019	Year ended 31/03/2020
		(Unaudited)	(Refer note 3)	(Unaudited)	(Audited)
1.	Revenue from operations	5,121	4,554	4,397	18,226
2.	Other income (Refer note 6)	848	332	380	1,268
3.	<b>Total Income (1+2)</b>	<b>5,969</b>	<b>4,886</b>	<b>4,777</b>	<b>19,494</b>
4.	<b>Expenses</b>				
	Employee benefits expense	1,904	1,742	2,111	7,634
	Finance costs	7	3	2	13
	Depreciation and amortisation expense	54	42	30	144
	Other expenses	1,769	1,235	1,111	5,774
	<b>Total expenses (4)</b>	<b>3,734</b>	<b>3,022</b>	<b>3,254</b>	<b>13,565</b>
5.	<b>Profit before tax (3-4)</b>	<b>2,235</b>	<b>1,864</b>	<b>1,523</b>	<b>5,929</b>
6.	<b>Tax expense / (benefit)</b>				
	Current tax	357	295	332	1,114
	Current tax- for the earlier year	-	(217)	-	(796)
	Deferred tax	29	(7)	33	141
	<b>Total tax expense (6)</b>	<b>386</b>	<b>71</b>	<b>365</b>	<b>459</b>
7.	<b>Profit for the period (5-6)</b>	<b>1,849</b>	<b>1,793</b>	<b>1,158</b>	<b>5,470</b>
8.	<b>Other comprehensive income/ (expense)</b>				
	(A) (i) Items that will not be reclassified to profit or loss				
	- Remeasurements gains/ (losses) on defined benefit plans	(9)	(19)	-	4
	(A) (ii) Income tax relating to items that will not be reclassified to profit or loss	2	5	-	(1)
	(B) (i) Items that may be reclassified to profit or loss				
	- Exchange differences in translating the financial statements of foreign operations	9	735	(23)	1,089
	(B) (ii) Income tax relating to items that may be reclassified to profit or loss	(2)	(185)	7	(274)
9.	<b>Total other comprehensive income/ (expense) (8(A)(i-ii)+8(B)(i-ii))</b>	<b>-</b>	<b>536</b>	<b>(16)</b>	<b>818</b>
10.	<b>Total Comprehensive Income for the period (7+9)</b>	<b>1,849</b>	<b>2,329</b>	<b>1,142</b>	<b>6,288</b>
11.	Paid up equity share capital (Face value per Share Rs 10/-, fully paid)	11,140	11,140	11,140	11,140
12.	Other Equity (excluding Revaluation Reserve)	-	-	-	38,470
13.	Earnings per Equity Share (Face value of Rs.10 each) (not annualised for the quarters)				
	Basic- In Rs.	1.66	1.61	1.04	4.91
	Diluted- In Rs.	1.66	1.61	1.04	4.91

**Notes:**

- The above unaudited financial results of Xchanging Solutions Limited (the Company) and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") have been reviewed and recommended by the Audit Committee to the Board, and approved by the Board of Directors at its meeting held on August 13, 2020. The statutory auditors have carried out limited review of financial results for the quarter ended June 30, 2020.
- In accordance with Ind AS 108 – "Segment Reporting" the Group has identified only one primary segment viz., Information Technology (IT) services and accordingly the above results relate to this segment.
- The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures of the full financial year ended March 31, 2020 and published year to date figures upto the third quarter ended December 31, 2019, which were subjected to limited review by the statutory auditors of the Company.
- The Group has considered internal sources of information up to the date of approval of the financial results in determining the impact on various elements of its financial results. The Group has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Group expects to fully recover the carrying amount of trade receivables including unbilled receivables. The Group has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID-19 is not material based on such evaluation. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results. The Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.
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- Other Income for the quarter ended June 30, 2020 includes Rs 473, being interest received on income tax refund, pertaining to an earlier assessment year.
- Figures for the previous periods have been regrouped and reclassified, wherever necessary.



By Order of the Board of Directors

*Chandrasekhara Rao Boddjo*

Chandrasekhara Rao Boddjo

Place : Hyderabad  
Date : August 13, 2020