

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: Submission of Annual Report for the Financial Year 2023-24 including Notice of the 23<sup>rd</sup> Annual General Meeting pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Xchanging Solutions Limited, a DXC  
Technology Company**

CIN: L72200KA2002PLC030072  
Registered Office: HP Avenue, 39/40,  
Electronic City, Hosur Main Road, Bengaluru  
560 100, Karnataka, India  
T +91 80 6972 9602  
www.dxc.com  
URL: <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>  
Email: xchangingcompliance@dxc.com

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of Xchanging Solutions Limited (“**the Company**”) for the Financial Year 2023-24 and the Notice of the 23<sup>rd</sup> Annual General Meeting (“**AGM**”) of the Company to be held on Wednesday, July 24, 2024 at 10:00 A.M. (IST) through Video Conferencing (“**VC**”) / Other Audio Visual Means Facility (“**OAVM**”).

The Annual Report along with Notice of the AGM of the Company for the Financial Year 2023-24 has been sent to the Shareholders on Friday, June 28, 2024 through electronic mode only as per the provisions of the relevant Circular(s) issued by the MCA and the SEBI.

The Annual Report along with the Notice of AGM will be uploaded on the Company’s website at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

You are requested to take the above information on record.

Thanking You,  
Yours sincerely,  
For Xchanging Solutions Limited

Mayank Jain  
Company Secretary & Compliance Officer  
Membership No. A26620

Xchanging Solutions Limited

**ANNUAL REPORT 2023-24**



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## BOARD OF DIRECTORS

Henry D'Souza	- Independent Director
Nonavinakeri Srinivasaiyengar Rama ("Rama NS")	- Independent Director
Pankaj Vaish	- Independent Director
Kartik Ganapathy Iyer	- Non-Executive Director
Nachiket Vibhakar Sukhtankar	- Managing Director and Chief Executive Officer
Shrenik Kumar Champalal	- Whole Time Director and Chief Financial Officer

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mayank Jain  
E-mail: [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com)

## STATUTORY AUDITORS

Deloitte Haskins & Sells LLP  
Prestige Trade Tower, Level 19, 46, Palace Road,  
High Grounds, Bengaluru – 560001, Karnataka, India

## REGISTERED OFFICE

HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru 560 100,  
Karnataka, India  
Phone : +91 80 69729602  
Email : [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com)  
Website: <https://www.dxc.com>  
URL: <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>  
CIN : L72200KA2002PLC030072

## REGISTRAR AND TRANSFER AGENT

KFin Technologies Limited  
(Formerly known as KFin Technologies Private Limited)  
Selenium Tower B, Plot 31-32, Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032, Telangana  
Phone : +91 40 67162222  
Toll free number: 1-800-309-4001  
Email : [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website : <https://www.kfintech.com>

## LIST OF ALL ANNEXURES

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### A. BOARD'S REPORT

- Annexure – I** Particulars of contracts/arrangements with related parties (Form AOC-2)
- Annexure – II** Secretarial Audit Report (Form MR – 3)
- Annexure – III** Remuneration to Directors / KMP / Employees
- Annexure – IV** Certificate of Non-disqualification of Director
- Annexure – V** Annual Report on CSR activities of the Company
- Annexure – VI** Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

### B. CORPORATE GOVERNANCE REPORT

- Annexure – A** Compliance Certificate
- Annexure – B** Certificate on Corporate Governance Report

## BOARD'S REPORT

Dear Shareholders,

The Board of Directors ("Board") is pleased to present the Twenty Third Annual Report and the Audited Financial Statements of Xchanging Solutions Limited ("**the Company**") for the financial year ended March 31, 2024.

### A. FINANCIAL RESULTS

The highlights of standalone and consolidated financial results of the Company for the financial year ended March 31, 2024 and March 31, 2023 are as under:

(Rs. in Lakhs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	For the Financial year ended March 31, 2024	For the Financial year ended March 31, 2023	For the Financial year ended March 31, 2024	For the Financial year ended March 31, 2023
Total Income	12,560	4,750	19,625	18,512
Total Expenditure	2,825	2,871	13,007	12,552
Profit before Finance Costs, Depreciation, Tax and exceptional item	9,799	1,949	6,859	6,031
Depreciation & Amortization	54	60	54	61
Finance Costs	10	10	187	10
Profit before Tax and exceptional item	9,735	1,879	6,618	5,960
Exceptional item -Gain	30,935	-	-	-
Profit before Tax	40,700	1,879	6,618	5,960
Income Tax (including deferred tax)	4,050	410	5,248	1,470
Net Profit / (Loss) after Tax	36,650	1,469	1,370	4,490
Other Comprehensive Income/(Expenditure)	22	-20	-177	1,787
Total Comprehensive Income/(Expenditure)	36,672	1,449	1,193	6,277
Earnings / (Loss) per share	32.90	1.32	1.23	4.03

### B. REVIEW OF OPERATIONS

During the financial year ended March 31, 2024, the consolidated income of the Company was Rs 19,625 Lakhs as against Rs 18,512 Lakhs during the previous year ended March 31, 2023. At a standalone level, the total income of the Company for the financial year ended March 31, 2024 amounted to Rs 12,560 Lakhs compared to Rs 4,750 Lakhs during the previous year ended March 31, 2023.

### C. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the financial year ended March 31, 2024 as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") is presented in a separate section and forms an integral part of this Report.

### D. DIVIDEND

During the financial year under review, the Board of Directors of the Company had recommended first interim dividend of Rs 15 per equity share (face value of Rs 10 each) amounting to Rs 16,711 Lakhs for the financial year ended March 31, 2024 at their meeting held on July 10, 2023 and the same was approved by the Shareholders at the annual general meeting held on August 25, 2023. The first interim dividend was paid on September 1, 2023.

The Board of Directors of the Company had approved second interim dividend of Rs 15 per equity share (face value of Rs 10 each) amounting to Rs 16,711 Lakhs for the financial year ended March 31, 2024 at their meeting held on February 13, 2024 and the same was paid on March 6, 2024.

The Board of Directors of the Company has considered and recommended final dividend of Rs. 4 per equity share (including special dividend of Rs. 2 per equity share) (face value of Rs. 10 each) amounting to Rs. 4,456 Lakhs for the financial year ended March 31, 2024 at their meeting held on May 23, 2024. The recommended final dividend (including special dividend) on equity shares is subject to approval at the ensuing Annual General Meeting ("**AGM**"). The final dividend (including special dividend) will be paid within 30 days of the ensuing AGM subject to the approval of Shareholders.

Refer the Company's policy on Dividend Distribution available on the website of the Company at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>

### E. TRANSFER TO RESERVES

During the financial year under review, the Company has not transferred any amount to the General Reserve.

### F. SUBSIDIARIES AND ASSOCIATES

The Company has 2 (two) direct subsidiaries and 1 (one) step down subsidiary as on March 31, 2024. There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("**the Act**"). There has been no material change in the nature of the business of the Company and its subsidiaries.

#### Liquidation status of Subsidiary Companies

Nexplicit Infotech India Private Limited, a step-down subsidiary (Wholly owned subsidiary of Xchanging Solutions (USA), Inc.) is under liquidation.

In terms of Section 129(3) of the Act, the Company has prepared a statement containing the salient features of the Financial Statement of subsidiaries in the prescribed Form AOC-1 which is attached to the Financial Statements of the Company.

The Financial Statements of Subsidiary Companies are being uploaded on website of the Company <https://www.dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations> for inspection by the shareholders. Any member desirous of obtaining a copy of the said financial statements may write to the Company. The Financial Statements including the consolidated financial statements and all other documents required to be attached with this report have been uploaded on to the website of your Company viz. <https://dxc.com/in/>

[en/about-us/xchanging-solutions-limited-investor-relations](https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations)

In terms of the Company's Policy on determining "material subsidiary", during the financial year ended March 31, 2024, Xchanging Solutions (USA), Inc. and Xchanging Solutions Singapore Pte. Limited were determined as a material subsidiary(ies) whose income exceeds 10% of the consolidated income of the Company in the immediately preceding financial year.

### G. RELATED PARTY TRANSACTIONS

All Related Party Transactions are placed before the Audit Committee for approval as per the Related Party Transactions Policy of the Company as approved by the Board. The policy is also uploaded on the website of the Company and can be accessed through the link <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The disclosure of transactions with the related parties are provided in the notes to the Standalone Financial Statements, forming part of the Annual Report.

As required under the Act, particulars of contracts or arrangements with related parties in the prescribed Form AOC-2, is provided as **Annexure – I** to this Board's Report.

### H. AUDITORS

#### (i) Statutory Auditors and Auditors' Report

The Shareholders of the Company in the 20<sup>th</sup> AGM of the Company had re-appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No. 117366W/W-100018), ("Deloitte") as the Statutory Auditors of the Company to hold office from the conclusion of the 20<sup>th</sup> AGM till the conclusion of the 25<sup>th</sup> AGM of the Company.

The Statutory Auditors had carried out audit of financial statements of the Company for the financial year ended March 31, 2024 pursuant to the provisions of the Act. The reports of Statutory Auditors forms part of the Annual Report. The reports are self-explanatory and does not contain any qualifications, reservations or adverse remarks.

#### (ii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Ankush Agarwal, Partner, MAKS & Co., Company Secretaries [FRN P2018UP067700], to undertake the Secretarial Audit of the Company. Accordingly, in terms of provisions of Section 204(1) of the Act, a Secretarial Audit Report for the financial year ended March 31, 2024 given by the Secretarial Auditor of the Company in prescribed Form MR-3 is provided as **Annexure -II**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### (iii) Reporting of Frauds by Auditors

During the financial year under review, the Statutory Auditors and the Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### I. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

Details of loans, Guarantees and Investments covered under Section 186 of the Act and Schedule V of the Listing Regulations are provided in the notes to financial statements.

### J. PUBLIC DEPOSITS

The Company has neither invited nor accepted any deposits from public within the meaning of Section 73 of the Act read with Companies (Acceptance of Deposits) Rules 2014 during the period under review.

### K. EMPLOYEES

#### (i) Key Managerial Personnel (KMP)

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Nachiket Vibhakar Sukhtankar, Managing Director and Chief Executive Officer
- Mr. Shrenik Kumar Champalal, Whole Time Director and Chief Financial Officer
- Mr. Mayank Jain, Company Secretary cum Compliance Officer

#### (ii) Employees' Stock Option Scheme

During the period under review, no Employees' Stock Option scheme exists in the Company.

#### (iii) Particulars of Employees and Related Disclosures

In accordance with the provisions of Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules, are appended to this Report as **Annexure III**.

None of the directors except Mr. Henry D'Souza, received any remuneration or commission from Subsidiary Companies of the Company.

The details of remuneration paid to the Directors including the Managing Director & CEO of the Company are given in Corporate Governance Report.

The information required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, pursuant to first proviso to Section 136(1) of the Act, this Report is being sent to the Shareholders excluding the aforesaid



information. Any shareholder interested in obtaining said information, may write to the Company Secretary at the Registered Office of the Company and the said information is open for inspection at the Registered Office of the Company.

The Board of Directors affirm that the remuneration paid to key managerial personnel of the Company is as per the Nomination & Remuneration Policy of the Company.

### L. BOARD AND COMMITTEES

#### (i) Directors

As on March 31, 2024, the Board of Directors comprises of six directors out of which two are Executive Directors, three are Independent Directors and one is Non-Executive - Non-Independent Director.

Ms. Gidugu Kalpana Tataavarti resigned as a Director from the Board of the Company on June 15, 2024 on account of personal reasons and other professional commitments.

Based on the recommendation of the Nomination and Remuneration Committee and approved by the Shareholders on the Annual General Meeting held on August 25, 2023, Mrs. Rama NS was re-appointed as the Non-Executive Independent Director for a period of five years w.e.f. April 1, 2024 to March 31, 2029 and approval was taken for continuing her directorship after attaining the age of 75 years and Mr. Shrenik Kumar Champalal was re-appointed as the Whole Time Director for a period of three years w.e.f. March 31, 2024 to March 30, 2027.

Further, based on the recommendation of the Nomination and Remuneration Committee, Mr. Nachiket Vibhakar Sukhtankar is proposed to be re-appointed as Managing Director & CEO of the Company subject to the approval of the Shareholders. The Board of Directors recommended the re-appointment of Mr. Nachiket Vibhakar Sukhtankar as the Managing Director and CEO of the Company for a period of three years w.e.f. August 13, 2024 to August 12, 2027, to the shareholders for their approval in the ensuing Annual General Meeting.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Mr. Kartik Ganapathy Iyer as an Additional Director and Non-Executive Non-Independent Director at their meeting held on June 17, 2024. Further, the Board of Directors recommend the appointment of Mr. Kartik Ganapathy Iyer as the Non-Executive Non-Independent Director, being liable to retire by rotation, to the shareholders for their approval in the ensuing AGM.

The Company has received requisite notice in writing from member of the Company proposing their candidature as Director of the Company.

Pursuant to the provision of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shrenik Kumar Champalal, Whole-time Director and Chief Financial officer, being longest in the office, retire by rotation at the ensuing Annual

General Meeting and being eligible offer himself for the re-appointment. The Board of Directors recommended his re-appointment.

Brief resume and other details relating to the directors, who are to be appointed/ re-appointed as stipulated under Regulation 36(3) of the Listing Regulations and Secretarial Standards issued by ICSI, are furnished in the Notice of Annual General Meeting forming part of the Annual Report.

Further, pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declaration that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and Company's Code of Conduct.

Further, in terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

All Directors have affirmed that they are not debarred from holding the office of a Director by virtue of any SEBI order or any other such Authority and are not disqualified u/s 164(2) of the Companies Act, 2013. Further, Independent Directors have successfully registered themselves in the Independent Director's data bank maintained by Indian Institute of Corporate Affairs.

The Company has taken the certificate from Mr. Ankush Agarwal, Partner, MAKS & Co., Company Secretaries [FRN P2018UP067700], that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed to this Report as **Annexure – IV**.

Further, in the opinion of the Board, the Independent Directors fulfill the conditions specified in Listing Regulations and they are independent of the management.

#### (ii) Board Evaluation

Pursuant to the provisions of Section 134(3)(p) of the Act and Regulation 4 of Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, and the evaluation of the working of its Committees and directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### (iii) Remuneration Policy

The remuneration paid to the Directors is in line with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations (including any statutory



modification(s) or re-enactment(s) thereof for the time being in force).

The relevant Policy(ies) have been uploaded on the website of the Company and can be accessed through the link <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

#### (iv) Board/Committee Composition and Meetings

A calendar of meetings is prepared and circulated in advance to the Directors. The details of composition of Board and Committee and their meetings held during the year are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

#### (v) Familiarization Programme and Separate meeting of Independent Directors.

During the financial year ended March 31, 2024, a separate meeting of the Independent Directors of the Company was held on May 25, 2023 without the attendance of Non-Independent Directors and the Management team.

During their meeting held on May 25, 2023, the Independent Directors discussed the matters specified in Schedule IV of the Act and Regulation 25 of the Listing Regulations.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors have reviewed and approved a familiarization programme for Independent Directors of the Company at their meeting held on February 13, 2024. The Familiarization programme for Independent Directors is available at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

#### (vi) Audit Committee

This Committee comprises of following Directors viz. Mrs. Rama NS (Chairperson of the Committee), Mr. Henry D'Souza, Mr. Pankaj Vaish, and Mr. Shrenik Kumar Champalal. The Company Secretary acts as the Secretary to the Committee. Details of the Audit Committee have been provided in Corporate Governance Report.

All the recommendations of the Audit Committee were accepted by the Board.

#### (vii) Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, the Directors would like to state and confirm:

- (a) That in preparation of the annual financial statement for the year ended March 31, 2024, applicable accounting standards had been followed along with proper explanation relating to material departures if any;
- (b) That such accounting policies have been selected 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 as of March 31, 2024, and of the

profit of the Company for the year ended on that date;

- (c) That proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That the annual accounts have been prepared on a going concern basis;
- (e) Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by Group Management Team including audit of internal financial control over financial reporting, the Board is of the opinion that proper internal financial controls are in place and such internal financial controls are adequate and are operating effectively; and
- (f) That proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

## M. GOVERNANCE

### (i) Corporate Governance

The Company is committed to uphold the highest standards of Corporate Governance and to adhere to the requirements set out by the Securities and Exchange Board of India. A detailed report on Corporate Governance along with the Certificate of Mr. Ankush Agarwal, Partner, MAKS & Co., Company Secretaries [FRN P2018UP067700], confirming compliance with conditions of Corporate Governance as stipulated under Schedule V of the Listing Regulations forms an integral part of this Report.

### (ii) Vigil Mechanism / Whistle Blower Policy

The Company has established a whistle blower policy and also established a mechanism for directors and employees to report their concerns. The details of the same are explained in the Corporate Governance Report. The Board of Directors based on the recommendation of the Audit Committee has amended the Whistle Blower Policy to inter alia, enable employees to report incidents of leak or suspected leak of unpublished price sensitive information in line with the changes made in the SEBI (Prohibition of Insider Trading) Regulations, 2015. As per the Whistle Blower Policy implemented by the Company, the Employees, Directors, customers, dealers, vendors, suppliers, or any Stakeholders associated with the Company are free to report illegal or unethical behaviour, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Chairman of the Audit Committee of the Company. During the year under review, no complaint pertaining to the Company was received under the Whistle Blower Policy. The Vigil Mechanism/Whistle Blower Policy is available at <https://dxc.com/in/en/about->

[us/xchanging-solutions-limited-investor-relations](#).

### (iii) Risk Management

The Company has a Risk Management process which provides an integrated approach for managing the risks in various aspects of the business. The detailed framework is provided in the Management Discussion and Analysis Report.

### (iv) Internal Financial Controls and their adequacy

The Company has in place adequate internal financial controls with reference to the financial statements. The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by external auditors. The Audit Committee ensures adequacy of the system. The Statutory Auditors of the Company also provide their opinion on the internal financial control framework of the Company.

During the year under review, no material or serious observation has been highlighted for inefficiency or inadequacy of such controls.

### (v) Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with provisions relating to the constitution of Internal Committee, (formerly, Internal Complaints Committee) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of the complaints received and disposed-off during the financial year ended March 31, 2024:

- No. of complaints filed during the financial year: Nil
- No. of complaints disposed off during the financial year: Nil
- Number of complaints pending as on end of the financial year: Nil

## N. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been amended substantially with effect from January 22, 2021.

In line with the said amendments, the CSR Policy is available on the Company's website at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

In terms of the provisions of the Act read with the amended Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR activities in the format prescribed under Annexure II of the said Rules is annexed to this Report and marked as **Annexure –V**.

## O. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information as per Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding Conservation of Energy, Research & Development, Technology Absorption and Foreign Exchange Earnings and Outgo is annexed herewith as **Annexure –VI**.

## P. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

Pursuant to Regulation 3 and Regulation 34(2) of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 and SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, the Business Responsibility and Sustainability Reporting ("BRSR") describing the initiatives taken by the Company from an environmental, social and governance perspective forms part of this Annual Report.

The BRSR forms part of the Annual Report and can also be accessed on the Company's website at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

## Q. OTHER DISCLOSURES

### (i) Share Capital

There was no change in the paid-up share capital of the Company. As on March 31, 2024, the paid-up capital of the Company was Rs. 1,114,037,160/-. This comprises 111,403,716 equity shares of Rs. 10/- each fully paid-up.

The Company has not issued any sweat equity shares or equity shares with differential rights during the financial year.

### (ii) Statutory Disclosures

None of the Directors of your Company are disqualified as per provisions of Section 164(2) of the Act. The Directors of the Company have made necessary disclosures as required under various provisions of the Act and the Listing Regulations.

### (iii) Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

### (iv) Compliance of Secretarial Standards

During the financial year under review, the Company has complied with applicable Secretarial Standards on Board and General Meetings specified by the Institute of Company Secretaries of India pursuant to Section 118 of the Act.

### (v) Appointment of Independent Director in an unlisted material Subsidiary

Pursuant to Regulation 3 and Regulation 24 of the Listing Regulations, Mr. Henry D'Souza, Independent Director of the Company is an Independent Director

(w.e.f. April 1, 2019) on the Board of Directors of Company's unlisted material subsidiary i.e. Xchanging Solutions (USA), Inc., and Xchanging Solutions Singapore Pte Limited.

### (vi) Responsibility

#### For Standalone:

The Company's Board of Directors is responsible for the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Corporate Governance Report including annexures thereon.

#### For Consolidated:

The Parent Company's (Xchanging Solutions Limited) Board of Directors is responsible for the information included in the Board's Report including Annexures to the Board's Report, Management Discussion and Analysis and Corporate Governance Report including annexures thereon.

### (vii) Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

### (viii) Significant and material orders

During the Financial Year 2023-24, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future. Further, no penalties have been levied by the SEBI or any other regulator during the year under review.

### (ix) Listing

Equity Shares of the Company are listed on National Stock Exchange of India Limited and BSE Ltd. The Company has paid required listing fees to Stock Exchanges.

### (x) Maintenance of Cost Records

The maintenance of cost records, for the services rendered by the Company, is not required pursuant to Section 148 (1) of the Act read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014.

### (xi) Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certificate

In terms of the Listing Regulations, the certificate, as prescribed in Part B of Schedule II of the said Regulations, has been obtained from Mr. Nachiket Vibhakar Sukhtankar, Managing Director & Chief Executive Officer and Mr. Shrenik Kumar Champalal,

Whole Time Director & Chief Financial Officer, for the Financial Year 2023-2024 with regard to the Financial Statements and other matters. The said Certificate is attached herewith as **Annexure – A** and forms part of Corporate Governance Report.

### (xii) Any proceedings under the Insolvency and Bankruptcy Code, 2016

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

(xiii) There were no instances where the Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.

(xiv) No agreement entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements.

### ACKNOWLEDGEMENTS AND APPRECIATION:

The Directors would like to express their sincere appreciation for the co-operation and assistance received from the Company's Bankers, Regulatory Bodies and Stakeholders including other business associates who have extended their valuable sustained support and encouragement during the year under review.

The Directors also wish to place on record their deep sense of gratitude and appreciation for the commitment displayed by executives, officers and staff at all levels of the Company, resulting in the successful performance of the Company during the year under review. We look forward to your continued support in the future.

### For and on behalf of the Board of Directors,

**Nachiket Vibhakar Sukhtankar**  
Managing Director &  
Chief Executive Officer

**Shrenik Kumar Champalal**  
Whole Time Director &  
Chief Financial Officer

Place : Mumbai

Date : June 17, 2024

Place: Bengaluru

Date: June 17, 2024

# ANNEXURE – I TO BOARD’S REPORT

**Form No. AOC-2**  
**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)**  
**of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis -**

- (a) Name(s) of the related party and nature of relationship: Nil
- (b) Nature of contracts/arrangements/transactions: Nil
- (c) Duration of the contracts / arrangements/transactions: NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Justification for entering such contracts or arrangements or transactions: NA
- (f) Date(s) of approval by the Board: NA
- (g) Amount paid as advances, if any: NA
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA

**2. Details of material contracts or arrangement or transactions at arm's length basis**

- (a) Name(s) of the related party and nature of relationship: **Xchanging Solutions (USA), Inc., Wholly owned subsidiary of the Company**
- (b) Nature of contracts/arrangements/transactions: **ITeS off-shore Services**
- (c) Duration of the contracts / arrangements / transactions: **Ongoing**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Xchanging Solutions Limited has been providing ITeS off-shore services to Xchanging Solutions (USA), Inc. as per the terms in the agreement.**
- (e) Date(s) of approval by the Board, if any: **NA**
- (f) Amount paid as advances, if any: **Nil**

**For and on behalf of the Board of Directors,**

**Nachiket Vibhakar Sukhtankar**  
**Managing Director & Chief Executive Officer**

**Place: Mumbai**  
**Date: June 17, 2024**

**Shrenik Kumar Champalal**  
**Whole Time Director & Chief Financial Officer**

**Place: Bengaluru**  
**Date: June 17, 2024**



## ANNEXURE – II TO BOARD’S REPORT

### MR-3 SECRETARIAL AUDIT REPORT

For the Financial period ended 31st March 2024  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
**The Members,**  
**Xchanging Solutions Limited**  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru  
Karnataka-560100, India  
[CIN: L72200KA2002PLC030072]

We have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **M/s. Xchanging Solutions Limited** (hereinafter called “**the Company**”). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of M/s. Xchanging Solutions Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers 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 31st March 2024 commencing from April 1, 2023 to March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent based on the management representation letter/ confirmation received from the management, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter dated May 23, 2024, annexed to this report as **Annexure – A**.

1. 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 31st March, 2024 according to the applicable 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;
  - 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 Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;
  - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - I. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - II. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - III. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*Not applicable to the Company during the audit period*)
    - IV. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (*Not applicable to the Company during the audit period*)
    - V. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (*Not applicable to the Company during the audit period*)
    - VI. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (*Not applicable to the Company during the audit period*);
    - VII. The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with clients; (*Not applicable since the Company is not registered as Registrar to an Issue and Share Transfer Agent during the audit period*)
    - VIII. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not applicable to the Company during the audit period*) and
    - IX. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We have relied upon the representation made by the Company, its officers, and compliance reports from the management for systems and mechanism framed by the Company and basis that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliances of Information Technology Act, 2000 and the Rules made there under and other Act, Laws and Regulations specifically applicable to the Company.

## Annexure – II to Board’s Report

3. We have also examined compliance with the applicable clauses of the following:
  - i) Secretarial Standards issued by the Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as '**Secretarial Standards**'). We noted that the Company is generally regular in complying with the Secretarial Standards; and
  - ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as '**SEBI (LODR) Regulations, 2015**') and the Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and the BSE Limited.
4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has been regular in compliance with the provisions of the Acts, Rules, Regulations and Agreements, as mentioned above, to the extent applicable.
5. We further report that compliance of applicable financial laws including Direct and Indirect Tax Laws and maintenance of financial records and books of accounts by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.
6. We further report that:
  - i) The Board of Directors of the Company is duly constituted with proper balance of Executive and Non-Executive Directors and Independent Directors including Women Directors. Further, during the year under review there was no Change in the composition of Board of Directors. However, the shareholders of the Company at 22nd Annual General Meeting, held on August 25, 2023, re-appointed following Directors in compliance with the provisions of the Act read with the rules made thereunder and the provisions of SEBI (LODR) Regulations, 2015:
    - a) Mr. Shrenik Kumar Champalal (DIN: 08099410) as the Whole Time Director of the Company for the period of 3 years from March 31, 2024 to March 30, 2027; and
    - b) Mrs. Nonavinakeri Srinivasaiyengar Rama (DIN: 06720033) as Non-executive Independent Woman Director for second term of 5 years from April 1, 2024 till March 31, 2029.
  - ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings was sent at least seven days in advance and system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
  - iii) Decisions of Board/Committee were carried through unanimously. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
  - iv) There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
  - v) We further report that during the audit period the Company had no specific actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.

For **M/s. MAKS & Co.,**  
**Company Secretaries**  
[FRN P2018UP067700]

**Ankush Agarwal**  
Partner  
Membership No: F9719  
Certificate of Practice No: 14486  
Peer Review Certificate No.: 2064/2022  
UDIN: F009719F000429633

Date: May 23, 2024  
Place: Noida (Uttar Pradesh)

**Annexure –A to Secretarial Audit Report dated May 23, 2024**

To,  
The Members,  
**Xchanging Solutions Limited**  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru  
Karnataka-560100, India  
[CIN: L72200KA2002PLC030072]

Our Secretarial Audit Report dated May 23, 2024 is to be read with this letter.

1. The compliance of provisions of all corporate and other laws, rules, regulations and standards applicable to **Xchanging Solutions Limited** (hereinafter called 'the **Company**') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
5. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. MAKS & Co.,**  
**Company Secretaries**  
[FRN P2018UP067700]

**Ankush Agarwal**  
Partner  
Membership No: F9719  
Certificate of Practice No: 14486  
Peer Review Certificate No.: 2064/2022  
UDIN: F009719F000429633

Date: May 23, 2024  
Place: Noida (Uttar Pradesh)



## ANNEXURE – III TO BOARD’S REPORT

### Remuneration to Directors/KMP/Employees

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended March 31, 2024:

Name & Designation	Ratio
Nachiket Vibhakar Sukhtankar (Managing Director & Chief Executive Officer)	*NA
Shrenik Kumar Champalal (Whole Time Director & Chief Financial Officer)	4.05:1

\* Did not draw remuneration during FY 2023-2024.

- (ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year ended:

Name & Designation	% increase in remuneration in the financial year ended March 31, 2024
Nachiket Vibhakar Sukhtankar (Managing Director & Chief Executive Officer)	*NA
Shrenik Kumar Champalal (Whole Time Director & Chief Financial Officer)	Nil
Mayank Jain (Company Secretary)	Nil

\* Did not draw remuneration during FY 2023-2024.

- (iii) The percentage increase in the median remuneration of employees in the financial year ended March 31, 2024: Nil
- (iv) The number of permanent employees on the rolls of Company: 104
- (v) Average percentile/percentage increase made in the salaries of employees other than the managerial personnel in the last financial year: Nil
- (vi) Comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable as there is no exceptional circumstances for increase in the managerial remuneration.
- (vii) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes, remuneration is as per the Nomination & Remuneration policy of the Company.

For and on behalf of the Board of Directors,

Nachiket Vibhakar Sukhtankar  
Managing Director &  
Chief Executive Officer

Place: Mumbai  
Date: June 17, 2024

Shrenik Kumar Champalal  
Whole Time Director &  
Chief Financial Officer

Place: Bengaluru  
Date: June 17, 2024

## ANNEXURE – IV TO BOARD’S REPORT

### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members,**  
**Xchanging Solutions Limited**  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru  
Karnataka-560100, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Xchanging Solutions Limited, having CIN: L72200KA2002PLC030072 and having registered office at HP Avenue, 39/40, Electronic City, Hosur Main Road, Bengaluru, Karnataka - 560100, India (hereinafter referred to as **‘the Company’**), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority as applicable.

S. No.	Name of Director	DIN	Date of Appointment
1	Mr. Henry D’souza	00276157	29/02/2012
2	Mrs. Gidugu Tatavarti Kalpana	06644105	27/03/2018
3	Mrs. Nonavinakeri Srinivasaiyengar Rama	06720033	01/04/2019
4	Mr. Shrenik Kumar Champalal	08099410	31/03/2018
5	Mr. Nachiket Vibhakar Sukhtankar	08778377	13/08/2021
6	Mr. Pankaj Vaish	00367424	04/05/2022

Ensuring the eligibility for the appointment and continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. MAKS & Co.,**  
**Company Secretaries**  
[FRN P2018UP067700]

**Ankush Agarwal**  
**Partner**

Membership No: F9719  
Certificate of Practice No: 14486  
Peer Review Certificate No.: 2064/2022  
UDIN: F009719F000429512

Date: May 23, 2024  
Place: Noida (Uttar Pradesh)

# ANNEXURE – V TO BOARD’S REPORT

## Corporate Social Responsibility

Annual Report of Corporate Social Responsibility (CSR) Activities for the Financial Year ended March 31, 2024:

### THE ANNUAL REPORT ON CSR ACTIVITIES

#### 1. Brief outline on CSR Policy of the Company.

##### CSR Policy:

Corporate Social Responsibility at Xchanging Solutions Limited originates from the ideology of providing sustainable value to the society. In this direction, the Company has adopted its CSR policy striving for economic and social development that positively impacts the society at large. In doing so build a better, sustainable way of holistic life for the marginalized and underprivileged sections of the society and work towards raising the country’s human development index. Through the small contribution, the Company aspires to improve the quality of life of people at the bottom of pyramid.

CSR Policy of the Company provides the overview of projects or programs which are proposed to be undertaken by the Company.

The CSR Policy of the Company can be accessed at the Company’s website through the link: <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>

#### 2. Composition of CSR Committee as on March 31, 2024:

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	Henry D’Souza	Independent Director	1	1
2	Rama NS	Independent Director	1	1
3	Kalpana Tatavarti	Non-Executive Director	1	1
4	Shrenik Kumar Champalal	Executive Director (Whole Time Director)	1	1
5	Pankaj Vaish	Independent Director	1	1

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: <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>

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 sub-section (5) of section 135: Rs 21,26,66,667

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs 42,53,334

(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 42,53,334

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs 40,88,171

(b) Amount spent in Administrative Overheads: Rs 1,65,163

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 42,53,334

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer
Rs. 42,53,334	Nil	Nil	Nil	Nil	Nil

## Annexure – V to Board’s Report

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

S. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135.	Nil
(ii)	Total amount spent for the Financial Year	Nil
(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)]	Nil

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

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub section (6) of section 135(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.)	Date of Transfer		
Nil								

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

(i) Yes (ii)  No

If Yes, enter the number of Capital assets created/ acquired.	NA
---	----

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

S. 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	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NA	NA	NA	NA	NA	NA	NA	NA

(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

### For Xchanging Solutions Limited

**Nachiket Vibhakar Sukhtankar**  
**Managing Director & Chief Executive Officer**  
**DIN: 08778377**

**Henry D’Souza**  
**Chairman-CSR Committee**  
**DIN: 00276157**

**Place: Mumbai**  
**Date: June 17, 2024**

**Place: Canada**  
**Date: June 17, 2024**

## ANNEXURE – VI TO BOARD’S REPORT

### Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

#### A. Conservation of Energy

The operations of your Company are not energy intensive. However, adequate measures have been taken to reduce energy efficient computer terminals.

#### B. Technology Absorption

Your Company has continued its endeavor to develop and absorb advanced technologies for its various offering range to meet the requirements of a globally competitive market and to meet the technology requirements for the future.

#### C. Foreign Exchange Earnings and Outgo:

(Rs. in lakhs)

Particulars	March 31, 2024	March 31, 2023
Total Foreign Exchange earnings	2,526	2,831
Total foreign Exchange outgo	60	40

For and on behalf of the Board of Directors,

**Nachiket Vibhakar Sukhtankar**  
Managing Director & Chief Executive Officer

Place: Mumbai  
Date: June 17, 2024

**Shrenik Kumar Champalal**  
Whole Time Director & Chief Financial Officer

Place: Bengaluru  
Date: June 17, 2024

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW

Xchanging Solutions Limited (“the Company”), incorporated on February 1, 2002, is an Information Technology (IT) services provider with operations in India and an international presence through subsidiaries in USA and Singapore.

DXC Technology Company, ultimate holding company, is listed on New York Stock Exchange, and through its indirect subsidiaries Xchanging (Mauritius) Limited, Xchanging Technology Services India Private Limited & DXC Technology India Private Limited, owns 75% of the outstanding share capital of the Company.

## INDUSTRY STRUCTURE, OUTLOOK AND DEVELOPMENTS

The technology industry flourished during the early pandemic years as Companies accelerated their digital transformation efforts. But the industry has hit several speed bumps over the past two years. High inflation, elevated interest rates, and considerable macroeconomic and global uncertainties contributed to a softening of consumer spending, lower product demand, falling market capitalizations, and workforce reductions in 2022. Headwinds continued into 2023, with slight weakening of global tech spending and rising layoffs. But there are now glimmers of hope that a tech comeback may be imminent: Economists have lowered their assessments of recession risk, and analysts are optimistic that the tech sector could return to modest growth in 2024.

The global IT services industry continues to be a highly fragmented one, with even the largest provider having a mid-single digit market share. Unmet revenue expectations have ushered in a new wave of pragmatism where maintaining a healthy profit margin has become pivotal for corporations due to the uncertain macro outlook. Organizations taking a more rational approach are simply shifting the emphasis of ongoing IT projects toward cost control, efficiencies and automation while curtailing IT initiatives with longer RoIs. Global technology spending on Enterprise software and IT services was close to the US\$2.3 trillion mark in calendar year 2023, with IT services growing at 6.1% YoY to US\$1.4 trillion.

SOURCE: Nasscom, World Economic Outlook, IMF, April 2024 and Deloitte 2024 technology industry outlook

## OPPORTUNITIES

Nasscom Annual Enterprise & Tech Services CXO Survey 2024 indicates stronger growth momentum for calendar year 2024 with under-stressed sectors of BFSI, telecom, media and entertainment and hi-tech leading digital spending. Gen AI remains a key priority for over 95% of the organisations over the next 6-12 months. For technology providers, financial year 2025 growth expectations look stronger as 79% of the providers expect higher growth compared to last year.

With global and economic uncertainties continuing into 2024, the strategies/recommendations are expected to be focused by the IT segment. But it's likely time to refocus on innovation and growth as well.

**Angling for a comeback, with help from cloud, AI, and cybersecurity.** Enterprise spending on software and IT services—particularly artificial intelligence, cloud computing, and cybersecurity technology—is expected to enable the most growth in the tech market over the coming year.

**Striking a balance between globalization and self-reliance.** The worldwide, interconnected nature of the tech industry heightens the risk of disruptions from geopolitical unrest, supply chain volatility, raw material shortages, and new regulations and policies. Tech Companies to diversify their supply chains and manufacturing and development locations, spreading operations among trusted regions. As governments refine trade policies, tech companies should be agile in adapting their strategies.

**Setting the stage for growth with generative AI.** The next year is expected to be transitional for generative AI, with tech companies experimenting and finding applications that can drive efficiency and productivity. As generative AI investment and experimentation accelerate in the coming months, the legal and regulatory landscape may evolve rapidly, setting the stage for greater adoption in the second half of 2024 and into 2025.

**Reckoning with regulations for the tech industry.** Governments around the world are evaluating the impacts that massive tech platforms and social networks have on businesses and consumers. A global minimum tax aims to close loopholes and push corporations to pay more, while new credits and incentives are designed to spur sustainable growth and job creation. With strong collaboration between business, legal, accounting, and finance teams, tech companies can elevate compliance efforts into competitive advantages.

SOURCE: Deloitte 2024 technology industry outlook

## THREATS:

Cybersecurity threats in the digital world are becoming more prevalent, necessitating a prompt and forceful reaction. There is also a growth in social engineering assaults that try to trick staff members into compromising security. Robust cyber defence techniques are required to counter these threats.

Recent geopolitical crises underscore the risks of over-relying on tech talent in any one location. Companies should consider expanding their workforce in secure regions and taking care that pivotal functions and roles are distributed. They should also look to onshore or self-source critical components and operations to reduce their risks from global disruptions.

## Management Discussion and Analysis

Advances in artificial intelligence, notably the emergence of large language models and of generative pretrained transformers, have considerable challenges around data privacy and content use. Another misgiving of AI is that the rapid adoption of generative AI may expose organizations to new attack surfaces and techniques.

Legislations/Measures enacted by External Countries' Governments would have an adverse impact on the IT Workforce and consequently on operations. In the coming months, regulations in the European Union and the United States will likely take effect, pushing tech companies to prioritize data protection, harm reduction, the ethical use of AI, and commitment to sustainability goals.

### RISKS AND CONCERNS

The Company analyse the nature and extent of risks and consider their likelihood of occurrence and impact; both on an inherent and residual basis, after taking into account mitigating and compensating controls. This allows us to determine how we should manage each risk in order to achieve our strategic objectives.

### HOW WE MANAGE RISK

In managing risk we analyse the nature and extent of risks and consider their likelihood and impact, both on an inherent and a residual basis, after taking account of mitigating controls. This allows us to determine how we should manage each risk in order to achieve our strategic objectives.

- Strategic risks reflect the potential for a significant strategic action or a failure to react to developing trends in the market, to have a financial impact on the economic value of our business.
- Commercial risks reflect the potential to enter into a critical contract or commercial arrangement which may have an adverse impact on the business.
- Operational risks reflect the potential for the failure of a critical process or procedure to have an adverse impact on the business.

### OVERVIEW OF RISK MANAGEMENT PROCESS



STRATEGIC RISKS	
Risk	Mitigating Actions
Failure to utilise and exploit technology enablement for growth	<p>The rapidly changing nature and impact of technology means that we need to respond to technology trends. Injecting technology enablement into our services and products is core to our growth strategy as we continue to:</p> <ul style="list-style-type: none"> <li>• Develop innovative value adding customer solutions.</li> <li>• Utilise our skilled knowledgeable resources.</li> <li>• Review our existing services and products to ensure that they meet our customers' requirements.</li> </ul>



## Management Discussion and Analysis

<p>Failure to secure new business from both new and existing customers</p>	<p>There are number of significant changes in the sectors we operate in and the current economic environment results in pressure on our customers. Failure to secure new business could slow down the growth of the business. Successfully winning new business is managed by:</p> <ul style="list-style-type: none"> <li>• Ensuring utilisation of our technology capabilities and competitive low cost offshore services.</li> <li>• Clearly defined offerings and sales strategies that help us to attract customers.</li> <li>• Continual development of the unified sales strategy which enables selling across business sectors.</li> <li>• Effective performance of sales team.</li> </ul>
<p><b>COMMERCIAL RISKS</b></p>	
<p><b>Risk</b></p>	<p><b>Mitigating Actions</b></p>
<p>We have a concentration of material contracts with customers in key markets, which may have a significant impact on the Group's performance.</p>	<p>Our commercial risks continue to be well managed through legal review, delegated authorities and contract monitoring processes.</p> <p>We have a structured service management programme, with dedicated account managers who work closely with our customers utilising performance metrics in order to identify issues early and trigger corrective actions.</p>
<p><b>OPERATIONAL RISKS</b></p>	
<p><b>Risk</b></p>	<p><b>Mitigating Actions</b></p>
<p>Our reputation and ultimately our profitability are reliant on successful implementation and delivery of new contracts.</p>	<p>We ensure successful implementation in the following ways:</p> <ul style="list-style-type: none"> <li>• Detailed implementation and delivery plans with strong management control and oversight.</li> <li>• Use of experienced employees with strong project, change and people management skills in order to ensure successful implementation.</li> <li>• Standardised procedures in use for the implementation and delivery of new contracts.</li> </ul>
<p>Our customers demand efficient processing and high levels of service to help them achieve their objectives and protect their reputation.</p>	<p>Failure to meet our customers' expectations and contractual commitments would have a significant impact upon our reputation and profitability and could result in unexpected and costly litigation.</p> <p>We consistently work towards ensuring that our service levels are on target ensuring that we meet our customer requirements.</p> <p>Mitigating actions include:</p> <ul style="list-style-type: none"> <li>• Consistently ensuring that our service levels are on target.</li> <li>• Optimising our cost of delivery through standardisation and simplification.</li> <li>• Ongoing contract management.</li> <li>• Building on existing customer relations.</li> </ul>
<p>Continuing to retain our key personnel and recruit new talented individuals are fundamental to our success. Our intellectual property is one of our key assets.</p>	<ul style="list-style-type: none"> <li>• We have an established structure for employee performance and development monitoring.</li> <li>• A clear recruitment strategy and graduate recruitment and development programme attracts high-potential</li> </ul>

## Management Discussion and Analysis

	<p>employees.</p> <ul style="list-style-type: none"> <li>Significant investment in leadership training programmes underpins our succession plans and develops our employees.</li> </ul>
<b>FINANCIAL RISKS</b>	
<b>Risk</b>	<b>Mitigating Actions</b>
The Group's Financial results may be subject to volatility arising from movements in interest rates, foreign exchange rates, liquidity and changes in taxation legislation, policy or tax rates	We continue to manage our financial risks through our established budgeting, forecasting and working capital and treasury controls. This reduces the volatility of our financial results, giving the Board greater medium-term visibility

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Compliance Certification from CEO and CFO provided in Annual Report confirms the adequacy of our internal control system and procedures.

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

#### A. OVERVIEW

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.

#### B. RESULTS OF OPERATIONS

##### 1. Review of Operations

During the financial year ended March 31, 2024, the consolidated revenue of the Company was Rs 17,442 lakhs against Rs 17,442 Lakhs during the previous year ended March 31, 2023. Other income of the Company for the current year was Rs 2,183 Lakhs against Rs 1,070 Lakhs in the previous year.

The Company has only one primary segment viz, Information Technology (IT) services and accordingly the financials relate to this segment.

##### 2. Performance

The table below summarizes the consolidated financial performance during the year:

(Rs. in lakhs)

Particulars	For the Financial year ended March 31, 2024	For the Financial year ended March 31, 2023
Total Income	19,625	18,512
Total Expenditure	13,007	12,552
Profit before Finance Costs, Depreciation and Tax	6,859	6,031
Depreciation & Amortization	54	61
Finance Costs	187	10
Profit / (Loss) before Tax	6,618	5,960
Income Tax (including deferred tax)	5,248	1,470
Net Profit / (Loss) after Tax	1,370	4,490
Other Comprehensive Income/(Expenditure)	-177	1,787
Total Comprehensive Income/(Expenditure)	1,193	6,277
Earnings / (Loss) per share Rs.	1.23	4.03

3. Geographic Profile

(Rs. in lakhs)

Geography	March 31, 2024		March 31, 2023	
	Revenue	%	Revenue	%
Europe	287	1%	162	1%
USA	14,053	81%	13,974	80%
India	1,209	7%	1,181	7%
Singapore	1,786	10%	1,846	11%
Rest of the World	107	1%	279	2%
<b>Total</b>	<b>17,442</b>	<b>100%</b>	<b>17,442</b>	<b>100%</b>

4. Capital Markets

The Capital Market Information relating to the Company’s shares such as Stock Exchanges in which they are listed/traded, trading volume, stock price movements etc., has been provided in the Report on Corporate Governance (under the heading “General Shareholder Information”) which forms part of the Annual Report 2023-2024.

5. Key Financial Ratios

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	Standalone		
	March 31, 2024	March 31, 2023	Variance
Current ratio	7.48	6.35	18%
Debt-equity ratio	0.003	0.005	-33%
Debt service coverage ratio	370.58	13.53	2638%
Return on equity ratio	1.23	0.05	2198%
Debtor turnover ratio	8.96	10.89	-18%
Trade payable turnover ratio	4.27	6.20	-31%
Net capital turnover ratio	0.16	0.20	-22%
Net profit margin (%)	995%	39%	2481%
Return on capital employed	1.29	0.07	1855%
Return on investment	1.29	0.07	1835%
Interest Coverage Ratio	4,071	189	2055%
Operating Profit Margin (%)	24%	25%	-5%

Reason for variation beyond 25%

Debt-equity ratio	Mainly due to reduction in lease liability and increase in shareholders equity on account of total Comprehensive Income for the period.
Debt service coverage ratio	Mainly due to higher EBITDA for the period due to exceptional items Rs. 30,965 Lakhs, dividend income from subsidiary Rs. 6,868 Lakhs and reduction in lease liability.
Return on equity ratio	Mainly due to higher profit for the period due to exceptional items net of tax Rs. 27,522 Lakhs, dividend income from subsidiary Rs. 6,868 Lakhs and increase in average Shareholders’ equity.
Trade payable turnover ratio	Mainly due to reduction in total expenses and increase in trade payable.
Net profit margin (%)	Mainly due to higher profit for the period due to exceptional items net of tax Rs. 27,522 Lakhs, dividend income from subsidiary Rs. 6,868 Lakhs and reduction in revenue.
Return on capital employed	Mainly due to higher earnings before interest & tax due to exceptional items Rs. 30,965 Lakhs, dividend income from subsidiary Rs. 6,868 Lakhs and increase in capital employed.

## Management Discussion and Analysis

Return on investment	Mainly due to higher earnings before interest & tax due to exceptional items Rs. 30,965 Lakhs, dividend income from subsidiary Rs. 6,868 Lakhs, increase in shareholders' equity and reduction in lease liability
Interest Coverage Ratio	Mainly due to higher earnings before interest & tax due to exceptional items Rs. 30,965 Lakhs, dividend income from subsidiary Rs. 6,868 Lakhs

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND EMPLOYEE RELATIONS

#### Developing Talent

Managing human resources effectively and efficiently plays a critical role in ensuring that a satisfied, motivated work force delivers quality services. It also plays an important role in increasing staff performance and productivity, enhancing an organization's competitive advantage, and contributing directly to the organizational goals. Satisfied, highly-motivated and loyal employees represent the basis of competitive company. The growth of satisfaction is to be reflected in the increase of productivity, improvement of the products' quality or rendered services and higher number of innovations.

The Company is highly employee oriented, and the focus is on the development of employees.

#### Employee Diversity

The Company believes in promoting and nurturing work environment which is conducive to the development and growth of an individual employee, by employing the best HR practices such as performance management, reward and recognition policy, leadership development program, open work culture and effective employee communication.

The Company committed to embedding a culture of diversity and inclusion across the Group. This includes ensuring opportunity for all and embraces the positive effect that the diverse workforce brings.

The Company does not tolerate any form of discrimination, and the employment policies and practices focus on ensuring that all the employment processes are free from unlawful discrimination on any grounds.

Xchanging Solutions Limited has a total of 104 employees on its rolls as of March 31, 2024.

# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY

The Company is committed to the highest standards of corporate governance in all its activities and related processes. The Company believes that good corporate governance practices enable the management to direct and control the affairs of the Company in an efficient and effective manner and to achieve its goal of maximizing value for its shareholders. The Company believes that good corporate governance lies not merely in drafting a code of corporate governance but in practicing it.

The Company has put in place a good corporate governance policy and confirms its compliance with the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

## 2. BOARD OF DIRECTORS:

### A. Composition of Board of Directors:

The Board of Directors as on March 31, 2024 comprised of 6 (Six) Directors of which 4 (four) are Non – Executive Directors including two women directors. The Chairman is an Executive Director (Managing Director and CEO) as on March 31, 2024. The number of Independent Directors on the Board is 3 (three). The composition of Board is in conformity with Regulation 17 of the Listing Regulations.

Membership in Board and Sub - Committees of the Directors of the Company other than Xchanging Solutions Limited (“**the Company**”) as on March 31, 2024 is as under:

Name of Director	DIN	Category in the Company	Number of Directorships in other Public Companies <sup>1</sup>				Number of committee positions held in other public companies <sup>2</sup>		No. of equity shares held in the Company as on date
			Listed	Name of the Listed Company	Category of Directorship	Unlisted	Chairman	Member	
Henry D'Souza	00276157	Non-Executive Independent Director	0	NA	NA	0	0	0	0
Pankaj Vaish	00367424	Non-Executive Independent Director	2	• Fusion Micro Finance Limited • 360 One Wam Limited (Previously known as IIFL Wealth Management Limited)	Non-Executive Independent Director	0	0	3	0
Rama NS	06720033	Non-Executive Independent Director	0	NA	NA	0	0	0	0
Kalpana Tatavarti	06644105	Non-Executive Non- Independent Director	0	NA	NA	0	0	0	0
Nachiket Vibhakar Sukhtankar	08778377	Executive Director (Managing Director and CEO)	0	NA	NA	0	0	0	0
Shrenik Kumar Champalal	08099410	Executive Director (Whole Time Director and CFO)	0	NA	NA	0	0	0	1

None of the Directors of the Company hold directorships in more than twenty (20) companies including in more than ten (10) public companies. In accordance with the Listing Regulations, none of the Directors of the Company hold directorships in more than eight (8) listed companies and independent directorships in more than seven (7) listed companies. The Managing Director of the Company does not hold directorship as an Independent Director in any other listed company. Also, none of the Directors is serving as a member of more than ten (10) committees or as the chairman of more than five (5) committees in accordance with the requirements of the Listing Regulations. None of the Directors are related to each other. None of the director resigned during the financial year 2023-24. Necessary disclosures regarding committee positions in other public companies as at the end of financial year have been made by the Directors.

<sup>1</sup> Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

<sup>2</sup> The information pertaining to the chairmanships/memberships of Committees of the Board held by the directors includes only Audit Committee and Stakeholders' Relationship Committee.

Appointment/re-appointment of Directors in the ensuing Annual General meeting are provided in Board's Report forming part of the Annual Report.

### B. Number of Board Meetings, Attendance of the Directors at Meetings of the Board and at the Annual General Meeting:

The Board meetings are held at regular intervals to consider, discuss and approve inter alia, the unaudited and audited standalone and consolidated financial results of the Company, to decide on business policy/strategy of the Company, risk management, competitive scenario, etc. The Board/Committee meetings are pre-scheduled and tentative dates of such meetings are informed well in advance to facilitate the Directors to plan their schedule. The Company also provide an option to its Directors to participate at each of the Board/Committee meetings through video conference. The Company adheres to the Secretarial Standards on the Board Meetings as prescribed by the Institute of Company Secretaries of India.

During the financial year ended March 31, 2024, total 6 (six) Board Meetings were held on the following dates – May 25, 2023; July 10, 2023; August 3, 2023; November 2, 2023; November 14, 2023 and February 13, 2024. The gap between two meetings did not exceed 120 days. These meetings had good attendance. The last AGM of the Company was held on August 25, 2023.

The attendance of the Directors' at these Meetings for FY 2023-24 is as under:

Director	Category	Number of Board Meetings attended	Leave of Absence Granted	Attendance at the AGM
Henry D'Souza	Non-Executive Independent Director	6	Nil	Yes
Rama NS	Non-Executive Independent Director	6	Nil	Yes
Pankaj Vaish	Non-Executive Independent Director	6	Nil	No
Kalpna Tatavarti	Non-Executive Director	6	Nil	Yes
Nachiket Vibhakar Sukhtankar	Executive Director	6	Nil	Yes
Shrenik Kumar Champalal	Executive Director	6	Nil	Yes

### C. Meetings of Independent Directors

During the financial year ended March 31, 2024, a separate meeting of the Independent Directors of the Company was held on May 25, 2023 without the attendance of Non-Independent Directors and the Management team.

During their meeting held on May 25, 2023, the Independent Directors reviewed the performances of Non-Independent Directors, Chairman and the Board as whole and assessed the flow of information between the Company management and the Board.

### D. Declaration

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of Companies Act, 2013 ("the Act") and applicable Regulations of Listing Regulations. Further, they have declared that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, in the opinion of the Board, all the Independent Directors of the Company, fulfill the conditions specified under the Act and the Listing Regulations and are independent of the management.

All Directors have affirmed that they are not debarred from holding the office of a Director by virtue of any SEBI order or any other such Authority.

### E. Senior Management

There is no change in the Senior Management from the previous financial year.

### F. Code of Conduct

The Board has formulated and adopted a Code of Conduct for all Board Members and Senior Management Personnel of the Company. These Codes have been posted on the Company's website at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

Affirmation Report on Compliance of Code of Conduct has been received from the Board Members and Senior Management

Personnel of the Company. A declaration to that effect is given in the Compliance Certificate annexed to the report.

The Code of Conduct for the Board Members of the Company has been amended in line with the provisions of the Act, which includes Code for Independent Directors, which is a guide to professional conduct for Independent Directors of the Company pursuant to section 149(8) and Schedule IV of the Act.

### G. Compliance Certification

As required under Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, Mr. Nachiket Vibhakar Sukhtankar, Managing Director and Chief Executive Officer and Mr. Shrenik Kumar Champalal, Whole Time Director and Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the financial year ended March 31, 2024. The Certificate is annexed to this Report as **Annexure- A**.

### H. Performance Evaluation of Board, its Committees and Directors

As required under the provisions of Section 134(3)(p) of the Act and Regulation 4 of the Listing Regulations, the Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board Committees, and executive / non-executive / independent directors through peer evaluation, excluding the director being evaluated.

The performance evaluation framework is in place and the evaluation questionnaires were circulated to all the members of the Board and Committees for their response to evaluate performance of Board and Committees of the Board.

The criteria of the evaluation is exercising of responsibilities in the interest of the Company, striving to attend meetings of the Board of Directors and Committees of which he is a member, participating constructively and actively in the meetings of the Board or Committees of the Board etc.

Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgement.

As an outcome of the above exercise, it was noted that the Board as a whole is functioning as a cohesive body which is well engaged with different perspectives. The Board is satisfied with the board evaluation carried out for the year and there is no previous & current year's observation and action.

### I. Familiarization Programme for Independent Directors

As per Regulation 46(2)(i) of Listing Regulations, the details of programs for familiarization of the Independent Directors with the Company, their roles, rights, responsibility in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are available on the website of the Company at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

### J. Matrix setting out the skills/expertise/competence of the Board of Directors

The Company's Board comprises qualified members who bring in required skills, competence and expertise that allow them to make effective contribution to the Board and its Committees. The Directors are committed to ensure that the Company is in compliance with the Corporate Governance. In accordance with Regulation 34(3) read with Part C of Schedule V of Listing Regulations, below is the summary of core skills/expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and which are taken into consideration while nominating candidates to serve on the Board of the Company:

Areas	Description
Strategy and planning	Ability to think strategically and identify and critically assess strategic opportunities & threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities.
Governance (including policy)	Develop appropriate policies & define the parameters.
Finance	Qualifications and experience in accounting and/or finance and the ability to: <ul style="list-style-type: none"> <li>Analyze key financial statements;</li> <li>Critically assess financial viability and performance;</li> <li>Contribute to strategic financial planning.</li> </ul>
Commercial/Business Development	A broad range of commercial/business development in areas including communications, marketing, branding and business systems, practices and improvement.
Information Technology	Qualification and experience in IT industries.



Director	Areas of expertise				
	Strategy and planning	Governance (including policy)	Finance	Commercial/ Business Development	Information Technology
Nachiket Vibhakar Sukhtankar MD & CEO	✓	✓	✓	✓	✓
Shrenik Kumar Champalal WTD & CFO	✓	✓	✓	✓	✓
Henry D'Souza Independent Director	✓	✓	✓	✓	✓
Rama NS Independent Director	✓	✓	✓	✓	✓
Kalpna Tataavarti Non-executive Director	✓	✓	–	✓	✓
Pankaj Vaish Independent Director	✓	✓	✓	✓	✓

**3. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES:**

**A. Remuneration Policy**

Pursuant to the provisions of Section 178 of the Act, the Company has adopted a Policy for Remuneration of Directors, Key Managerial Personnel and Senior Management, which has been amended by the Board of the Company at its Meeting held on November 2, 2023. The Nomination and Remuneration Policy is available at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

**Appointment**

Nomination and Remuneration Committee (“**NRC**”) determines the criteria of appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. In evaluating the suitability of a person for appointment / continuing to hold appointment as a Director, the NRC takes into account among others, Board diversity, person’s eligibility, qualification, expertise, track record, general understanding of the business, professional ethics, integrity and other fit and proper criteria’s. Based on recommendation of the NRC, the Board evaluates the candidate(s) and decide on the selection of the appropriate member.

**Remuneration**

The remuneration of Executive/Non-Executive Directors and Key Managerial Personnel is governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards and decided by NRC in accordance to the abovementioned policies.

**B. Remuneration to Non-Executive Directors for the financial year ended March 31, 2024**

The Non-Executive Directors are paid compensation in the following manner:

- Sitting fees of Rs 60,000/- for attending Board Meeting and Rs 60,000/- for attending Committee Meeting. Further, sitting fees was increased to Rs 65,000/- for attending Board Meeting and to Rs 65,000/- for attending Committee Meeting effective October 1, 2023.
- None of the Non-Executive Directors have any pecuniary relationship with the Company.
- None of the Non-Executive Directors hold any equity shares of the Company.
- None of the Non-Executive Directors hold any convertible instruments in the Company.
- Payment of reimbursement of expenses incurred by Non-Executive Directors for participation in the Board and other meetings of the Company.

The remuneration and sitting fee paid to the Non-executive directors during the financial year ended March 31, 2024 along with their respective shareholding in the Company are as under:

(Rs. in Lakhs)

Directors	Sitting Fees paid for the Board and Committee Meetings held during the financial year ended March 31, 2024	Commission for the financial year ended March 31, 2024, provided as payable in the accounts of the Company for the year under review	No. of Equity Shares held as on March 31, 2024
Henry D'Souza	11.8	Nil	Nil
Pankaj Vaish	11.8	Nil	Nil
Rama NS	13.5	Nil	Nil
Kalpana Tatavarti	7.45	Nil	Nil

**C. Remuneration paid/payable to Executive Director (Whole-time Director/Managing Director) for the financial year ended March 31, 2024**

Following remuneration were paid to Whole-Time Director and Managing Director during the financial year ended March 31, 2024. The said remuneration was fixed by the Nomination and Remuneration Committee and subsequently approved by the Board of Directors and Shareholders of the Company.

Designation of Executive Director	(Rs. in Lakhs)					Contract Period	Shares held as on March 31, 2024
	Salary	Commission	Company's contribution to Funds	Perquisites & Allowance	Total		
Managing Director	-	-	-	-	-	For 3 years with effect from August 13, 2021	-
Whole Time Director	54	-	-	-	54	For 3 years with effect from March 31, 2021	01

Brief terms of employment and details of remuneration of the Executive Directors are as under for FY 2023-24:

Sl. No.	Name of the Director	Nachiket Vibhakar Sukhtankar, Managing Director	Shrenik Kumar Champalal, Whole Time Director
(a)	Salary, benefits, bonuses, stock options, pension etc.	Mr. Nachiket Vibhakar Sukhtankar will draw "Nil" remuneration from the Company as mutually agreed between him and the Company. Reimbursement of travel and out of pocket expenses incurred for business purpose of the Company.	Salary not exceeding Rs 60 Lacs per annum Reimbursement of travel and out of pocket expenses incurred for business purpose of the Company.
(b)	Details of fixed component and performance linked incentives, along with the performance criteria;	Nil	Fixed Salary not exceeding Rs 60 lakhs per annum. Not entitled for any performance linked incentives.
(c)	Service contracts, notice period, severance fees;	The appointment of Mr. Nachiket Vibhakar Sukhtankar as Managing Director is for period of 3 years with effect from August 13, 2021.	The re-appointment of Mr. Shrenik Kumar Champalal as Whole Time Director is for period of 3 years with effect from March 31, 2021. Further, he is re-appointed as Whole Time Director is for period of 3 years with effect from March 31, 2024.
(d)	Stock option details, their pricing at the time of issue, period over which accrued and period over which exercisable.	Nil	Nil

### 4. RISK MANAGEMENT

The Company has a Risk Management process which provides an integrated approach for managing the risks in various aspects of the business. A writeup on the above is provided in the Management Discussion and Analysis Report.

### 5. COMMITTEES OF THE BOARD

#### A. Risk Management Committee

The Risk Management Committee of the Company is constituted in line with the provisions of Regulations 21 of Listing Regulations.

The role, duties and terms of references of the committee shall, inter alia, include the following:

- (1) To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (7) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- (8) Any other responsibility as may be assigned by the board from time to time.

#### Composition of the Risk Management Committee

The composition of the Risk Management Committee is as follows:

1. Shrenik Kumar Champalal
2. Rama NS
3. Nachiket Vibhakar Sukhtankar

Mr. Shrenik Kumar Champalal is the Chairman of the Risk Management Committee.

Company Secretary acts as the Secretary of the Risk Management Committee.

During the financial year ended March 31, 2024, 2 (two) meetings of the Risk Management Committee were held, the dates being August 4, 2023 and January 30, 2024.

#### The attendance for the Risk Management Committee meetings for FY 2023-24 is as follows:

Name of the Member of committee	Position	No. of Meetings Attended	Leave of Absence granted
Shrenik Kumar Champalal	Chairman	2	Nil
Rama NS	Member	2	Nil
Nachiket Vibhakar Sukhtankar	Member	2	Nil

#### B. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of Listing Regulations read with Section 177 of the Act.

#### The role, duties, term of references and powers of the Audit Committee are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Act.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgement by Management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Modified opinion(s) in the draft audit report.
5. Reviewing with the Management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans and/or advances from/ investment by the Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary whichever is lower including existing loans/advances/ investments existing as on the date of coming into force of this provision;
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
22. Review the compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively; and
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;
5. Statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency if applicable, submitted to stock exchanges in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - b) annual statement of funds utilized for purposes other than those stated in the offer document /prospectus /notice in terms of Regulation 32(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### The Audit Committee shall have powers, which should include the following:

- a) To investigate any activity within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Composition of the Audit Committee

The composition of the Audit Committee is as follows:

1. Rama NS
2. Henry D'Souza
3. Pankaj Vaish
4. Shrenik Kumar Champalal

Mrs. Rama NS is the Chairperson of the Audit Committee.

Company Secretary acts as the Secretary of the Audit Committee.

During the financial year ended March 31, 2024, 6 (Six) meetings of the Audit Committee were held, the dates being May 25, 2023; July 10, 2023; August 3, 2023; November 2, 2023; November 14, 2023 and February 13, 2024.

### The attendance for the Audit Committee meetings for FY 2023-24 is as follows:

Name of the Member of committee	Position	No. of Meetings Attended	Leave of Absence granted
Rama NS	Chairman	6	Nil
Pankaj Vaish	Member	6	Nil
Henry D'Souza	Member	6	Nil
Shrenik Kumar Champalal	Member	6	Nil

The previous Annual General Meeting of the Company was held on August 25, 2023 and the Chairperson of the Audit Committee was present at the Annual General Meeting of the Company. All recommendations of the Audit Committee were accepted by the Board.

### C. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with Regulation 19(4) read with Part D of Schedule II of the Listing Regulations read with Section 178 of the Act.

### The role, duties, terms of references and powers of the Nomination and Remuneration Committee are as follows:

- a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment

as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may;

- use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- c) formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- d) devising a policy on diversity of Board of Directors;
- e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Director their appointment and removal.
- f) whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- g) recommend to the Board, all remuneration, in whatever form, payable to senior management.
- h) while formulating the policy under sub-section (3) of Section 178 of the Act ensure that –
- (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**The composition of the Nomination & Remuneration Committee is as follows: -**

1. Pankaj Vaish
2. Henry D'Souza
3. Rama NS
4. Kalpana Tatavarti

Mr. Pankaj Vaish is the Chairman of the Nomination & Remuneration Committee.

Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

During the financial year ended March 31, 2024, 1 (one) meeting of the Nomination and Remuneration Committee was held, the date being May 25, 2023.

**The attendance for the Nomination and Remuneration Committee meetings for FY 2023-24 is as follows:**

Name of the Member of committee	Position	No. of Meetings Attended	Leave of Absence granted
Pankaj Vaish	Chairman	1	Nil
Henry D'Souza	Member	1	Nil
Rama NS	Member	1	Nil
Kalpana Tatavarti	Member	1	Nil

The previous Annual General Meeting of the Company was held on August 25, 2023 and the Chairman of the Nomination & Remuneration Committee has nominated NRC Committee member to present at the Annual General Meeting of the Company due to his personal exigency. All recommendations of the Nomination & Remuneration Committee were accepted by the Board.

**Performance evaluation criteria for Independent Directors**

The Nomination and Remuneration policy of the Company lays down the criteria for Directors/Key Managerial Personnel appointment and remuneration including criteria for determining qualification, positive attributes, independence of Directors, criteria for performance evaluation of Executive and Non-Executive Directors (including Independent Directors) and other matters as prescribed under the provisions of the Act and the Listing Regulations as well as the performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated including but not limited to participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgment etc.



### D. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the Listing Regulations read with Section 178 of the Act.

**The role, duties, term of references and powers of the Stakeholders Relationship committee are as follows:**

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**The composition of the Stakeholders Relationship Committee is as follows:**

1. Henry D'Souza
2. Pankaj Vaish
3. Rama NS
4. Kalpana Tatavarti
5. Shrenik Kumar Champalal

Mr. Henry D'Souza is the Chairman of the Stakeholders Relationship Committee.

Company Secretary acts as the Secretary of the Stakeholders Relationship Committee.

During the financial year ended March 31, 2024, 4 (four) meetings of Stakeholders Relationship Committee were held, the dates being May 25, 2023; August 3, 2023; November 2, 2023 and February 13, 2024.

**The attendance for the Stakeholders Relationship Committee meetings for FY 2023-24 is as follows:**

Name of the Member of committee	Position	No. of Meetings Attended	Leave of Absence granted
Henry D'Souza	Chairman	4	Nil
Pankaj Vaish	Member	4	Nil
Rama NS	Member	4	Nil
Kalpana Tatavarti	Member	4	Nil
Shrenik Kumar Champalal	Member	4	Nil

During the financial year ended March 31, 2024, 17 complaints were received from the shareholders and the same were resolved. There were no pending investor complaints as on March 31, 2024.

The previous Annual General Meeting of the Company was held on August 25, 2023 and the Chairman of the Stakeholders Relationship Committee was present at the Annual General Meeting of the Company. All recommendations of the Stakeholders Relationship Committee were accepted by the Board.

#### **Name, designation and address of Compliance Officer**

**Mr. Mayank Jain**

**Compliance Officer**

**Registered Office:** HP Avenue, 39/40,  
Electronic City, Hosur Main Road,  
Bengaluru 560 100, Karnataka, India

**Tel:** +91 80 6972 9602

**Email:** [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com)

### E. Corporate Social Responsibility Committee

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established a Corporate Social Responsibility (CSR) Committee.

The CSR Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the

Companies Act, 2013, recommending to the Board the amount of expenditure to be incurred on CSR activities and monitoring the Corporate Social Responsibility Policy of the Company from time to time.

### The Composition of the Corporate Social Responsibility Committee (CSR) is as follows:

1. Henry D'Souza
2. Rama NS
3. Pankaj Vaish
4. Kalpana Tatavarti
5. Shrenik Kumar Champalal

Mr. Henry D'Souza is the Chairman of the Corporate Social Responsibility Committee.

Company Secretary acts as the Secretary of the Corporate Social Responsibility Committee.

During the financial year ended March 31, 2024, 1 (one) meeting of the CSR Committee was held; the date being May 25, 2023.

### The attendance for the CSR Committee meeting for FY 2023-24 is as follows:

Name of the Member of committee	Position	No. of Meetings Attended	Leave of Absence granted
Henry D'Souza	Chairman	1	Nil
Pankaj Vaish	Member	1	Nil
Rama NS	Member	1	Nil
Kalpana Tatavarti	Member	1	Nil
Shrenik Kumar Champalal	Member	1	Nil

## 6. GENERAL BODY MEETINGS

### A. Details of Annual General Meetings and Special Resolutions passed

The details of date, time, location and special resolutions at Annual General Meeting (AGM) held in last 3 (three) years are as under:

Date	Time	Venue	Special Resolutions Passed	Directors' Attendance at AGM
August 25, 2023	10:00 A.M.	Video Conferencing / Other Audio Visual Means ("VC"/ "OAVM")	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Shrenik Kumar Champalal (DIN: 08099410) as Whole-time director (Executive Director) of the Company.</li> <li>2. Re-appointment of Mrs. Nonavinakeri Srinivasaiyengar Rama (DIN: 06720033) as Independent Director of the Company.</li> <li>3. Adoption of new set of Memorandum of Association of the Company as per the Companies Act, 2013.</li> <li>4. Adoption of new set of Articles of Association of the Company.</li> </ol>	<ol style="list-style-type: none"> <li>1. Nachiket Vibhakar Sukhtankar</li> <li>2. Henry D'Souza</li> <li>3. Rama NS</li> <li>4. Kalpana Tatavarti</li> <li>5. Shrenik Kumar Champalal</li> </ol>
August 3, 2022	11:00 A.M.	Video Conferencing / Other Audio Visual Means ("VC"/ "OAVM")	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Pankaj Vaish as an Independent Director of the Company</li> </ol>	<ol style="list-style-type: none"> <li>1. Nachiket Vibhakar Sukhtankar</li> <li>2. Henry D'Souza</li> <li>3. Pankaj Vaish</li> <li>4. Rama NS</li> <li>5. Kalpana Tatavarti</li> <li>6. Shrenik Kumar Champalal</li> </ol>
September 27, 2021	11:00 A.M.	Video Conferencing / Other Audio Visual Means ("VC"/ "OAVM")	<ol style="list-style-type: none"> <li>1. Appointment of Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377) as Managing Director cum Chief Executive Officer of the Company for a period of three years</li> <li>2. Re-appointment of Mr. Shrenik Kumar Champalal (DIN: 08099410) as Whole Time Director (Executive Director) of the Company</li> </ol>	<ol style="list-style-type: none"> <li>1. Henry D'Souza</li> <li>2. Venkatesh Shastry</li> <li>3. Rama NS</li> <li>4. Kalpana Tatavarti</li> <li>5. Nachiket Vibhakar Sukhtankar</li> <li>6. Shrenik Kumar Champalal</li> </ol>

**B. Extraordinary General Meeting & Postal Ballot**

No Extraordinary General Meeting was conducted during the financial year ended March 31, 2024.

**Details of resolutions passed by way of Postal Ballot.**

Pursuant to Regulation 44 of Listing Regulations and Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, the members of the Company have during the year under review, approved the following resolution(s) by way of postal ballot.

1. Postal ballot Notice dated November 14, 2023 (result declared on December 21, 2023):

a) Approval for entering into the Material Related Party Transaction under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Ordinary Resolution).

The Company had engaged the services of KFin Technologies Limited as the agency to provide e-voting facility. For conducting the aforementioned postal ballot / electronic voting exercise, Mr. Ankush Agarwal, Partner (Membership No. F9719 & COP No. 14486) of MAKS & Co., Company Secretaries (FRN P2018UP067700) as a Scrutinizer. The Scrutinizer submitted his report on December 21, 2023 after the completion of scrutiny and result of the e-voting was announced on the same day. The summary of voting result is given below:

**Ordinary Resolution- Approval for entering into the material related party transaction under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Particulars	Number of Valid Votes			Percentage of total net valid votes casted*
	e-Votes (Non-Promoter)	e-Votes (Promoter)	Total	
Assent	3,73,925	-	3,73,925	95.88
Dissent	16,066	-	16,066	4.12
<b>Total</b>	<b>3,89,991</b>	<b>-</b>	<b>3,89,991</b>	<b>100.00</b>

\*5 (Five) Members holding 4,205 Shares abstained from voting on the above Resolution and therefore these shares (i.e. 4,205) were not considered for reckoning valid e-Votes.

Further, no special resolution is proposed to be conducted through postal ballot.

**7. DISCLOSURES:**

- i. There are no materially significant related party transactions of the Company which pose a potential conflict with the interest of the Company except as mentioned in Point no. 6 (B). The Related Party Transaction Policy of the Company is available at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>
- ii. The Material Subsidiary Policy of the Company as approved by the Board of Directors is available at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>
- iii. The Familiarization Programme for Independent Directors as approved by the Nomination and Remuneration Committee of the Company is available at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>
- iv. The Board of Directors of the Company have adopted the Code of Practices and Procedures for Fair Disclosure of Price-Sensitive Information in concurrence with the requirement under SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019; and Revised Code of Conduct for Prevention of Insider Trading. The aforesaid code is available at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.
- v. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during last three years: SEBI, BSE Limited, National Stock Exchange of India Limited or any other Statutory Authority have not levied any penalty on the Company for last three years.
- vi. In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of the Company ("the Code"). The Code aims at preserving and preventing misuse of unpublished price sensitive information. All Designated Persons (including Directors, Key Managerial Personnel and employees) of the Company are covered under the Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of the Company. The Code is also available at the website of the Company at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.
- vii. The Company has received few routine explanations/letters from the Stock Exchanges/SEBI and replied accordingly within prescribed time.

- viii. In accordance with the requirement of Section 177 of the Act and the Rules made there under and Regulation 22 of the Listing Regulations, the Company has formulated a 'Vigil Mechanism/Whistle Blower Policy'. No employee/ personnel have been denied access to the Audit Committee. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.
- ix. The Company has not raised funds through preferential allotment or qualified institutions placement during the last year.
- x. The Company has not adopted a treatment different from that prescribed in accounting standards.
- xi. The Company has taken certificate from a Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The same certificate is provided in Board's Report forming part of Annual Report.
- xii. There are no pecuniary relationships or transactions between Non-Executive Directors and the Company. The Independent Directors are not paid any remuneration other than the sitting fee for attending meetings of the Board and the Committees thereof as approved by the Board.
- xiii. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Regulation 34(3) of the Listing Regulations read with Schedule V of the Listing Regulations: The Company has complied with all the mandatory requirements of the Listing Regulations.
- The Board has taken cognizance of the discretionary requirements as specified in Part E of Schedule II of Regulation 27(1) of the Listing Regulations and are being reviewed from time to time which are as follows:
- Audit Qualifications:** During the year under review, there is no audit qualification in the Company's Financial Statements nor has there been a matter of emphasis made during the year. The Company continues to adopt best practices to ensure a regime of financial statements with unmodified audit opinion.
  - Separate posts of Chairperson and Managing Director or the Chief Executive Officer:** The Chairman and the Managing Director are same.
  - Reporting of Internal Auditor:** The internal control systems of the Company are routinely tested and verified by Internal Auditors and significant audit observations and follow-up actions are reported to the Audit Committee.
  - Shareholder's Right:** The quarterly results of the Company are published in English newspaper (generally Financial Express) and a local daily (generally Sanjevani) having wide circulation in Bengaluru. Further, the quarterly, half and yearly results are also posted on the website of the Company at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.
- xiv. The Board of Directors have accepted all recommendations of its committees.
- xv. The total fees for all services paid by the Company and its subsidiary(ies), on a consolidated basis, to the Statutory Auditor of the Company, for the year ended March 31, 2024 is provided in notes to the Consolidated Financial Statements, forming part of the Annual Report.
- xvi. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in Board's Report forming part of the Annual Report.
- xvii. Details of the material subsidiary of the Company including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Name of the material subsidiary	Xchanging Solutions (USA), Inc.	Xchanging Solutions Singapore Pte Limited
Date and place of Incorporation	February 14, 2000 – Delaware, USA.	January 4, 1994 – Singapore
Name of the Statutory Auditor	U.S. law does not require the appointment of a statutory auditor	CHANGANN PAC
Date of appointment of Statutory Auditor		September 15, 2023

- xviii. Disclosures by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount' are provided in Financial statements for the financial year ended March 31, 2024.
- xix. The Company has complied with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations.
- xx. The Company does not deal in commodity and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.
- xxi. Disclosure with respect to demat suspense account / unclaimed suspense account - Nil

### 8. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are also published in the prescribed format within 48 hours of the conclusion of the Board Meeting, in which they are considered, generally in all the editions of “The Financial Express” the National English daily, circulating in most parts of India and in “Sanjevani”, the newspapers published in the regional language of the place, where the Company’s registered office of the Company is situated. The details of financial information are also available at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>.

All the official news releases are also published on the Company’s website.

The Company has designated an email id exclusively for its shareholders viz., [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com) for the purpose of registering complaints by investors.

The Company has not made any presentation to Institutional investors or to the analysts.

### 9. GENERAL SHAREHOLDERS’ INFORMATION:

#### 1. Annual General Meeting

Date and Time	: Wednesday, July 24, 2024
Venue*	: through Video Conferencing / Other Audio Visual Means

\* the Ministry of Corporate Affairs (“MCA”) has vide its General Circular nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 05, 2020; 02/2021 dated January 13, 2021; 02/2022 dated May 5, 2022; 10/2022 dated December 28, 2022; and 09/2023 dated September 25, 2023 issued by MCA (hereinafter referred as “MCA Circulars”) read with Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022; circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023; and SEBI/HO/DDHS/P/CIR/2023/0164 dated October 6, 2023 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Companies Act, 2013 (“the Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the 23rd Annual General Meeting (AGM) of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the AGM shall be Registered Office of the Company.

#### 2. Financial Calendar

The financial calendar of the Company is reproduced below:

Annual General Meeting	July 24, 2024
Results for quarter ending June 30, 2024	August 2024
Results for quarter ending September 30, 2024	November 2024
Results for quarter ending December 31, 2024	February 2025
Results for year ending March 31, 2025	May 2025

3. Cut-off Date : Wednesday, July 17, 2024
4. Dividend payment date : As mentioned in the notice of the 23<sup>rd</sup> AGM.
5. Listing on the Stock Exchanges

Equity Shares of the Company are listed on the BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Kala Ghoda, Fort, Mumbai, Maharashtra 400001 and the National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400005. Annual Listing fee has been paid to the above Stock Exchanges.

The annual custodial fee of CDSL and NSDL has also been paid.

Scrip Code:

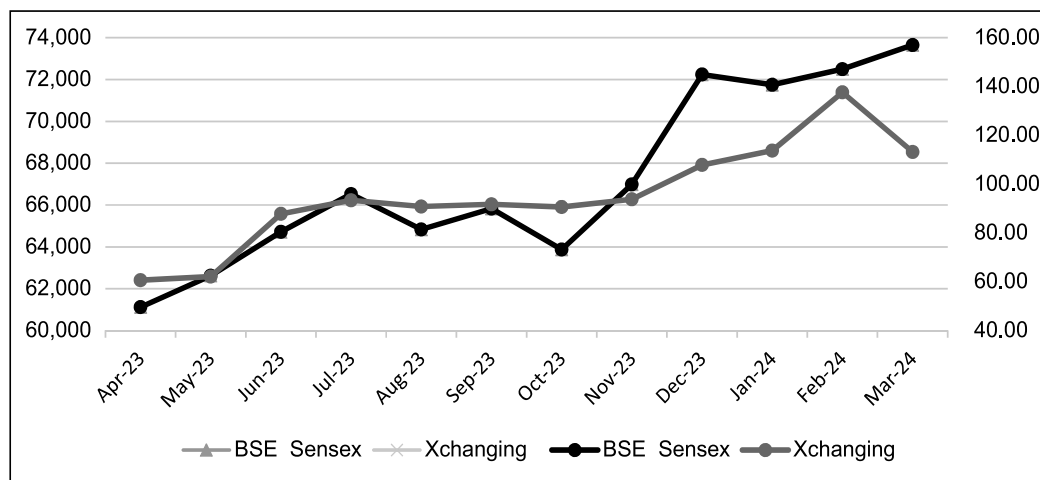
NSE	: XCHANGING
BSE	: 532616

6. Market Price Data

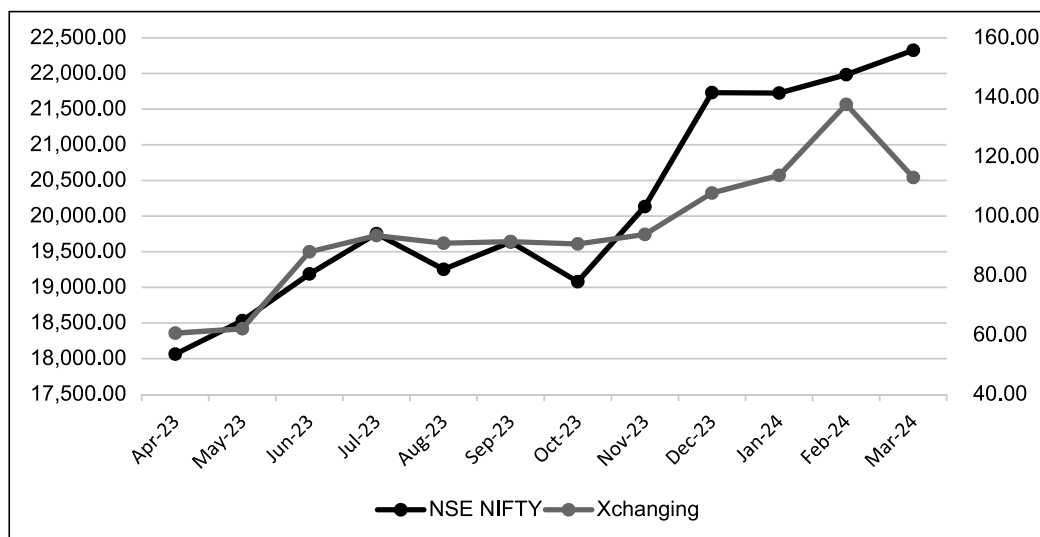
The monthly high and low share prices on both the exchanges for a period starting from April 2023 to March 2024 are as below:

Month & Year	Share price of Xchanging Solutions Limited (NSE)			Share price of Xchanging Solutions Limited (BSE)		
	High (Rs)	Low (Rs)	Close (Rs)	High (Rs)	Low (Rs)	Close (Rs)
Apr-23	62.45	53.50	60.60	62.25	53.60	60.67
May-23	65.40	58.90	62.10	65.40	59.26	62.10
Jun-23	88.90	61.45	88.00	88.66	61.65	87.82
Jul-23	125.50	83.65	93.45	125.60	83.50	93.40
Aug-23	109.90	87.00	90.90	109.40	86.95	90.84
Sep-23	100.50	89.75	91.40	100.45	89.81	91.71
Oct-23	94.55	81.00	90.65	94.60	81.00	90.66
Nov-23	103.40	87.50	93.85	103.50	88.00	93.83
Dec-23	118.40	93.25	107.75	118.50	93.00	107.87
Jan-24	124.50	106.35	113.70	122.90	105.65	113.75
Feb-24	176.50	111.65	137.60	176.90	111.55	137.65
Mar-24	145.45	105.45	113.00	145.35	104.35	113.20

7. Performance of Share Price in Comparison to BSE SENSEX



8. Performance of Share Price in Comparison to NSE NIFTY





- 9. Registrars and Transfer Agent:** KFin Technologies Limited  
(Formerly known as KFin Technologies Private Limited)  
Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad – 500 032.  
Phone: 040-67162222  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

### 10. Share Transfer System:

As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Shareholders have been intimated that effective April 01, 2019; transfer of shares shall not be processed unless the shares are held in the dematerialized form with the depository. Periodic reminders were sent to the Shareholders, who held the shares in the physical form, to convert them in dematerialised mode to avoid any inconvenience in future regarding the transferability of the shares. Shareholders who wish to understand the procedure for dematerialisation of shares may contact the Company or its RTA.

### 11. Shareholding Pattern

#### a. Categories of Shareholding as on March 31, 2024

Category	No. of Shares held	% of shareholding
Promoters	8,35,52,787	75.00%
Banks, Qualified institutional buyers, Mutual Funds, NBFCs	3,33,382	0.30%
Foreign Portfolio Investor	3,02,053	0.27%
Corporate Bodies	8,36,475	0.75%
Resident Individual/HUF	2,28,97,841	20.55%
NRIs/OCBs/Foreign National/Foreign Corporate Bodies	34,75,463	3.12%
Clearing member/Trust	5,715	0.01%
Total	11,14,03,716	100.00%

#### b. Distribution of Shareholding as on March 31, 2024

S. No.	No. of shares	No. of shareholders	% of total shareholders	No. of shares	% to equity
1	1-5000	64,329	88.54%	69,88,266	6.27%
2	5001 - 10000	4,503	6.20%	36,26,888	3.26%
3	10001 - 20000	2,161	2.97%	32,78,116	2.94%
4	20001 - 30000	679	0.93%	17,35,922	1.56%
5	30001 - 40000	280	0.39%	10,00,468	0.90%
6	40001 - 50000	202	0.28%	9,56,295	0.86%
7	50001 - 100000	330	0.45%	24,60,059	2.21%
8	100001 and above	174	0.24%	9,13,57,702	82.01%
	<b>TOTAL</b>	72,658	100.00%	11,14,03,716	100.00%

### 12. Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in the dematerialized form. The Company has arrangements with both National Securities Depository Limited ('NSDL') and Central Depository Services Limited ('CDSL') for demat facility. As on March 31, 2024, 111,308,447 shares representing 99.91% of the Company's total shares were held in dematerialized form and the balance 95,269 shares representing 0.09% of the Company's total shares were in the physical form. The Company's shares are regularly traded on the National Stock Exchange of India Limited and BSE Limited.

**ISIN: INE 692G01013**

### 13. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no outstanding GDRs/ADRs/Warrants.

### 14. Plant locations:

In view of the nature of the Company's business viz., Information Technology (IT) Services; the Company operates from various offices in India and abroad but does not have any manufacturing plant.

### 15. Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrars and Transfer Agent of the Company.

Registered Office of the Company	Registrars and Transfer Agent of the Company
Xchanging Solutions Limited HP Avenue, 39/40, Electronic City, Hosur Main Road, Bengaluru 560 100, Karnataka, India Phone +91 80 6972 9602 Email: <a href="mailto:xchangingcompliance@dxc.com">xchangingcompliance@dxc.com</a>	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium Tower B, Plot 31 - 32 Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Phone +91 40 6716 2222 Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a>

### 16. No. of shares traded during the Financial Year ended March 31, 2024:

BSE: 252.33 lakh Shares

NSE: 2,406.58 lakh Shares

17. **Credit Ratings** : The Company is not required to take credit rating.

18. The Securities of the Company are not suspended from trading in the stock exchanges.

### 19. Compliance certificate by the Practicing Company Secretary:

The Company has obtained a certificate from the Practicing Company Secretary regarding the compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the Listing Regulations, which is annexed herewith as **Annexure-B**.

# ANNEXURE-A TO CORPORATE GOVERNANCE REPORT

## COMPLIANCE CERTIFICATE

To  
The Board of Directors  
Xchanging Solutions Limited  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru 560 100,  
Karnataka, India

We, Nachiket Vibhakar Sukhtankar, Managing Director & Chief Executive Officer and Shrenik Kumar Champalal, Whole Time Director & Chief Financial Officer hereby certify to the Board that;

- a. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
  - (i) There are no significant changes in the internal control over financial reporting during the financial year ended March 31, 2024;
  - (ii) There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) There have been no instances of significant fraud of which we have become aware and involvement therein of the management or an employee having a significant role in the Company's internal control over financial reporting.
- e. We further declare that all Board Member and senior personnel have affirmed compliance with the code for the current year.

**For and on behalf of the Board of Directors,**

**Nachiket Vibhakar Sukhtankar**  
Managing Director & CEO

**Shrenik Kumar Champalal**  
Whole Time Director & CFO

**Place: Mumbai**  
**Date: May 23, 2024**

**Place: Bengaluru**  
**Date: May 23, 2024**

## ANNEXURE-B TO CORPORATE GOVERNANCE REPORT

### CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,  
The Members  
**Xchanging Solutions Limited**  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru  
Karnataka-560100, India  
[CIN: L72200KA2002PLC030072]

We have examined the compliance of conditions of Corporate Governance by Xchanging Solutions Limited (“**the Company**”), for the financial year ended March 31, 2024 as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the management of the Company including the preparation and maintenance of all the relevant records and documents. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations for the year ended on March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. MAKS & Co.,**  
**Company Secretaries**  
[FRN P2018UP067700]

**Ankush Agarwal**  
Partner  
Membership No: F9719  
Certificate of Practice No: 14486  
Peer Review Certificate No.: 2064/2022  
UDIN: F009719F000429591

Date: May 23, 2024  
Place: Noida (Uttar Pradesh)

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

## SECTION A- GENERAL DISCLOSURES

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L72200KA2002PLC030072
2.	Name of the Listed Entity	Xchanging Solutions Limited
3.	Year of incorporation	01/02/2002
4.	Registered office address	HP Avenue, 39/40, Electronic City, Hosur Main Road, Bengaluru, Karnataka-560100, India
5.	Corporate address	HP Avenue, 39/40, Electronic City, Hosur Main Road, Bengaluru, Karnataka-560100, India
6.	E-mail	<a href="mailto:xchangingcompliance@dxc.com">xchangingcompliance@dxc.com</a>
7.	Telephone	+91 80 6972 9602
8.	Website	<a href="https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations">https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations</a>
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited; and National Stock Exchange of India Ltd.
11.	Paid-up Capital	Rs. 111,40,37,160/- (as on March 31, 2024)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mayank Jain, Company Secretary, +91 80 6972 9602, <a href="mailto:xchangingcompliance@dxc.com">xchangingcompliance@dxc.com</a>
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on standalone basis.
14.	Name of the assurance provider	Not Applicable ("NA")
15.	Type of assurance provider	NA

### II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Information Technology	IT Software, IT Hardware & ITES	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Computer programming activities	6201	100%

### III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	Nil	2	2
International	Nil	Nil	Nil

## Business Responsibility and Sustainability Reporting

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	2 offices-Bengaluru and Chennai
International (No. of Countries)	No office outside India

b. What is the contribution of exports as a percentage of the total turnover of the entity? 67.20%

c. A brief on types of customers: The Company is providing IT & ITES related services to the Banks and Private Sector Companies.

### IV. Employees

20. Details as at the end of Financial Year 2023-24

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No (B)	% (B/A)	No (C)	% (C/A)
<b>Employees</b>						
1	Permanent (D)	104	82	78.85%	22	21.15%
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	Total employees (D + E)	104	82	78.85%	22	21.15%
<b>Workers</b>						
1	Permanent (F)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
3	Total Workers (F + G)	Nil	Nil	Nil	Nil	Nil

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No (B)	% (B/A)	No (C)	% (C/A)
<b>Differently Abled Employees</b>						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	Total differently abled employees (D + E)	Nil	Nil	Nil	Nil	Nil
<b>Differently Abled Workers</b>						
1	Permanent (F)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
3	Total Workers (F + G)	Nil	Nil	Nil	Nil	Nil

21. Participation/Inclusion/Representation of women during the FY 2023-24

	Total(A)	No. and percentage of Females	
		No(B)	%(B/A)
Board of Directors	6	2	33%
Key Management Personnel	3	Nil	Nil

22. Turnover rate for permanent employees and workers. (Disclose trends for the past 3 years)

	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6.1%	Nil	4.9%	19.70%	33.30%	22.11%	25.70%	33.30%	27.13%
Permanent Workers	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



## Business Responsibility and Sustainability Reporting

### V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

23. (a) Names of Holding / Subsidiary / Associate companies / Joint ventures.

S. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Xchanging Solutions Singapore Pte Limited	Subsidiary	100%	No DXC Technology Company, US (“DXC”) is the ultimate parent entity of the Company and its Subsidiaries. All Policies / practices to the extent relevant are also applicable to the subsidiaries of DXC Technology Company, US, in conformity with the applicable laws
2	Xchanging Solutions (USA), Inc.	Subsidiary	100%	No DXC Technology Company, US is the ultimate parent entity of the Company and its Subsidiaries. All Policies / practices to the extent relevant are also applicable to the subsidiaries of DXC Technology Company, US, in conformity with the applicable laws
3	Xchanging Mauritius Limited	Promoter (Holding Company)	52.07%	No DXC Technology Company, US is the ultimate parent entity of the Company and its Subsidiaries. All Policies / practices to the extent relevant are also applicable to the subsidiaries of DXC Technology Company, US, in conformity with the applicable laws
4	Xchanging Technology Services India Private Limited	Promoter	19.16%	No DXC Technology Company, US is the ultimate parent entity of the Company and its Subsidiaries. All Policies / practices to the extent relevant are also applicable to the subsidiaries of DXC Technology Company, US, in conformity with the applicable laws
5	DXC Technology India Private Limited	Promoter	3.77%	No DXC Technology Company, US is the ultimate parent entity of the Company and its Subsidiaries. All Policies / practices to the extent relevant are also applicable to the subsidiaries of DXC Technology Company, US, in conformity with the applicable laws

### VI. CSR Details

24. (i). Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii). Turnover (in Rs.) - Rs. 3,683 lakhs as on March 31, 2024.

(iii). Net worth (in Rs.) - Rs. 31,433 lakhs as on March 31, 2024.

## Business Responsibility and Sustainability Reporting

### VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct ("NGRBC"):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)*	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, the Company has a robust grievances redressal mechanism, including an online portal called Ethics Point/Speak Up forum, wherein any person (whether an employee, ex-employee or third party) can report his/her/their complaint/concern (including violation of HR, if applicable) as well as be apprised as to its progress/resolution. Beside this, there is a dedicated email ID wherein any person can email their grievances.	Nil	Nil	NA	Nil	Nil	NA
Investors(other than shareholders)	Yes, the Company has a robust grievances redressal mechanism, including an online portal called Ethics Point/Speak Up forum, wherein any person (whether an employee, ex-employee or third party) can report his/her/their complaint/concern (including violation of HR, if applicable) as well as be apprised as to its progress/resolution. Beside this, there is a dedicated email ID wherein any person can email their grievances.	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes, Company is following strong Grievance Redressal Mechanism and has separate committee of Directors i.e. Stakeholders' Relationship Committee	17	Nil	Resolved	1	Nil	Resolved
Employees and workers	Yes, the Company follows global DXC's Code of Conduct supplemented by specific policies like POSH etc, which clearly calls out that no form of retaliation will be acceptable. Employees are educated on the appropriate channels to report any form of retaliation displayed against them or anyone else through HR/Manager/Legal/Ethics channels.	Nil	Nil	NA	Nil	Nil	NA
Customers	Yes, Service Level Agreement and Escalation matrix mentioned in Agreement	Nil	Nil	NA	Nil	Nil	NA
Value Chain partners	Yes, Value Chain Partners can raise complaints with the Company.	Nil	Nil	NA	Nil	Nil	NA
Other (please specify)	Nil	Nil	Nil	NA	Nil	Nil	NA

\* Policies are available on DXC's intranet.

26. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

## Business Responsibility and Sustainability Reporting

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.					

### SECTION B- MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	<a href="https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations">https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations</a> Further, some policies are available on DXC's intranet.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	-
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Nil								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Company provides IT & ITES related services and the Company has adopted work from home policy. Therefore, Company has limited applicability of NGRBC principles. However, the Company strives to follow applicable directions/ guidelines provided by the Government of India. Further, efforts are being made on the ESG front to contribute to the community through CSR activities.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DXC Technology Company, US, the ultimate parent entity of the Company made this policy and it is applicable for all its subsidiaries including Xchanging Solutions Limited								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the policies of the Company are approved by the Board and reviewed periodically or on a need basis.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the regulations, rules and principles as are applicable																	

## Business Responsibility and Sustainability Reporting

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Sr. No.	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is No i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)	NA								

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

#### PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

##### Essential Indicators

1. Percentage covered by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	4	Key Developments, Regulatory updates, Review of Policy & procedures	100%
Key Managerial Personnel	4	Code of Conduct, Business Ethics responsible business decision making, Accountable leadership, Ethical obstacles strategy guide	100%
Employees other than BoD and KMPs	2	Code of Conduct, Business Ethics responsible business decision making, Accountable leadership, Ethical obstacles strategy guide	100%
Workers	Nil	Nil	Nil

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	NA	NA
Settlement	Nil	Nil	Nil	NA	NA
Compounding fee	Nil	Nil	Nil	NA	NA

## Business Responsibility and Sustainability Reporting

Non-Monetary				
Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	NA	NA
Punishment	Nil	Nil	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

S. No.	Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
1	Nil	Nil

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

We firmly believe and adhere to transparent, fair and ethical governance practices to encourage professionalism, honesty, integrity and ethical behavior. The Code of Conduct (“the Code”) of DXC Technology Company, Ultimate Holding Company, USA, which is applicable to all the employees and Board Members of the Company, and which lays down the important corporate ethical practices that shape the Company’s business practices and represents the ever cherished values of the Company. The Code is an extension of our values and reflects our continued commitment to ethical business practices across our operations. In this endeavor to create enduring value for all our stakeholders and to ensure the highest level of honesty, integrity and ethics in all its operations, the Company has adopted the ‘Whistle Blower Policy’. Through this Policy, the Company encourages its stakeholders to bring to the Company’s attention any instances of unethical behavior, actual or suspected incidents of fraud or violation of Company’s Code of Business Conduct that could adversely impact the Company’s operation, business performance and reputation. In order to protect investors’ interest, the Company has adopted this Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.

Please refer policy:

<https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations#accordion-013947e1a1-item-ce5e7de97f>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

Category	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.- Not Applicable

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payable	85.40	58.90

## Business Responsibility and Sustainability Reporting

### 9. Open-ness of the business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties in the following format:

Parameters	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases with related parties /Total Purchases)	78.90%	100%
	b. Sales (Sales to related parties / Total Sales)	76.40%	87.90%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0%	99.90%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

#### Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

S. No.	Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Nil	Nil	Nil

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)  
If Yes, provide details of the same.

Yes. The Company receives an annual declaration (changes from time to time) from its Board members and KMPs on the entities they are interested in and ensures requisite approvals as required under the statute as well as the Company's policies are in place before transacting with such entities / individuals.

### PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

#### Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	Current Financial Year (2023-24)	Previous Financial Year (2022-23)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Nil
Capex	Nil	Nil	Nil

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)- Yes

b. If yes, what percentage of inputs were sourced sustainably?

The Company is conscious of the role of sustainability in its business and actively collaborates with vendors and suppliers to raise ethical and environmental standards.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.



## Business Responsibility and Sustainability Reporting

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

### Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

S. No.	NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

S. No.	Name of Product / Service	Description of the risk / concern	Action Taken
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Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services. Further, all IT assets are safely disposed through industry-approved e-waste vendors.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services. Further, all IT assets are safely disposed through industry-approved e-waste vendors.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable. The Company provides IT and ITES related services, the Company does not manufacture any product. Further, All IT assets are safely disposed through industry-approved e-waste vendors.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

S. No.	Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
1	Not applicable. The Company provides IT and ITES related services, the Company does not manufacture any product.	

## Business Responsibility and Sustainability Reporting

**PRINCIPLE 3** Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees (Permanent Employees).

Category	% of employees covered by										
	Total(A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	82	82	100%	82	100%	NA	NA	82	100%	NA	NA
Female	22	22	100%	22	100%	22	100%	NA	NA	NA	NA
Total	104	104	100%	104	100%	22	100%	82	100%	NA	NA
Other than permanent Employees											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

b. Details of measures for the well-being of workers.

Category	% of employees covered by										
	Total(A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent Workers											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)

Category	FY 2023-24	FY 2022-23
Permanent Employee		
Cost incurred on well- being measures as a % of total revenue of the company	0.54%	0.47%
Other than permanent Employees		
Cost incurred on well- being measures as a % of total revenue of the Company	Nil	Nil
Workers- Permanent and other than permanent		
Cost incurred on well- being measures as a % of total revenue of the Company	Nil	Nil

2. Details of retirement benefits.

Benefits	No. of employees covered as a % of total employees.	No. of workers covered as a % of total workers.	Deducted and deposited with the authority	FY 2023-24		FY 2022-23	
				No. of employees covered as a % of total employees.	No. of workers covered as a % of total workers.	Deducted and deposited with the authority	Deducted and deposited with the authority
PF	100%	Nil	Yes	100%	Nil	Yes	Yes
ESI	Nil	Nil	Nil	Nil	Nil	Nil	Nil
SA	Nil	Nil	Nil	Nil	Nil	Nil	Nil
NPS	5%	Nil	Yes	7%	Nil	Yes	Yes
GRATUITY	100%	Nil	Yes	100%	Nil	Yes	Yes

## Business Responsibility and Sustainability Reporting

### 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.-

Not applicable. The Company has adopted work from home policy.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.-

The Company, being an equal opportunity employer, believes in promoting diversity and inclusion in its work culture, which allows all employees to contribute wholly with their skills, experience and perspective for creating unmatched value for all stakeholders. The Company endeavours to provide a safe, secure, and congenial work environment so that employees can deliver their best without inhibition.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

No employee has availed Parental leave in the FY 2023-24. The Company does not have workers.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Yes, Each employee has a Human Resources Business Partner (HRBP) that they can reach out to, to report any grievance apart from their Business Managers. HRBPs work with Business to resolve the issue and involve the Employee Relations Team and Legal whenever required. Employee can also report their grievances through the Ethics Channel or through the speak-up channel which ensures the anonymity of the complainant.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Nil
Other than Permanent Workers	Nil
Permanent Employees	Yes
Other than Permanent Employees	Nil

### 7. Membership of employees and workers in Association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of Association(s) or Union(B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of Association(s) or Union(D)	%(D / C)
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Workers	Nil	Nil	Nil	Nil	Nil	Nil
- Male	Nil	Nil	Nil	Nil	Nil	Nil
- Female	Nil	Nil	Nil	Nil	Nil	Nil

## Business Responsibility and Sustainability Reporting

### 8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	82	82	100%	82	100%	91	81	89%	83	91%
Female	22	22	100%	22	100%	18	16	89%	16	89%
Total	104	104	100%	104	100%	108	97	89%	99	91%
Workers										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### 9. Details of performance and career development reviews of employees and workers

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (B)	% (D/C)
<b>Employees</b>						
Male	82	81	98.78%	91	90	98.90%
Female	22	22	100%	18	18	100%
Total	104	103	99.03%	109	108	99.10%
<b>Workers</b>						
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil

### 10. Health and safety management system:

Not Applicable as the Company has adopted work from home policy. However, the Company extends the benefit of medical insurance, term life insurance and Group Personal Accident Policy for all its employees. Further, the Company has in place the Conviction of Safety Policy which compensates the employees in the unfortunate event of Death or Permanent / Temporary disablement. Benefits like provident fund, extended gratuity payment and superannuation are settled on priority.

- Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system? - Not Applicable as the Company is an IT Company and has adopted work from home policy.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? -Not Applicable as the Company is an IT Company and has adopted work from home policy.
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) - Not Applicable as the Company is an IT Company and has adopted work from home policy.
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)** - Not Applicable as the Company is an IT Company and has adopted work from home policy.

### 11. Details of safety related incidents, in the following format:

Not Applicable as the Company has adopted work from home policy.

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

## Business Responsibility and Sustainability Reporting

12. Describe the measures taken by the entity to ensure a safe and healthy workplace. –

Not Applicable as the Company has adopted work from home policy.

13. Number of complaints on the following made by employees and workers.

Not Applicable as the Company has adopted work from home policy.

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

Not Applicable as the Company has adopted work from home policy.

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Nil
Working Conditions	Nil

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.-

Not Applicable as the Company has adopted work from home policy.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).-

The Company extends the benefit of medical insurance, term life insurance and Group Personal Accident Policy for all its employees. Further, the Company has in place the Conviction of Safety Policy which compensates the employees in the unfortunate event of Death or Permanent / Temporary disablement. Benefits like provident fund, extended gratuity payment and superannuation are settled on priority.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Yes, the Company checks the data before Statutory remittances and do Maker, Checker concept as per SOX compliance.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Not Applicable as the Company has adopted work from home policy.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) –

Yes, the Company provides access to online training portal for a period of 90 days following termination of employment.

## Business Responsibility and Sustainability Reporting

### 5. Details on assessment of value chain partners:-

Not applicable as the Company has adopted work from home policy.

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

### 6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable as the Company has adopted work from home policy.

## PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity.-

The Company first identifies all its key stakeholders on a regular basis, who could be impacted by Company's operations evaluates them based on their ability to influence the Company and understand what matters the most to them.

Our stakeholders are our shareholders, clients, employees, suppliers, government / regulators and the community.

#### 2. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group(Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/Quarterly/ others – please specify)	Objectives	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Shareholders	No	<ul style="list-style-type: none"> <li>• Stock Exchange Intimations</li> <li>• Newspaper</li> <li>• Website</li> <li>• Email as and when required</li> </ul>	Annually/Half yearly/ Quarterly/ others as required	<ul style="list-style-type: none"> <li>• Quarterly results</li> <li>• Annual general meeting</li> <li>• Financial reports</li> </ul>	Nil
2	Clients	No	<ul style="list-style-type: none"> <li>• Client visit</li> <li>• Meetings</li> <li>• Email</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>• Business value</li> <li>• Innovation</li> </ul>	Nil
3	Suppliers	No	<ul style="list-style-type: none"> <li>• Meetings</li> <li>• Facility visits</li> <li>• Email</li> </ul>	Need Basis	Suppliers are contacted regularly to ensure material quality, safety and timely availability amongst other critical services to ensure continuity of business operations.	Nil
4	Employees	No	<ul style="list-style-type: none"> <li>• Email</li> <li>• Townhall meetings</li> <li>• Surveys</li> </ul>	Need Basis	<ul style="list-style-type: none"> <li>• Career opportunities</li> <li>• Health &amp; safety</li> <li>• Learning &amp; development</li> </ul>	Nil
5	Government/ Regulators	No	<ul style="list-style-type: none"> <li>• Email</li> <li>• Stock Exchange Disclosures</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>• Good governance</li> <li>• Compliance</li> </ul>	Nil
6	Community	No	<ul style="list-style-type: none"> <li>• Email</li> <li>• Visits</li> </ul>	Need basis	<ul style="list-style-type: none"> <li>• Access to healthcare</li> <li>• Access to education</li> <li>• Improved livelihoods</li> </ul>	Nil

## Business Responsibility and Sustainability Reporting

### Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company is committed to improving the lives of underprivileged individuals by dedicating itself to corporate social responsibility (CSR) initiatives. Through our CSR efforts, we are striving to make a positive impact in the areas of education and skilling, as well as any other modes that can bring about meaningful change. We keep detailed trackers through reports and dashboards and present data to the Board at regular intervals and incorporate their feedback into the programming.

2. Whether Stakeholders consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, we place a strong emphasis on measuring the effectiveness of our programs through comprehensive monitoring and evaluation processes. Our approach involves working closely with industry experts to conduct detailed audits that help us identify areas of improvement and ensure that our programs are meeting their intended objectives. We also collaborate with our Board to gather inputs and insights that further enhance our understanding of program outcomes.

Through this approach, we are committed to continuously improving our programs and ensuring that they are effective in delivering the intended benefits to our stakeholders.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.-

Under our CSR Initiatives in FY'2023-24 - CSR program aimed to empower Persons with Disabilities (PwDs) and underprivileged youth by offering comprehensive training opportunities. Through sector-specific skills training, digital literacy, and financial education, we equipped 125 individuals with vital tools for success.

Ensuring their well-being, we provided quality food and safe accommodations throughout the training period. With a focus on sustainability, our goal was to place at least 60% of trained participants in suitable jobs, elevating their standard of living.

Central to our mission was fostering independence and self-confidence, empowering individuals to thrive. We achieved these objectives through a series of activities including sensitization, mobilization, counseling, and immersive training sessions. By providing exposure visits and certification upon completion, we ensured a holistic approach to skill development and empowerment.

### PRINCIPLE 5 Businesses should respect and promote human rights.

#### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	%(B / A)	Total(C)	No. of employees/ workers covered (D)	%(D / C)
Employees						
Permanent	104	104	100%	109	99	90%
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	104	104	100%	109	99	90%
Workers						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Workers	Nil	Nil	Nil	Nil	Nil	Nil



## Business Responsibility and Sustainability Reporting

2. Details of minimum wages paid to employees, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total(D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. ( C)	%(C / A)		No.(E)	% (E /D)	No.(F)	%( F /D)
<b>Employees</b>										
<b>Permanent</b>										
Male	82	Nil	Nil	82	100%	91	Nil	Nil	91	100%
Female	22	Nil	Nil	22	100%	18	1	6%	17	94%
<b>Other than Permanent</b>										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Workers</b>										
<b>Permanent</b>										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Other than Permanent</b>										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary of respective category (in Rs.)	Number	Median remuneration/ salary of respective category (in Rs.)
Board of Directors (BoD)*	2	11,80,000	2	10,25,000
Key Managerial Personnel	3	27,51,443	Nil	Nil
Employees other than BoD and KMP	80	14,63,234	22	11,79,969
Workers	Nil	Nil	Nil	Nil

\*Excluding KMPs- only sitting fees

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	18%	15%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)-

Yes, DXC has the function DXC Integrity. The mission of DXC Integrity is to promote a culture of performance with integrity that encourages ethical conduct, reinforces the corporate values, and drives compliance with the Code of Conduct, internal policies and the law.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.-

The Company has a robust grievances redressal mechanism, including an online portal called Ethics Point/Speak Up forum, wherein any person (whether an employee, ex-employee or third party) can report his/her/their complaint/concern (including violation of HR, if applicable) as well as be appraised as to its progress/resolution. Beside this, DXC Integrity has an Internal Investigations Policy that establishes the requirements and protocols essential for DXC Integrity to conduct effective internal investigations.

## Business Responsibility and Sustainability Reporting

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.-

The Company follows DXC's Code of Conduct supplemented by specific policies like POSH etc., which clearly calls out that no form of retaliation will be acceptable. Employees are educated on the appropriate channels to report any form of retaliation displayed against them or anyone else through HR/Manager/Legal/Ethics/Employee Relations channels.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)- Yes

10. Assessments for the year: No compliant was received during the FY 2023-24.

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others – please specify	Nil

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.-

While there were nil assessments, the Company reviews its policies and procedures frequently to ensure that employee experience is enhanced. Specific to POSH and Code of Conduct, annual trainings are undertaken every year to educate the employees on their rights and responsibilities.

### Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.-

The Company follows Global DXC's Code of Conduct. The Company has a strong vigil mechanism by means of different policies and procedures and the Company is in compliance with the applicable laws. We ensure strict compliance of child labor, forced / involuntary labor, sexual harassment, discrimination at workplace and minimum wages. These issues are a pre-requisite for the ethical functioning of the Company. The Company, at no point tolerate the violation of basic human rights of any of our stakeholders. . The Company has a dedicated DXC integrity team.

2. Details of the scope and coverage of any Human rights due-diligence conducted.-

The Company follows the Global DXC's Code of Conduct which covers all aspects of human-rights diligence such as non-discrimination, equal remuneration, prevention on sexual harassment, etc.

## Business Responsibility and Sustainability Reporting

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, However, It is not applicable as the Company has adopted work from home policy.

4. Details on assessment of value chain partners:-

No compliant was received during the FY 2023-24.

Category	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others – please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.-

The Company has not received any compliant, therefore, no action is required.

### PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

#### Essential Indicators

The Company has adopted work from home policy. No employee is required to work at office place unless there is specific requirement as per Law or client requirement. The Company has maintained office for Regulatory Compliance purposes, client meetings, etc.

1. Details of total energy consumption (in Joules or multiples) and energy intensity.

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Parameter	FY 2023-24	FY 2022-23
<b>From renewable sources</b>		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption sources (C) through other	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C)</b>	Nil	Nil
<b>From non-renewable sources</b>		
Total electricity consumption (D)	92,757	46,116
Total fuel consumption (E)	Nil	Nil
Energy consumptionsources (F) through other	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	92,757	46,116
<b>Total energy consumed (A+B+C+D+E+F)</b>	92,757	46,116
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	Nil	Nil
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	Nil	Nil
<b>Energy intensity in terms of physical output</b>	NA	NA
Energy intensity (optional) – the relevantmetric may be selected by the entity	Nil	Nil

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.-

## Business Responsibility and Sustainability Reporting

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

3. Provide details of the following disclosures related to water, in the following format: Water withdrawal by source (in kilolitres)

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	Nil	Nil
Total volume of water consumption (in kilolitres)	Nil	Nil
Water intensity per rupee of turnover (Water consumed / turnover)	Nil	Nil
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	Nil	Nil
Water intensity in terms of physical output	Nil	Nil
Water intensity (optional) – the relevant metric may be selected by the entity	Nil	Nil

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

4. Provide the following details related to water discharged:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Parameter	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) To Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

## Business Responsibility and Sustainability Reporting

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.-  
Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:  
Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Nil	Nil	Nil
SOx	Nil	Nil	Nil
Particulate matter (PM)	Nil	Nil	Nil
Persistent organic pollutants (POP)	Nil	Nil	Nil
Volatile organic compounds (VOC)	Nil	Nil	Nil
Hazardous air pollutants (HAP)	Nil	Nil	Nil
Others – please specify	Nil	Nil	Nil

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:  
Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Parameter	Unit	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Nil	Nil	Nil
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Nil	Nil	Nil
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Nil	Nil	Nil
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted</b>	Nil	Nil	Nil

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.-  
Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

## Business Responsibility and Sustainability Reporting

9. Provide details related to waste management by the entity, in the following format:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Parameter	FY 2023-24	FY 2022-23
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Nil	Nil
E-waste(B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	Nil	Nil
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
<b>Total (A + B + C + D + E + F + G + H)</b>	Nil	Nil
<b>Waste intensity per rupee of turnover</b> (Total waste generated/Revenue from operations)	Nil	Nil
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	Nil	Nil
<b>Waste intensity in terms of physical output</b>	Nil	Nil
<b>Waste intensity (optional) – the relevant metric may be selected by the entity</b>	Nil	Nil
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste - Plastic</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - E-Waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Bio-medical waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Construction and demolition waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil



## Business Responsibility and Sustainability Reporting

Parameter	FY 2023-24	FY 2022-23
<b>Category of waste - Battery waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Radioactive waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Other Hazardous waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Other Non-Hazardous waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste - Plastic</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - E-Waste</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>		
<b>Category of waste - Bio-medical Waste</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil

## Business Responsibility and Sustainability Reporting

Parameter	FY 2023-24	FY 2022-23
<b>Category of waste - Construction and demolition waste</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Battery</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Radioactive</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Other Hazardous waste. Please specify, if any</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil
<b>Category of waste - Other Non-hazardous waste generated</b>	Nil	Nil
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	Nil	Nil

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	NA	NA	NA

## Business Responsibility and Sustainability Reporting

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	NA	NA	NA	NA	NA	NA

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/ N). If not, provide details of all such non-compliances, in the following format:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

S. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
1	NA	NA	NA	NA

### Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area : Bengaluru and Chennai
- (ii) Nature of operations : IT and ITES related services
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	Nil	Nil
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal(in kilolitres)</b>	Nil	Nil
<b>Total volume of water consumption(in kilolitres)</b>	Nil	Nil
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	Nil	Nil
<b>Water intensity (optional) – the relevant metric may be selected by the Entity</b>	Nil	Nil
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) Into Groundwater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil

## Business Responsibility and Sustainability Reporting

Parameter	FY 2023-24	FY 2022-23
(iii) Into Seawater	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third parties	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others	Nil	Nil
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
<b>Total water discharged (in kilolitres)</b>	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Nil	Nil	Nil
Total Scope 3 emissions per rupee of turnover	Nil	Nil	Nil
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Nil	Nil	Nil

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Nil	Nil	Nil	Nil

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.-

The Company follows Global DXC's code of conduct. DXC routinely reviews its resilience structure to align with changing business and regulatory requirements and industry best practices. In the event of a disruption, our priority is to care for the safety of our colleagues, in line with our people-first strategy. Once our people are safe and secure, our next priority is to restore the infrastructure, such as network and monitoring services required to deliver excellence for our customers. Prioritization of individual customer recovery is governed by the terms of the specific contract and plan. DXC's Delivery teams and Functions are responsible for creating and maintaining their Business Continuity Plans. DXC's IT Disaster Recovery Standard requires DXC internal application owners to designate whether the application requires Disaster Recovery

## Business Responsibility and Sustainability Reporting

or not. If so, then a Disaster Recovery Plan will be created for the application, its hardware, and data, and the Disaster Recovery Plan will document the technology recovery strategy to recover within the required recovery parameters.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.-

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

### PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

#### Essential Indicators

- 1 (a) Number of affiliations with trade and industry chambers/ associations.-

Nil

- 1 (b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
	Nil	

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Nil

#### Leadership Indicators

1. Details of public policy positions advocated by the entity:

Not Applicable- In line with DXC's Global Code of Conduct, all India Policies are fair, transparent and inclusive while being adherent to the applicable law. Our Leadership pioneer these policies and drive change management as and when required through the policies.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
1	NA	NA	NA	NA	NA

### PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
1	Nil					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In Rs.)
1	Nil					

## Business Responsibility and Sustainability Reporting

### 3. Describe the mechanisms to receive and redress grievances of the community.-

The Company follows global DXC's Code of Conduct supplemented by specific policies like POSH etc. which clearly calls out that no form of retaliation will be acceptable. Employees are educated on the appropriate channels to report any form of retaliation displayed against them or anyone else through HR/Manager/Legal/Ethics channels.

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Not applicable. The Company does not manufacture any product and the Company has adopted work from home policy. The Company provides IT and ITES related services.

Category	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	NA	NA
Directly from within India	NA	NA

### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

The Company has two offices (Chennai and Bengaluru) and the Company has adopted work from home policy. The Company hires the employees from PAN India. The Company has not classified the employees on location wise.

Location	FY 2023-24	FY 2022-23
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	104	109
Metropolitan	Nil	Nil

### Leadership Indicators

#### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

S. No.	Details of negative social impact identified	Corrective action taken
1	NA	

#### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In Rs.)
1	Karnataka & Tamil Nadu	Bengaluru and Chennai	40,88,171

Administration cost of Rs 1,65,163

#### 3(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)-

No

#### 3(b) From which marginalized /vulnerable groups do you procure?-

Not Applicable

#### 3(c) What percentage of total procurement (by value) does it constitute?-

Nil

#### 4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year 2023-24), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
1		Nil		

#### 5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

S. No.	Name of authority	Brief of the Case	Corrective action taken
1		Nil	



## Business Responsibility and Sustainability Reporting

### 6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	A Project for Skill Development of Persons with Disabilities & Underserved	125	100%

### PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner.

#### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.-

Each customer concern is addressed with utmost care at all levels. DXC team acknowledge, analyze the incidents and develop an action plan to resolve it. The team engages with the customer, to validate the action plan and regularly updates customers about the progress of action taken.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Category	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable. The Company does not manufacture any product and the Company provides IT and ITES related services.
Safe and responsible usage	
Recycling and/or safe disposal	

#### 3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	Nil	Nil	NA	Nil	Nil	NA
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Others	Nil	Nil	NA	Nil	Nil	NA

#### 4. Details of instances of product recalls on account of safety issues:

Category	Number	Reasons for recall
Voluntary recalls	Not applicable. The Company does not manufacture any product and the Company provides IT and ITES related services.	
Forced recalls		

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.-

Yes, Company has Data Privacy and Data Protection Policy but the policy is only for internal consumption hosted in Policy Central.

#### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.-

Not Applicable, the Company is not in essential services.

#### 7. Provide the following information relating to data breaches:

- Number of instances of data breaches- Nil
- Percentage of data breaches involving personally identifiable information of customers- Nil
- Impact, if any, of the data breaches- Nil

### Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).-  
Please refer <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations> and some policies are only for internal consumption hosted in Policy Central.
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.-  
Not applicable, as the Company does not have any products/services that can entail safety issues or a usage abuse.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.-  
Not Applicable, the Company is not in essential services.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Not applicable

# INDEPENDENT AUDITOR'S REPORT

## To The Members of Xchanging Solutions Limited Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Xchanging Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 3.1 (ii) and Note 36 to the Standalone financial statements.</p>	<p><b>Principal Audit Procedures performed:</b></p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls relating to:</p> <ol style="list-style-type: none"><li>(1) identification, evaluation, recognition of provisions, and disclosure of material uncertain tax positions including matters under dispute by considering the assumptions and information used by management in performing this assessment;</li><li>(2) completeness and accuracy of the underlying data/information used in the assessment.</li></ol> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2024 from management. With the assistance of our internal experts, we challenged the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2023 to evaluate whether any change was required to management's position on these uncertainties.</p>

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Boards' Report including Annexures to Board's Report, Management Discussion and Analysis Report and Corporate Governance Report including Annexures thereon but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

## Independent Auditor's Report

- 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 during the course of our 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.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statement 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, management is 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 Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility 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 financial 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 system 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

## Independent Auditor's Report

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, except for not complying with the requirement of audit trail as stated in (h)(vi) below.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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 March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 44.2 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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;
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 44.2 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

## Independent Auditor's Report

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

- v. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.

As stated in note 16 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the company has used accounting softwares for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in respect of accounting software operated by third party service provider for maintaining payroll records, in the absence of independent auditor's service organisation report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with (Refer note 42 to the standalone financial statements).

Additionally, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

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

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

**Gurvinder Singh**  
(Partner)

(Membership No. 110128)  
(UDIN 24110128BKBGXP2940)

Place: Bengaluru  
Date: May 23, 2024



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

### Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Xchanging Solutions Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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. 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 Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements was 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 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 standalone financial statements.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes 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 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 financial statements.

#### Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial



## Independent Auditor's Report

controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by 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.

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

Place: Bengaluru  
Date: May 23, 2024

**Gurvinder Singh**  
(Partner)  
(Membership No. 110128)  
(UDIN 24110128BKBGXP2940)

### ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (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) The Company has a program of physical verification of property, plant and equipment and right-of-use assets to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year, the question of reporting on material discrepancies noted on verification does not arise.
- (i) (c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.
- (i) (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (i) (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (ii) (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence reporting under clause (iii) of the Order is not applicable.
- (iii) (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.
- (iii) (b) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(b) of the Order is not applicable.
- (iii) (c) The Company had granted loans or provided advances in the nature of loan, were payable on demand. During the year, these loans have been repaid to the Company by the respective parties. Having regard to the fact that the repayment of principal or payment of interest has been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular.
- (iii) (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (iii) (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (iii) (f) According to information and explanations given to us and based on the audit procedures performed, 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 during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) (a) In respect of statutory dues:  
Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities during the year.

## Independent Auditor's Report

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (vii) (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (Rs. In lakhs)
Income Tax Act, 1961	Income Tax	High Court	FY 2008-09	*
			FY 2009-10	6
			FY 2012-13	**
		Assessing Officer	FY 2014-15	@
			FY 2015-16	112
			FY 2016-17	177 <sup>#</sup>
Finance Act, 1994	Service Tax (including penalty)	Customs Excise and Service Tax Appellate Tribunal (CESTAT)	FY 2007-08 to 2011-12	4,541 <sup>##</sup>

\*Net of Rs. 42 lakhs paid under protest

\*\*Net of Rs. 85 lakhs paid under protest

@Net of Rs. 606 lakhs paid under protest

<sup>#</sup>Net of Rs. 156 lakhs paid under protest

<sup>##</sup>Net of Rs. 177 lakhs paid under protest

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (ix) (d) The Company has not raised funds on short-term basis and hence, reporting under clause (ix)(d) of the Order is not applicable to the Company.
- (ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (ix) (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer/ further public offer (including debt instruments) during the year and hence, reporting under clause (x)(a) of the Order is not applicable.
- (x) (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (xi) (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

## Independent Auditor's Report

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (xiv) (b) We have considered, the internal audit reports issued to the Company during the year and till date for the year under audit.
- (xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a), (b), (c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (xvi) (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W - 100018)

**Gurvinder Singh**

(Partner)

(Membership No. 110128)

(UDIN 24110128BKBGXP2940)

Place: Bengaluru

Date: May 23, 2024

# BALANCE SHEET

## XCHANGING SOLUTIONS LIMITED

Balance Sheet as at March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	14	28
Right of use assets	5	92	126
Other intangible assets	6	-	1
Financial assets			
Investments	7	5,186	5,186
Loans	8	-	1,618
Deferred tax assets (net)	10	276	369
Income tax assets (net)	20.1	2,150	2,059
Other non-current assets	11	297	331
<b>Total non-current assets</b>		<b>8,015</b>	<b>9,718</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	12	411	350
Cash and cash equivalents	13	26,456	21,974
Bank balances other than above	14	34	7
Other financial assets	9	50	125
Other current assets	11	321	70
<b>Total current assets</b>		<b>27,272</b>	<b>22,526</b>
<b>Total assets</b>		<b>35,287</b>	<b>32,244</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	11,140	11,140
Other equity	16	20,293	17,042
<b>Total equity</b>		<b>31,433</b>	<b>28,182</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	34	63	94
Provisions	17	143	422
<b>Total non-current liabilities</b>		<b>206</b>	<b>516</b>

## Balance sheet

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
<b>Current liabilities</b>			
Financial liabilities			
Lease liabilities	34	37	40
Trade payables			
- Dues of micro enterprises and small enterprises	18	-	-
- Dues of creditors other than micro enterprises and small enterprises	18	646	452
Other financial liabilities	19	27	-
Provisions	17	40	123
Current tax liabilities (net)	20.2	2,796	2,860
Other current liabilities	21	102	71
<b>Total current liabilities</b>		<b>3,648</b>	<b>3,546</b>
<b>Total liabilities</b>		<b>3,854</b>	<b>4,062</b>
<b>Total equity and liabilities</b>		<b>35,287</b>	<b>32,244</b>

See accompanying notes to the financial statements

In terms of our report attached.

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

**Gurvinder Singh**  
Partner  
Membership No. 110128

Place: Bengaluru  
Date: May 23, 2024

For and on behalf of the Board of Directors

**Nachiket Vibhakar Sukhtankar**  
Managing Director and  
Chief Executive Officer  
DIN: 08778377

Place: Mumbai  
Date: May 23, 2024

**Shrenik Kumar Champalal**  
Whole Time Director and  
Chief Financial Officer  
DIN: 08099410

Place: Bengaluru  
Date: May 23, 2024

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Noida  
Date: May 23, 2024

# STATEMENT OF PROFIT AND LOSS

## XCHANGING SOLUTIONS LIMITED Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	For the year ended	For the year ended
		March 31, 2024	March 31, 2023
Revenue from operations	22	3,683	3,811
Other income	23	8,877	939
<b>Total Income</b>		<b>12,560</b>	<b>4,750</b>
<b>Expenses</b>			
Employee benefits expense	24	1,836	1,960
Finance costs	25	10	10
Depreciation and amortisation expense	26	54	60
Other expenses	27	925	841
<b>Total expenses</b>		<b>2,825</b>	<b>2,871</b>
Profit before exceptional items and tax		9,735	1,879
Exceptional items (Gain)/ Loss (Refer note 8(i))		(30,965)	-
Profit before tax		40,700	1,879
<b>Tax expense/ (benefit)</b>			
Current tax (also refer note 8(i))	28	4,234	433
Current tax- for the earlier years	28	(270)	(326)
Deferred tax	28	86	303
<b>Total tax expense</b>		<b>4,050</b>	<b>410</b>
<b>Profit for the period</b>		<b>36,650</b>	<b>1,469</b>
<b>Other comprehensive income/ (expense)</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		29	(27)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(7)	7
<b>Total other comprehensive income/ (expense)</b>		<b>22</b>	<b>(20)</b>
<b>Total Comprehensive Income for the period</b>		<b>36,672</b>	<b>1,449</b>
Earnings per Equity Share (of Rs.10 each)	30		
Basic- In Rs.		32.90	1.32
Diluted- In Rs.		32.90	1.32

See accompanying notes to the financial statements

In terms of our report attached.

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Firm's Registration No. 117366W/W-100018

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Company Secretary  
M. No. A26620

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**XCHANGING SOLUTIONS LIMITED**  
**Statement of changes in equity for the year ended March 31, 2024**

(All amounts in Rs. Lakhs, unless otherwise stated)

**a EQUITY SHARE CAPITAL**

<b>Balance at April 1, 2022</b>	<b>11,140</b>
Changes in equity share capital during the year	-
<b>Balance at March 31, 2023</b>	<b>11,140</b>
Changes in equity share capital during the year	-
<b>Balance at March 31, 2024</b>	<b>11,140</b>

**b OTHER EQUITY**

Particulars	Reserves & Surplus			Total other equity
	Capital reserve	Security premium	Retained earnings*	
<b>Balance as of April 1, 2022</b>	57	8,417	7,119	15,593
Profit for the year	-	-	1,469	1,469
Other comprehensive income for the year, net of tax (remeasurement of defined benefit plans)	-	-	(20)	(20)
<b>Balance as of March 31, 2023</b>	57	8,417	8,568	17,042

Particulars	Reserves & Surplus			Total other equity
	Capital reserve	Security premium	Retained earnings*	
<b>Balance as of April 1, 2023</b>	57	8,417	8,568	17,042
Profit for the year	-	-	36,650	36,650
Interim dividend paid (Refer note 16.3.(i))	-	-	(33,421)	(33,421)
Other comprehensive income for the year, net of tax (remeasurement of defined benefit plans)	-	-	22	22
<b>Balance as of March 31, 2024</b>	57	8,417	11,819	20,293

\*Includes transfer of General Reserve in the YE 2011 to the extent of Rs. 5,612 created mainly on account of Debenture redemption reserve, revaluation of investments and adjustment on merger scheme in YE 2008/2009.

See accompanying notes to the financial statements

In terms of our report attached.

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

For and on behalf of the Board of Directors

**Gurvinder Singh**  
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**Nachiket Vibhakar Sukhtankar**  
Managing Director and  
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Place: Bengaluru  
Date: May 23, 2024

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**Mayank Jain**  
Company Secretary  
M. No. A26620  
Place: Noida  
Date: May 23, 2024

# CASH FLOW STATEMENT

## XCHANGING SOLUTIONS LIMITED Statement of Cash Flows for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	40,700	1,879
<b>Adjustments for:</b>		
Depreciation and amortisation expense	14	19
Depreciation of right-of-use assets	40	41
Profit on sale of property, plant and equipment	(16)	(2)
Exceptional items (Refer note 8(i))	(30,965)	-
Interest income	(1,733)	(905)
Dividend income	(6,868)	-
Provision for doubtful advances	-	2
Other provisions no longer required written back	-	(10)
Interest expense	10	10
	<b>1,182</b>	<b>1,034</b>
<b>Operating profit before working capital changes</b>		
Adjustments for changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	(61)	158
Other current assets	(251)	32
Loans & other financial assets and other assets	45	32
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	194	(18)
Other financial liabilities and other liabilities	59	(23)
Provisions	(333)	(22)
	<b>835</b>	<b>1,193</b>
<b>Cash generated from operations</b>		
Taxes paid (net of refunds)	(4,119)	(239)
	<b>(3,284)</b>	<b>954</b>
<b>Net cash (used in)/ generated from operating activities (A)</b>		
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2)	-
Proceeds from sale of property, plant and equipment	19	2
Dividend income	6,868	-
Proceeds from loans given (Refer note 8(i) & (ii))	32,583	-
Deposits with banks with maturity period more than 3 months but less than 12 months	(27)	10
Interest received	1,791	851
	<b>41,232</b>	<b>863</b>
<b>Net cash generated from investing activities (B)</b>		

## Cash Flow Statement

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease liabilities	(45)	(48)
Interim dividend paid (Refer note 16.3.(i))	(33,421)	-
<b>Net cash used in financing activities (C)</b>	<b>(33,466)</b>	<b>(48)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>4,482</b>	<b>1,769</b>
Cash and cash equivalents at the beginning of the year	21,974	20,205
<b>Cash and cash equivalents at the end of the year</b>	<b>26,456</b>	<b>21,974</b>
Cash on hand	-	-
Balances with banks:		
In current accounts	1,456	1,973
Demand deposits (less than 3 months maturity)	25,000	20,001
<b>Net cash and cash equivalents included in note 13</b>	<b>26,456</b>	<b>21,974</b>
<b>Cash and cash equivalents</b>	<b>26,456</b>	<b>21,974</b>

**Notes:**

(1) Figures in brackets indicate cash outflow.

See accompanying notes forming part of the financial statements

In terms of our report attached.

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

**Gurvinder Singh**  
Partner  
Membership No. 110128

Place: Bengaluru  
Date: May 23, 2024

For and on behalf of the Board of Directors

**Nachiket Vibhakar Sukhtankar**  
Managing Director and  
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DIN: 08099410

Place: Bengaluru  
Date: May 23, 2024

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Noida  
Date: May 23, 2024

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## XCHANGING SOLUTIONS LIMITED Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### 1. GENERAL INFORMATION

Xchanging Solutions Limited ('the Company'), incorporated on February 1, 2002 having CIN: L72200KA2002PLC030072, is an information technology (IT) services provider with operations in India and an international presence established through subsidiaries in USA and Singapore.

### 2. MATERIAL ACCOUNTING POLICIES

#### 2.1 Basis of preparation and presentation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 & relevant amendment rules issued thereafter and guidelines issued by the Securities and Exchange Board of India (SEBI) under the historical cost convention on the 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.

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; regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company 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 purposes in these financial statements is determined on such a basis, except for share-bases payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 the 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.

The principal accounting policies are set out below:

#### 2.2 Revenue recognition

Revenue is recognised net of Goods and Services Tax (GST) to the extent that it is probable that economic benefit will flow to the Company and that revenue can be reliably measured. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Arrangements with customers for software related services are either on a fixed-price or on a time-and-material basis. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation.

- (i) Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.
- (ii) In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price.

(All amounts in Rs. Lakhs, unless otherwise stated)

For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

- (iii) Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.
- (iv) Revenue from licenses where the customer obtains a “right to use” the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognised over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Maintenance Contracts (AMC). The company has applied the principles under Ind AS 115 to account for revenues from these performance obligations.

When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-of-completion method as the implementation is performed. Revenue from support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. AMC revenue is recognised ratably over the period in which the services are rendered.

- (v) Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.
- (vi) Deferred and unearned revenues represent the estimated unearned portion of fees derived from certain fixed-rate service agreements. Unearned revenues for fixed fee contracts are recognised on a pro-rata basis over the term of the underlying service contracts, which are generally one year.
- (vii) Unbilled revenue represents costs and earnings in excess of billings as at the balance sheet date.

### 2.3 Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accounted on accrual basis and recognised at effective interest rate wherever applicable. Dividend income is accounted for when the right to receive it is established.

### 2.4 Leases

As a lessee:

The Company’s lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment

(All amounts in Rs. Lakhs, unless otherwise stated)

testing, the recoverable amount (i.e. the 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 2.5 Foreign currencies

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee.

(ii) Initial recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(iii) Subsequent recognition:

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period other than those monetary assets which are provided for being doubtful of recovery.

Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

### 2.6 Employee benefits

#### 2.6.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The gratuity fund is recognised by the income tax authorities and is administered through trust set up by the Company. The provision for gratuity recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.



(All amounts in Rs. Lakhs, unless otherwise stated)

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### 2.6.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

The Company has a policy on compensated absences which are accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

## 2.7 **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

### 2.7.1 Current tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 2.7.2 Deferred tax

Deferred income tax assets and liabilities are recognized for all temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred taxes and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.7.3 Current tax and deferred tax for the year

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

## 2.8 **Property, plant and equipment and depreciation**

- (i) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable costs of bringing the assets to their working condition for their intended use.
- (ii) 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 has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into



(All amounts in Rs. Lakhs, unless otherwise stated)

account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc:

<u>Category of assets</u>	<u>Estimated useful life</u>
Computers	4 to 7 years

- (iii) Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- (iv) Leasehold improvements are amortised over the period of lease or five years (useful life), whichever is lower.
- (v) Assets individually costing up to Rupees five thousand are fully depreciated in the year of purchase.

### 2.9 Intangible Assets and Amortisation

Intangible assets with finite useful lives are stated at cost of acquisition less accumulated amortisation and impairment losses.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. Intangible assets comprise of computer software which is amortised on straight-line basis over an estimated useful life of upto seven years.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### 2.10 Impairment of tangible and intangible assets

The carrying values of tangible and intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and (b) an intangible asset with indefinite useful life.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

### 2.11 Provisions and contingent liabilities

Provisions: A provision is recognised when the Company has a present obligation as a result of past events 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions for onerous contracts (i.e., contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it) are recognised when it is probable that cash outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

(All amounts in Rs. Lakhs, unless otherwise stated)

### 2.12 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. 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 of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 2.13 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value depending on the classification of the Financial assets.

#### 2.13.1 Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 2.13.3

Financial assets that meet the following conditions are subsequently measured at Fair Value Through Other Comprehensive Income ("FVTOCI") (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI financial assets. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for financial assets through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on financial assets at FVTOCI, refer Note 2.13.3

All other financial assets are subsequently measured at fair value.

#### 2.13.2 Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(All amounts in Rs. Lakhs, unless otherwise stated)

### 2.13.3 Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Financial assets that are initially measured at fair value with subsequent measurement at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR).

#### Allowance for Trade receivables

The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

### 2.13.4 Derecognition of financial assets

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. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

### 2.13.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

### 2.13.6 Investment in subsidiaries

Investment in subsidiaries is carried at cost less provision for diminution in the separate financial statements.

## **2.14 Financial liabilities**

### Classification as debt

Debt are classified as financial liabilities in accordance with the substance of the contractual arrangements and the definitions of a financial liability

### Financial liabilities

#### 2.14.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL, are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

(All amounts in Rs. Lakhs, unless otherwise stated)

### 2.14.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

### 2.14.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired, An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## **2.15 Derivative financial instruments**

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks through foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

## **2.16 Use of estimates**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

## **2.17 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **2.18 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## **2.19 Investments**

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

## **2.20 Segment Reporting**

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance based on an analysis of various performance indicators by business segments and geographic segments.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, is included as "Unallocated". Segment assets includes all the assets except for deferred tax assets which are treated as unallocable.

The dominant source of risk and returns of the enterprise is considered to be the business in which it operates, viz. - Information Technology (IT) Services. The sub businesses are fully aligned to IT Services business of the Company and the same are being viewed by the management as a single business segment. Being a single business segment company, no primary segment information is being provided.

(All amounts in Rs. Lakhs, unless otherwise stated)

### **2.21 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or 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 and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### **2.22 Project work expenses**

Project work expenses represents amounts charged by sub-contractors. These expenses are recognised on an accrual basis.

### **2.23 GST input credit**

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing/ utilising the credits.

### **2.24 Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

### **2.25 Government grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss under respective head in the period in which they become receivable.

## **3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### **3.1 Critical judgements in applying accounting policies**

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- i) Impairment of investment in subsidiaries- Determining whether investment in subsidiaries is impaired requires an estimation of the value in use of the subsidiaries. The value in use calculation requires the management to estimate the future cash flows expected to arise from the subsidiaries operations and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. No impairment for investment in subsidiaries has been identified during the year.
- ii) Income taxes- The Company has tax jurisdiction in India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Also refer to note 28.
- iii) Estimation of defined benefit obligation and other employee obligations- Employee benefit obligations are measured using actuarial methods. This requires various assumptions including with respect to salary trends, attrition rate, discounting factor etc. The Company engages third party qualified valuers to perform the actuarial valuation.

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>		
(Refer note 2.8 and 2.10)		
(Owned unless specified)		
<b>Carrying amounts of:</b>		
Leasehold Improvements	3	4
Computers	10	22
Office Equipment	1	2
Furniture and Fittings	-	-
	<b>14</b>	<b>28</b>

### The changes in the carrying value for the year ended March 31, 2024

Particulars	Leasehold Improvements	Computers	Office Equipments	Furniture and Fittings	Total
<b>Gross carrying value</b>					
Balance as at April 1, 2022	21	899	91	9	1,020
Additions	-	-	-	-	-
Disposals	-	(141)	(30)	(3)	(174)
<b>Balance as at March 31, 2023</b>	<b>21</b>	<b>758</b>	<b>61</b>	<b>6</b>	<b>846</b>
Additions	-	2	-	-	2
Disposals	(15)	(357)	(28)	(5)	(405)
<b>Balance as at March 31, 2024</b>	<b>6</b>	<b>403</b>	<b>33</b>	<b>1</b>	<b>443</b>
<b>Accumulated depreciation</b>					
Balance as at April 1, 2022	16	862	88	8	974
Depreciation expense	1	15	1	1	18
Eliminated on disposals of assets	-	(141)	(30)	(3)	(174)
<b>Balance as at March 31, 2023</b>	<b>17</b>	<b>736</b>	<b>59</b>	<b>6</b>	<b>818</b>
Depreciation expense	1	12	1	-	14
Eliminated on disposals of assets	(15)	(355)	(28)	(5)	(403)
<b>Balance as at March 31, 2024</b>	<b>3</b>	<b>393</b>	<b>32</b>	<b>1</b>	<b>429</b>
<b>Carrying value as at March 31, 2024</b>	<b>3</b>	<b>10</b>	<b>1</b>	<b>-</b>	<b>14</b>
<b>Carrying value as at March 31, 2023</b>	<b>4</b>	<b>22</b>	<b>2</b>	<b>-</b>	<b>28</b>

## 5 RIGHT OF USE ASSETS

(Refer note 2.4)

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

Particulars	Buildings
Balance as at April 1, 2022	167
Additions	-
Deletions	-
Depreciation	(41)
<b>Balance as at March 31, 2023</b>	<b>126</b>
Additions	37
Deletions	(31)
Depreciation	(40)
<b>Balance as at March 31, 2024</b>	<b>92</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.



## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>6 OTHER INTANGIBLE ASSETS</b>		
(Refer note 2.9 and 2.10)		
<b>Carrying amounts of:</b>		
Computer software	-	1
	<u>-</u>	<u>1</u>
	<u>-</u>	<u>1</u>

Particulars	Computer software	Total
<b>Gross carrying value</b>		
Balance as at April 1, 2022	64	64
Additions	-	-
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>64</b>	<b>64</b>
Additions	-	-
Disposals	(64)	(64)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Accumulated amortisation</b>		
Balance as at April 1, 2022	62	62
Amortisation expense	1	1
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>63</b>	<b>63</b>
Amortisation expense	-	-
Disposals	(63)	(63)
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Carrying value as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Carrying value as at March 31, 2023</b>	<b>1</b>	<b>1</b>

	As at March 31, 2024	As at March 31, 2023
<b>7 INVESTMENTS</b>		
<b>Non-current</b>		
Investments in equity instruments		
Wholly owned Subsidiary Companies :		
<b>(Unquoted, at cost, unless otherwise stated, fully paid up)</b>		
(Refer note 2.19, 2.13.6 and 3.1.(i))		
Xchanging Solutions (Singapore) Pte Limited, Singapore 2,300,000 (2023: 2,300,000) ordinary shares of Singapore\$1 each	7	7
Xchanging Solutions (USA) Inc, USA 1,000 (2023: 1,000) common stock of US\$ 9,930 each [Refer note 38]	11,224	11,224
(Less): Provision for diminution in value of investment	(6,045)	(6,045)
	<u>5,179</u>	<u>5,179</u>
	<u><b>5,186</b></u>	<u><b>5,186</b></u>
Aggregate carrying value of unquoted investments	11,231	11,231
Aggregate amount of impairment in value of investments	(6,045)	(6,045)



## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>8 LOANS</b>		
(Refer note 2.13 and 2.16)		
Unsecured, considered good unless otherwise stated		
<b>Non-current</b>		
Loans and advances:		
Subsidiaries [Refer note (i) below]:		
- Considered doubtful	-	17,283
(Less): Provision for doubtful loans	-	(17,283)
Fellow subsidiaries [Refer note 33 and note (ii) below]	-	1,618
	<u>-</u>	<u>1,618</u>

### Notes:

- (i) The Company had earlier given an unsecured loan of USD 38 Million during the Financial Year 2002 to 2008 to Xchanging Solutions USA Inc, wholly owned subsidiary of the Company which was fully provided as at March 31, 2023. On June 21, 2023 and December 22, 2023, the Company has received USD 23 Million (INR 18,315) and USD 15 Million (INR 12,650) respectively as repayment of this loan. Accordingly, the amount of INR 30,965 is recognized as other income and disclosed as exceptional items during the current financial year. The tax expenses of INR 3,443 on account of exchange gain on repatriation of loans are included in the current tax expenses during the current financial year.
- (ii) During the current financial year the Company has received Rs. 1,618 due from fellow subsidiaries.

Loans to Promoters, Directors, KMP and Related Parties (including interest accrued)

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	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<u>Promoter</u>				
- Xchanging Technology Services India Private Limited (Fellow subsidiary)	-	908	-	5%
Director	-	-	-	-
KMPs	-	-	-	-
<u>Individual Related Parties:</u>				
- Xchanging Solutions (USA) Inc (Subsidiary Company)	-	17,283	-	91%
- Xchanging Builders (India) Private Limited (Fellow subsidiary)	-	725	-	4%
<b>Total</b>	<b>-</b>	<b>18,916</b>	<b>-</b>	<b>100%</b>

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>9 OTHER FINANCIAL ASSETS</b>		
(Refer note 2.2, 2.13 and 2.16)		
Unsecured considered good unless otherwise stated		
<b>Current</b>		
Expenses recoverable from fellow subsidiaries [Refer note 33]	-	2
Unbilled revenue		
- Fellow subsidiaries [Refer note 33]	-	3
- Others	27	35
Interest accrued on loans to fellow subsidiaries [Refer note 33]	-	15
Interest accrued on bank deposits	11	54
Other Loans and advances (includes advances to employees and other receivables)		
- Considered good	12	16
- Considered doubtful	2	2
(Less): Provision for doubtful advances	(2)	(2)
	<u>50</u>	<u>125</u>

## 10 DEFERRED TAX ASSETS (NET)

(Refer note 2.7 and 3.1.(ii))

Details of deferred tax assets and liabilities as at March 31, 2024 comprise of the following:

Particulars	As at April 1, 2023	(Credit)/ Charged to Statement of Profit and Loss	Recognised in Other Comprehen- sive Income	As at March 31, 2024
<b>Deferred Tax Assets</b>				
Depreciation	95	13	-	82
Provision for gratuity	98	83	7	8
Provision for compensated absences	38	-	-	38
Provision for other employee benefits	43	(2)	-	45
Provision for doubtful advances	89	3	-	86
Adjustment for lease	2	-	-	2
Others	4	(11)	-	15
<b>Total (A)</b>	<b>369</b>	<b>86</b>	<b>7</b>	<b>276</b>
<b>Deferred Tax Liabilities (B)</b>	-	-	-	-
<b>Deferred Tax Assets (Net) (A)-(B)</b>	<b>369</b>	<b>86</b>	<b>7</b>	<b>276</b>

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### As at March 31, 2023

Particulars	As at April 1, 2022	(Credit)/ Charged to Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023
<b>Deferred Tax Assets</b>				
Depreciation	107	12	-	95
Provision for gratuity	97	6	(7)	98
Provision for compensated absences	39	1	-	38
Provision for other employee benefits	40	(3)	-	43
Provision for doubtful debts	277	277	-	-
Provision for doubtful advances	90	1	-	89
Adjustment for lease	1	(1)	-	2
Others	14	10	-	4
<b>Total (A)</b>	<b>665</b>	<b>303</b>	<b>(7)</b>	<b>369</b>
<b>Deferred Tax Liabilities (B)</b>	-	-	-	-
<b>Deferred Tax Assets (Net) (A)-(B)</b>	<b>665</b>	<b>303</b>	<b>(7)</b>	<b>369</b>

	As at March 31, 2024	As at March 31, 2023
<b>11 OTHER ASSETS</b>		
(Refer note 2.23)		
Unsecured considered good unless otherwise stated		
<b>Non-current</b>		
Advances recoverable in kind		
- Service tax [Refer note 36(b)]	177	177
Balances with Government Authorities (Service tax & GST)		
- Considered good	120	154
- Considered doubtful	338	351
(Less): Provision for doubtful advances	(338)	(351)
	<u>297</u>	<u>331</u>
<b>Current</b>		
Balances with Government Authorities (Service tax & GST)	248	15
Prepaid Expenses	72	55
Other Loans and advances		
- Considered good	1	-
	<u>321</u>	<u>70</u>
<b>12 TRADE RECEIVABLES</b>		
(Refer note 2.13, 32 and 33)		
(Unsecured)		
Considered good	411	350
Credit impaired	-	-
Less: Allowance for credit impairment	-	-
	<u>411</u>	<u>350</u>

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Trade receivables ageing schedule for the year ended as on March 31, 2024

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered Good	393	18	-	-	-	-	411
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>393</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>411</b>
Less: Allowance for credit impairment							-
<b>Total Trade Receivable</b>							<b>411</b>

Trade receivables ageing schedule for the year ended as on March 31, 2023

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered Good	307	43	-	-	-	-	350
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>307</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350</b>
Less: Allowance for credit impairment							-
<b>Total Trade Receivable</b>							<b>350</b>

	As at March 31, 2024	As at March 31, 2023
<b>13 CASH AND CASH EQUIVALENTS</b>		
(Refer note 2.17)		
Balances with banks		
In current accounts	1,456	1,973
In demand deposit accounts (less than 3 months maturity)	25,000	20,001
Cash on hand	-	-
Cash and cash equivalent as per statement of cash flow	<u>26,456</u>	<u>21,974</u>
<b>14 OTHER BANK BALANCES</b>		
Long Term Deposit with maturity more than 3 months but less than 12 months	7	7
Unpaid dividend accounts	27	-
	<u>34</u>	<u>7</u>
Fixed Deposits with Banks include:		
Rs. 7 (2023: Rs. 7) which are under lien		

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>15 EQUITY SHARE CAPITAL</b>		
<b>Authorised capital:</b>		
12,50,00,000 (2023: 12,50,00,000) Equity shares of Rs.10 each	12,500	12,500
<b>Issued, subscribed and paid up capital:</b>		
11,14,03,716 (2023: 11,14,03,716) Equity shares of Rs.10 each fully paid up	11,140	11,140
	<b>11,140</b>	<b>11,140</b>

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year are as given below:

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	111,403,716	11,140	111,403,716	11,140
Add / (Less): Movement during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>111,403,716</b>	<b>11,140</b>	<b>111,403,716</b>	<b>11,140</b>

b) Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shares held by the holding company and its subsidiaries:

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
Xchanging (Mauritius) Limited, the immediate holding company	58,002,787	58,002,787	58,002,787	58,002,787
Xchanging Technology Services India Private Limited, subsidiary of Immediate Holding Company	21,348,838	21,348,838	2,348,838	2,348,838
	<b>79,351,625</b>	<b>79,351,625</b>	<b>79,351,625</b>	<b>79,351,625</b>

d) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	Percentage	Number of Shares held	Percentage
Xchanging (Mauritius) Limited	58,002,787	52.07	58,002,787	52.07
Xchanging Technology Services India Private Limited	21,348,838	19.16	21,348,838	19.16

e) Details of Shares held by promoters at the end of the year

Promoter name	As at March 31, 2024		
	Number of Shares held	% of total shares	% change during the year
Xchanging (Mauritius) Limited	58,002,787	52.07	-
Xchanging Technology Services India Private Limited	21,348,838	19.16	-
DXC Technology India Private Limited	4,201,162	3.77	-
<b>Total</b>	<b>83,552,787</b>	<b>75.00</b>	<b>-</b>

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Promoter name	As at March 31, 2023		
	Number of Shares held	% of total shares	% change during the year
Xchanging (Mauritius) Limited	58,002,787	52.07	-
Xchanging Technology Services India Private Limited	21,348,838	19.16	-
DXC Technology India Private Limited	4,201,162	3.77	-
<b>Total</b>	<b>83,552,787</b>	<b>75.00</b>	<b>-</b>

16 OTHER EQUITY	As at	As at
	March 31, 2024	March 31, 2023
Capital reserve	57	57
Security premium	8,417	8,417
Retained earnings	11,819	8,568
	<b>20,293</b>	<b>17,042</b>

### 16.1 Capital reserve

Balance at the beginning of the year	57	57
Add / (Less): Movement during the year	-	-
Balance at the end of the year	<u>57</u>	<u>57</u>

Capital reserve represents waiver of liability by Scandent Holding Mauritius Limited, erstwhile ultimate holding company.

### 16.2 Security premium

Balance at the beginning of the year	8,417	8,417
Add / (Less): Movement during the year	-	-
Balance at the end of the year	<u>8,417</u>	<u>8,417</u>

Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.

### 16.3 Retained earnings

Balance at the beginning of the year	8,568	7,119
Profit for the year	36,650	1,469
Interim Dividend paid (Refer Note (i) below)	(33,421)	-
Other comprehensive income arising from remeasurement of defined benefit obligation net of tax	22	(20)
Balance at the end of the year	<u>11,819</u>	<u>8,568</u>

Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.

#### Note:

- The Board of Directors of the Company had considered and recommended Interim dividend of INR 15 per equity share (face value of INR 10 each) amounting to INR 16,711 for the financial year ending March 31, 2024 at their meeting held on July 10, 2023 and the same was approved by the shareholders at their annual general meeting held on August 25, 2023. Also the Board of Directors of the Company at their meeting held on February 13, 2024, has approved second interim dividend of INR 15 per equity share (face value of INR 10 each) amounting to INR 16,711 for the financial year ending March 31, 2024. These dividends have been paid during the year.
- The Board of Directors of the Company has considered and recommended final dividend of INR 4 per equity share (including special dividend of INR 2 per equity share) (face value of INR 10 each) amounting to INR 4,456 for the financial year ended March 31, 2024 at their meeting held on May 23, 2024. The recommended final dividend (including special dividend) on equity shares is subject to approval at the ensuing annual general meeting.

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>17 PROVISIONS</b>		
(Refer note 2.6)		
<b>Non-current</b>		
Provision for employee benefits :		
Provision for compensated absences	111	113
Provision for gratuity (net) [Refer note 31]	32	309
	<u>143</u>	<u>422</u>
<b>Current</b>		
Provision for employee benefits :		
Provision for compensated absences	40	40
Provision for gratuity (net) [Refer note 31]	-	83
	<u>40</u>	<u>123</u>

Note: The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

## 18 TRADE PAYABLES

(Refer note 2.14)

Total outstanding dues of micro enterprises and small enterprises (Refer Note (i))

- -

Total outstanding dues of creditors other than micro enterprises and small enterprises

Due to:

    Subsidiaries [Refer note 33]

16 -

    Related parties [Refer note 33]

98 44

Others:

    Goods & services

352 225

    Employee related payables

180 183

646 452

646 452

### Notes:

(i) On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(a) Principal amount remaining unpaid\*

- -

(b) Interest due thereon remaining unpaid

- -

(c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period

- -

(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006

- -

(e) Interest accrued and remaining unpaid

- -

(f) 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 enterprises

- -



## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### Trade payables ageing schedule for the year ended as on March 31, 2024

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Accruals	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-	-	-
(ii) Others	128	443	75	-	-	-	646
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>128</b>	<b>443</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>646</b>

\*Amount of Rs 29,241/-under 'Not Due' is below the rounding off norm adopted by the Company i.e. Rs. 1 Lakh hence is not appearing above

### Trade payables ageing schedule for the year ended as on March 31, 2023

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Accruals	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	51	387	14	-	-	-	452
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>51</b>	<b>387</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>452</b>

	As at March 31, 2024	As at March 31, 2023
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## 19 OTHER FINANCIAL LIABILITIES

(Refer note 2.5 and 2.14)

Unpaid dividends [Refer note (i) below]

27	-
<u>27</u>	<u>-</u>

### Note:

(i) The Company has paid the first interim dividend for FY 2023-24 of INR 15 per share on September 1, 2023 through online mode. Further, the Company issued demand drafts to the shareholders whose bank details were not updated with their depository participants or Company's Registrar and Transfer Agent. The Company has sent the demand drafts to the shareholder via registered post. After expiry of 90 days of issuing of such demand drafts, the amount of demand drafts was credited to the unpaid and unclaimed first interim dividend account for the financial year 2023-24. As per section 124 and 125 of the Companies Act, 2013, unpaid or unclaimed dividend shall be transferred to the Investor Education and Protection Fund after expiry of seven years from the date of transfer of dividend amount to the unpaid dividend account of the Company.

## 20 TAX ASSETS AND LIABILITIES

(Refer note 2.7 and 3.1.(ii))

### 20.1 Non Current Asset (net)

Income tax asset (refer note (i) below)	2,329	2,238
Less: Provision for tax	179	179
	<u>2,150</u>	<u>2,059</u>

(i) Includes an amount of Rs. 1,862 (2023: 1,771) towards amount paid under protest

### 20.2 Current Liabilities (net)

Provision for tax	11,616	7,652
Less: Income tax asset	8,820	4,792
	<u>2,796</u>	<u>2,860</u>

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at	As at
	March 31, 2024	March 31, 2023
<b>21 OTHER CURRENT LIABILITIES</b>		
(Refer note 2.2 and 2.5)		
Income received in advance (Unearned revenue)	66	42
Statutory remittances	36	29
	<u>102</u>	<u>71</u>
	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>22 REVENUE FROM OPERATIONS</b>		
(Refer note 2.2, 29 and 33)		
Software services	3,683	3,811
	<u>3,683</u>	<u>3,811</u>

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2024 by contract type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Revenues by contract type	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
T&M and AMC	3,390	3,655
Fixed Price	293	156
<b>Total</b>	<b>3,683</b>	<b>3,811</b>

### 23 OTHER INCOME

(Refer note 2.3 and 2.5)

#### a) Interest Income

Interest income earned on financial assets that are not designated as at fair value through profit or loss (at amortised cost):

Interest income

Bank deposits	1,555	711
Income tax refunds	42	-
Loans to fellow subsidiaries [Refer note 33]	178	194
	<u>1,775</u>	<u>905</u>

#### b) Dividend income

Dividends from equity investments (Refer Note (i) below)	6,868	-
	<u>6,868</u>	<u>-</u>

#### Note:

- (i) The Company has received an interim dividend from Xchanging Solutions (Singapore) Pte Limited, wholly owned subsidiary of the Company, amounting to INR 6,868 (SGD 11 Million) on December 15, 2023. According to the provisions of section 80M of Income tax Act, 1961 the Company can claim the dividend paid as deduction against the dividend income for the year in the income tax return. Hence, the Company is not liable to pay income tax on this dividend income.

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
c) <u>Other non-operating income (net of expenses directly attributable to such income)</u>		
Other provisions no longer required written back	-	10
Service tax refund	216	-
Others (aggregate of immaterial items)	2	3
	<u>218</u>	<u>13</u>
d) <u>Other gains and losses</u>		
Profit on sale of property, plant and equipment (net)	16	2
Foreign exchange gain (net)	-	19
	<u>16</u>	<u>21</u>
(a+b+c+d)	<u><b>8,877</b></u>	<u><b>939</b></u>
<b>24 EMPLOYEE BENEFITS EXPENSE</b>		
(Refer note 2.6 and 31)		
Salaries and wages including bonus	1,672	1,798
Contribution to provident and other funds [Refer note 31]	85	88
Gratuity expenses [Refer note 31]	59	56
Staff welfare expenses	20	18
	<u><b>1,836</b></u>	<u><b>1,960</b></u>
<b>25 FINANCE COSTS</b>		
(Refer note 2.4)		
Interest expense on:		
Lease liabilities	8	10
Others	2	-
	<u><b>10</b></u>	<u><b>10</b></u>
<b>26 DEPRECIATION AND AMORTISATION EXPENSE</b>		
(Refer note 2.4, 2.8, 2.9 and 2.16)		
Depreciation of property, plant and equipment [Refer note 4]	14	18
Depreciation of right of use of assets [Refer note 5]	40	41
Amortisation of intangible assets [Refer note 6]	-	1
	<u><b>54</b></u>	<u><b>60</b></u>

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>27 OTHER EXPENSES</b>		
(Refer note 2.4, 2.5, 2.11, 2.16 and 2.22)		
Project work expenses	469	293
Power and fuel	23	22
Repairs and maintenance:		
Computer equipments	23	21
Others	13	16
Insurance	32	35
Rates and taxes	21	133
Communication	12	33
Travelling and conveyance	5	10
Business promotion	5	5
Expenditure towards Corporate Social Responsibility (CSR) activities [Refer note 37]	43	48
Legal and professional	66	53
Payments to auditors [Refer Note (i) below]	109	109
Foreign exchange loss (net)	44	-
Provision for doubtful advances	-	2
Directors' sitting fees	44	31
Miscellaneous expenses	16	30
	<b>925</b>	<b>841</b>
Note:		
(i) Payments to the auditors comprise (net of taxes, where applicable):		
Statutory audit	58	58
Limited review of quarterly financial results	44	44
Tax audit	6	6
Certifications	1	1
<b>Total</b>	<b>109</b>	<b>109</b>
<b>28 INCOME TAXES</b>		
(Refer note 2.7 and 3.1.(ii))		
<b>1. Income tax recognised in profit or loss</b>		
<b><u>Current tax</u></b>		
In respect of current year	4,234	433
In respect of tax adjustments related to earlier years	(270)	(326)
<b><u>Deferred tax</u></b>		
In respect of current year	86	303
<b>Total income tax expense /(gain) recognised in the current year</b>	<b>4,050</b>	<b>410</b>
<b>2. The income tax expense for the year can be reconciled to the accounting profit/ (loss) as follows:</b>		
Profit before tax	40,700	1,879
Income tax expense calculated at 25.168% (2023: 25.168%)	10,243	473
Adjustments in respect of current income tax of previous years	(270)	(326)

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Effect of income that is exempt from taxation (Refer note 23(b)(i))	(1,729)	-
Effect of reversal on loan provisions	(4,350)	-
Effect of notional income recognised for taxation	88	196
Effect of inadmissible expenses	12	42
Effect of tax interest	26	-
Others	30	25
<b>Income tax expense recognised in Profit and Loss</b>	<b>4,050</b>	<b>410</b>

The income tax rate used for the above reconciliations is current tax 25.168% (2023: 25.168%) and deferred tax 25.168% (2023: 25.168%), these are the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

### 3. Income tax recognised in other comprehensive income:

#### Income tax

Arising on income and expenses recognised in other comprehensive income:

Remeasurement of defined benefit obligation	(7)	7
<b>Total</b>	<b>(7)</b>	<b>7</b>

Bifurcation of the income tax recognised in other comprehensive income into:-

Items that will not be reclassified to profit or loss	(7)	7
Items that may be reclassified to profit or loss	-	-

## 29 SEGMENT INFORMATION

(Refer note 2.20)

The entire operation of the Company relate only to single operating segment "Software Services". Thus there are no reportable segments which require disclosures under Ind AS 108 "Operating Segments".

Additional information relating to geographical dispersion is as follows:

	Revenue by location of customers	
	March 31, 2024	March 31, 2023
Europe	287	162
USA	1,963	2,101
India	1,209	1,181
Rest of the World	224	367
	<b>3,683</b>	<b>3,811</b>

Revenue from customers with more than 10% of total revenue amounts to Rs. 2,052 from 3 customers (for the year ended March 31, 2023: Rs. 2,532 from 3 customers).

	Carrying amount of segment assets by location of the assets		Addition to Fixed Assets/Right of use assets	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Europe	27	26	-	-
USA	5,358	5,360	-	-
India	27,458	24,411	39	-
Rest of the World	18	19	-	-
	<b>32,861</b>	<b>29,816</b>	<b>39</b>	<b>-</b>

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>30 EARNINGS PER SHARE</b>		
(Refer note 2.21)		
<b>Basic earnings per share</b>		
Profit for the year after tax	36,650	1,469
Nominal value per share (Rs.)	10	10
Weighted average number of equity shares considered for calculating basic earnings per share – (A)	11,14,03,716	11,14,03,716
<b>Earnings per share – Basic (Rs.)</b>	<b>32.90</b>	<b>1.32</b>
<b>Diluted earnings per share</b>		
Weighted average number of equity shares considered for calculating diluted earnings per share – (B)	11,14,03,716	11,14,03,716
<b>Earnings per share – Diluted (Rs.)</b>	<b>32.90</b>	<b>1.32</b>

### 31 EMPLOYEE BENEFITS EXPENSE

(Refer note 2.6)

#### (a) Defined Contribution Plans

**Provident Fund and Other Funds:** During the year, the Company has recognised Rs. 85 (2023: Rs. 88) in the Statement of Profit and Loss relating to provident fund and other funds, which is included in the 'Contribution to provident and other funds'.

#### (b) Defined Benefit Plan

**Gratuity (funded):** The Company provides for gratuity, a defined benefit plan (the "gratuity plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's last drawn salary and years of employment with the Company.

The Company is exposed to various risks in providing the above gratuity benefit which are as follows:

**Interest risk:** A decrease in the bond interest rate will increase the plan liability.

**Investment risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**Longevity risk:** The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following tables summarise the components of expense recognised in the Statement of Profit and Loss and amounts recognised in the Balance Sheet for the gratuity plan:

	As at	As at
	March 31, 2024	March 31, 2023
<b>i) Movement in Present Value of the Defined benefit obligation</b>		
Balance at the beginning of the year	392	386
Current Service Cost	34	36
Interest Cost	25	20
Actuarial (gains) / losses- Demographic	-	-
Actuarial (gains) / losses- Financial	(5)	(2)
Actuarial (gains) / losses- Experience	(24)	29
Benefits paid	(31)	(77)
<b>Present Value of Defined benefit obligation at the end of the year</b>	<b>391</b>	<b>392</b>

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>ii) Change in fair value of plan assets</b>		
Balance at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	358	-
Actuarial gains / (losses) on plan assets	1	-
<b>Balance at the end of the year</b>	<b>359</b>	<b>-</b>
<b>iii) Assets and Liabilities recognised in the Balance Sheet</b>		
Present Value of Defined Benefit Obligation	391	392
Less: Fair value of plan assets	(359)	-
<b>Amounts recognised as liability</b>	<b>32</b>	<b>392</b>
Recognised under:		
Non-current provisions [Refer note 17]	32	309
Current provisions [Refer note 17]	-	83
	<b>32</b>	<b>392</b>
<b>iv) Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows.</b>		
Current Service Cost	34	36
Interest Cost	25	20
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>59</b>	<b>56</b>
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses due to Demographic Assumption changes	-	-
Actuarial (gains) / losses due to Financial Assumption changes	(5)	(2)
Actuarial (gains) / losses due to Experience	(24)	29
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(29)</b>	<b>27</b>
<b>Total</b>	<b>30</b>	<b>83</b>
<b>v) Actuarial Assumptions</b>		
Discount Rate	6.95%	7.15%
Attrition Rate	20%	20%
Increase in Compensation Cost	6.00%	6.50%
Retirement Age	60 years	60 years



(All amounts in Rs. Lakhs, unless otherwise stated)

**vi) Expected Future Cashflows**

Particulars	March 31, 2024	March 31, 2023
Year 1	83	83
Year 2	71	80
Year 3	74	59
Year 4	49	61
Year 5	41	40
Years 6 to 10	142	140

**Notes:**

- The estimates of future salary increases, considered in the actuarial valuation, takes into on account, inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.
- The discount rate is based on the prevailing market yields of Indian government securities as at the Balance Sheet date for the estimated term of the obligation.

	As at March 31, 2024	As at March 31, 2023
<b>vii) Major Category of Plan Assets as a % of total Plan assets</b>		
Investments with Life Insurance Corporation of India	100%	-

viii) Expected contribution to the fund in the next year- Rs. 32

**ix) Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below 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.

The following table summarizes the impact on defined benefit obligation arising due to increase / decrease in key actuarial assumptions by 50 basis points:

**As at March 31, 2024**

Defined Benefit Obligation	Discount rate	Rate of Increase in Compensation Cost
Impact of decrease	8	(7)
Impact of increase	(7)	8

**As at March 31, 2023**

Defined Benefit Obligation	Discount rate	Rate of Increase in Compensation Cost
Impact of decrease	7	(8)
Impact of increase	(8)	7

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

**32 FINANCIAL INSTRUMENTS****32.1 Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

The Company is not subject to any externally imposed capital requirements. The Company is fully funded by equity.

(All amounts in Rs. Lakhs, unless otherwise stated)

**32.2 Categories of financial instruments**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Financial assets</b>		
<u>Measured at amortised cost</u>		
(a) Cash and bank balances	26,456	21,974
(b) Bank balances other than above	34	7
(c) Trade receivables	411	350
(d) Other financial assets at amortised cost	50	1,743
<u>Measured at cost</u>		
Investments	5,186	5,186
<b>Financial liabilities</b>		
<u>Measured at amortised cost</u>		
Lease liabilities	100	134
Other financial liability at amortised cost	673	452

**32.3 Financial risk management**

The Company is exposed to foreign currency risk, liquidity risk, credit risk and interest risk which may impact the fair value of its financial instruments. The Company has a risk management policy to manage & mitigate these risks.

The Company's risk management policy aims to reduce volatility in financial statements while maintaining balance between providing predictability in the Company's business plan along with reasonable participation in market movement.

**32.4 Market Risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see note 32.5).

**32.5 Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Liabilities as at		Assets as at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
USD	53	1	73	-
Others*	24	-	-	-
<b>Total</b>	<b>77</b>	<b>1</b>	<b>73</b>	<b>-</b>

\* Others include currencies such as EUR, CRC and PLN.

**32.5.1 Foreign currency sensitivity analysis**

The Company is mainly exposed to USD.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rs. against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Company where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Rs. strengthens 10% against the relevant currency. For a 10% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Impact on profit or loss for the year		Impact on total equity as at the end of the reporting period	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>USD sensitivity</b>				
Increase by 10%	2	-	2	-
Decrease by 10%	(2)	-	(2)	-
<b>Others sensitivity*</b>				
Increase by 10%	(2)	-	(2)	-
Decrease by 10%	2	-	2	-

\* Others include currencies such as EUR, CRC and PLN.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year. This is mainly attributable to the exposure outstanding on USD receivable and payable in the Company at end of the reporting period.

### 32.6 Interest rate risk management

The Company is exposed to interest rate risk because the Company lend/ borrow funds at fixed interest rates. There is no exposure to market rate fluctuations.

The Companies exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

### 32.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist various customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivables.

The Company does not have significant credit risk exposure to any single counterparty.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### Provision for expected credit losses

The Company provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision		
		Loans at amortised cost	Other financial assets at amortised cost	Trade receivables
High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, however counter-party has sufficient capacity to meet the obligations			
Low quality assets, very high credit risk	Assets where there is a high probability of default and is considered as high risk	Life-time expected credit losses	Life-time expected credit losses	
Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery	Asset is written off		

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars		Category	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>March 31, 2024</b>							
(a) Expected credit loss for loans and other financial assets at amortised cost							
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	High quality assets, negligible credit risk	Other financial assets at amortised cost	11	0%	-	11
		Standard assets, moderate credit risk	Other financial assets at amortised cost	41	5%	2	39
(b) For expected credit loss for trade receivables under simplified approach refer note 12							

Particulars		Category	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>March 31, 2023</b>							
(a) Expected credit loss for loans and other financial assets at amortised cost							
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	High quality assets, negligible credit risk	Loans at amortised cost	1,618	0%	-	1,618
		High quality assets, negligible credit risk	Other financial assets at amortised cost	71	0%	-	71
		Low quality assets, very high credit risk	Other financial assets at amortised cost	56	4%	2	54
Loss allowance measured at life-time expected credit losses	Financial assets where there is a high probability of default	Low quality assets, very high credit risk	Loans at amortised cost	17,283	100%	17,283	-
(b) For expected credit loss for trade receivables under simplified approach refer note 12							

### 32.8 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### 32.8.1 Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Average effective interest rate(%)	Less than 1 year	1-2 years	2 years & above	Total carrying value
<b>March 31, 2024</b>					
Non-interest bearing	-	673	-	-	673
Lease liabilities	6.62%- 8.91%	43	55	14	112
		716	55	14	785
<b>March 31, 2023</b>					
Non-interest bearing	-	452	-	-	452
Lease liabilities	6.53%- 6.62%	48	97	3	148
		500	97	3	600

**32.9 Fair value measurements****Fair value hierarchy**

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

There are no financial assets and liabilities measured at fair value as at March 31, 2024 and March 31, 2023

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2024 and March 31, 2023

**Valuation Methodologies**Fair value of financial assets and financial liabilities that are not measured at fair value

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**33 RELATED PARTY DISCLOSURES****A. Names of related parties and nature of relationship:****1) Parties where control exists:****Nature of relationship****Names of related parties****(i) Holding companies:**

Ultimate Holding Company

DXC Technology Company

Intermediate holding companies

Computer Sciences Corporation, USA ('CSC, USA')

DXC US International Inc.

Lux 1 Holding Company, Inc.

DXC Luxembourg International S.a.r.l.

DXC Lux 5 S.a.r.l.

DXC Luxembourg Holding S.a.r.l.

DXC Lux 6 S.a.r.l.

DXC UK International Holdings Limited

DXC UK International Limited

DXC UK International Operations Limited

Xchanging Holdings Limited

Xchanging B.V.

Immediate holding company

Xchanging (Mauritius) Limited, Mauritius ('XML, Mauritius')

(All amounts in Rs. Lakhs, unless otherwise stated)

**(ii) Subsidiary companies**

Xchanging Solutions (Singapore) Pte Limited, Singapore ('XSSPL, Singapore')  
 Xchanging Solutions (USA) Inc, USA ('XSUI, USA')  
 Nexplicit Infotech India Private Limited, India ('NIPL, India') (Wholly owned subsidiary of Xchanging Solutions (USA) Inc)

**(iii) Key Managerial Personnel (KMP)**

Whole time Director & Chief Financial Officer	Shrenik Kumar Champalal
Managing Director & Chief Executive Officer	Nachiket Vibhakar Sukhtankar
Company Secretary	Mayank Jain

**2) Other Related Parties with whom transactions have taken place during the year:**

**Fellow subsidiaries**

Xchanging Builders (India) Private Limited, India ('XBPL, India')  
 Xchanging Technology Services India Private Limited, India ('XTSIPL, India')  
 Xchanging UK Limited, UK ('XUKL, UK')  
 DXC Technology India Private Limited, India ('DXC, India')  
 EIT Services India Private Limited, India ('EIT, India')  
 CSC Consulting Inc., USA ('CSC Consulting, USA')  
 DXC Technology Services LLC, USA ('DXC, USA')  
 CSC CORP-Americas Outsourcing, USA ('Americas Outsourcing, USA')  
 EntServ Deutschland GmbH, Germany ('EntServ, Germany')  
 Enterprise Services Nederland B.V., Nederland ('Enterprise Services, Nederland')  
 Enterprise Services Sverige AB, Sweden ('Enterprise Services, Sweden')  
 DXC Technology Switzerland GmbH, Switzerland ('DXC, Switzerland')  
 CSC Computer Sciences Limited, UK ('CSC Computer, UK')  
 EntServ UK Limited, UK ('EntServ, UK')  
 Enterprise Services Costa Rica Limitada, Costa Rica ('Enterprise Services, Costa Rica')  
 DXC Integrated Services Victoria Pty Ltd, Australia ('DXC Integrated Services, Australia')  
 DXC Australia Pty Ltd, Australia ('DXC, Australia')  
 DXC Enterprise Australia Pty Ltd, Australia ('DXC Enterprise, Australia')  
 ESIT Canada Enterprise Services, Canada ('ESIT, Canada')  
 CHEU EntServ Schweiz(EnQ4), Switzerland ('CHEU EntServ, Switzerland')  
 Fondsdepot Bank GmbH, Germany ('Fondsdepot, Germany')  
 Enterprise Services Italia Srl, Italy ('Enterprise Services, Italy')  
 DXC Technology Singapore Pte. Ltd, Singapore ('DXC, Singapore')  
 CSC Covansys Corporation, USA ('CSC Covansys, USA')  
 CSC Deutschland GmbH, Germany ('CSC, Germany')  
 DXC Technology Fin Serv SAS, France ('DXC Technology, France')  
 ENTERPRISE SERVICES FRANCE SAS, France ('ENTERPRISE SERVICES, France')  
 CSC Corp - FSG US, USA ('CSC Corp, USA')  
 DXC Technology Polska Sp. z o.o., Poland ('DXC Technology, Poland')  
 DXC Technology Services Singapore Pte.Ltd, Singapore ('DXC Technology, Singapore')

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

B. Summary of transactions with related parties is as follows:	Holding companies		Subsidiary companies		Fellow subsidiaries		Total	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023

### Expenses paid on behalf of the Company:

XUKL, UK	-	-	-	-	4	4	4	4
XTSIPL, India	-	-	-	-	1	3	1	3
DXC, India	-	-	-	-	2	1	2	1
EIT, India	-	-	-	-	37	37	37	37
<b>Total</b>	-	-	-	-	<b>44</b>	<b>45</b>	<b>44</b>	<b>45</b>

### Expenses paid on behalf of the related party:

CSC, USA	-	2	-	-	-	-	-	2
<b>Total</b>	-	<b>2</b>	-	-	-	-	-	<b>2</b>

### Interest income on loans:

XTSIPL, India	-	-	-	-	99	108	99	108
XBPL, India	-	-	-	-	79	86	79	86
<b>Total</b>	-	-	-	-	<b>178</b>	<b>194</b>	<b>178</b>	<b>194</b>

### Revenue:

XSUI, USA	-	-	1,197	1,501	-	-	1,197	1,501
XTSIPL, India	-	-	-	-	182	207	182	207
DXC, India	-	-	-	-	407	494	407	494
EIT, India	-	-	-	-	21	20	21	20
CSC Consulting, USA	-	-	-	-	-	1	-	1
DXC, USA	-	-	-	-	447	537	447	537
Americas Outsourcing, USA	-	-	-	-	27	8	27	8
EntServ, Germany	-	-	-	-	27	62	27	62
Enterprise Services, Nederland	-	-	-	-	19	12	19	12
Enterprise Services, Sweden	-	-	-	-	15	19	15	19
XSSPL, Singapore	-	-	93	87	-	-	93	87
DXC, Switzerland	-	-	-	-	47	71	47	71
CSC Computer, UK	-	-	-	-	61	53	61	53
EntServ, UK	-	-	-	-	55	20	55	20
XUKL, UK	-	-	-	-	20	18	20	18
DXC Integrated Services, Australia	-	-	-	-	4	4	4	4
DXC, Australia	-	-	-	-	19	17	19	17
DXC Enterprise, Australia	-	-	-	-	19	25	19	25
ESIT, Canada	-	-	-	-	4	4	4	4
CHEU EntServ, Switzerland	-	-	-	-	9	2	9	2
Fondsdepot, Germany	-	-	-	-	-	99	-	99
Enterprise Services, Italy	-	-	-	-	24	26	24	26
DXC, Singapore	-	-	-	-	1	1	1	1
DXC Technology, Singapore	-	-	-	-	22	-	22	-



## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

CSC Covansys, USA	-	-	-	-	45	19	45	19
CSC, Germany	-	-	-	-	-	6	-	6
ENTERPRISE SERVICES, France	-	-	-	-	26	3	26	3
DXC Technology, France	-	-	-	-	-	1	-	1
CSC Corp, USA	-	-	-	-	22	34	22	34
<b>Total</b>	-	-	<b>1,290</b>	<b>1,588</b>	<b>1,523</b>	<b>1,763</b>	<b>2,813</b>	<b>3,351</b>

### Purchase of services

XTSIPL, India	-	-	-	-	137	175	137	175
DXC, India	-	-	-	-	34	49	34	49
Enterprise Services, Costa Rica	-	-	-	-	32	-	32	-
EIT, India	-	-	-	-	105	64	105	64
ENTERPRISE SERVICES, France	-	-	-	-	5	-	5	-
DXC Technology, Poland	-	-	-	-	13	-	13	-
DXC, USA	-	-	-	-	44	5	44	5
<b>Total</b>	-	-	-	-	<b>370</b>	<b>293</b>	<b>370</b>	<b>293</b>

### Dividend Income:

XSSPL, Singapore	-	-	6,868	-	-	-	6,868	-
	-	-	<b>6,868</b>	-	-	-	<b>6,868</b>	-

### Dividend paid:

XML, Mauritius	17,401	-	-	-	-	-	17,401	-
XTSIPL, India	-	-	-	-	6,405	-	6,405	-
DXC, India	-	-	-	-	1,260	-	1,260	-
<b>Total</b>	<b>17,401</b>	-	-	-	<b>7,665</b>	-	<b>25,066</b>	-

### Other Income:

XTSIPL, India	-	-	-	-	2	2	2	2
<b>Total</b>	-	-	-	-	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>

### Note:

(i) Amount below the rounding off norm adopted by the Company i.e. Rs. 1 Lakh are not considered above

C. Summary of balances of related parties is as follows:	Holding companies		Subsidiary companies		Fellow subsidiaries		Total	
	As at	As at	As at	As at	As at	As at	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023

### Trade Receivables:

XSUI, USA	-	-	65	128	-	-	65	128
DXC, India	-	-	-	-	31	62	31	62
EIT, India	-	-	-	-	20	-	20	-
DXC, USA	-	-	-	-	32	46	32	46
XTSIPL, India	-	-	-	-	11	34	11	34
Enterprise Services, Nederland	-	-	-	-	1	1	1	1
Enterprise Services, Sweden	-	-	-	-	-	2	-	2
XSSPL, Singapore	-	-	5	8	-	-	5	8
DXC, Switzerland	-	-	-	-	4	7	4	7
CSC Computer, UK	-	-	-	-	5	5	5	5

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

EntServ, Germany	-	-	-	-	1	2	1	2
XUKL, UK	-	-	-	-	2	2	2	2
Americas Outsourcing, USA	-	-	-	-	3	1	3	1
DXC, Australia	-	-	-	-	2	1	2	1
DXC Enterprise, Australia	-	-	-	-	2	2	2	2
CHEU EntServ, Switzerland	-	-	-	-	1	1	1	1
Enterprise Services, Italy	-	-	-	-	2	-	2	-
CSC Covansys, USA	-	-	-	-	6	2	6	2
ESIT, Canada	-	-	-	-	-	1	-	1
CSC, Germany	-	-	-	-	-	2	-	2
ENTERPRISE SERVICES, France	-	-	-	-	6	2	6	2
CSC Corp, USA	-	-	-	-	-	4	-	4
DXC Technology, Singapore	-	-	-	-	3	-	3	-
EntServ, UK	-	-	-	-	6	2	6	2
<b>Total</b>	-	-	<b>70</b>	<b>136</b>	<b>138</b>	<b>179</b>	<b>208</b>	<b>315</b>

### Trade Payables:

NIPL, India	-	-	16	-	-	-	16	-
XTSIPL, India	-	-	-	-	46	25	46	25
DXC, India	-	-	-	-	6	2	6	2
DXC, USA	-	-	-	-	11	1	11	1
Enterprise Services, Costa Rica	-	-	-	-	5	-	5	-
DXC Technology, Poland	-	-	-	-	5	-	5	-
EIT, India	-	-	-	-	25	16	25	16
<b>Total</b>	-	-	<b>16</b>	-	<b>98</b>	<b>44</b>	<b>114</b>	<b>44</b>

### Expenses Recoverable:

XTSIPL, India	-	-	-	-	-	2	-	2
<b>Total</b>	-	-	-	-	-	<b>2</b>	-	<b>2</b>

### Loans and Advances (including interest accrued):

XTSIPL, India	-	-	-	-	-	908	-	908
XSUI, USA	-	-	-	17,283	-	-	-	17,283
XBPL, India	-	-	-	-	-	725	-	725
<b>Total</b>	-	-	-	<b>17,283</b>	-	<b>1,633</b>	-	<b>18,916</b>

### Provision for doubtful advances:

XSUI, USA	-	-	-	(17,283)	-	-	-	(17,283)
<b>Total</b>	-	-	-	<b>(17,283)</b>	-	-	-	<b>(17,283)</b>

### Note:

(i) Amount below the rounding off norm adopted by the Company i.e. Rs. 1 Lakh are not considered above

## D. Remuneration paid to the key managerial personnel

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Salaries, bonus, etc.	81	80
<b>Total</b>	<b>81</b>	<b>80</b>

### Note:

(i) As gratuity and compensated absences provision are computed for all the employees in aggregate, the amounts relating to key managerial personnel cannot be individually identified.

(All amounts in Rs. Lakhs, unless otherwise stated)

**34 LEASES**

(Refer note 2.4)

The Company has operating lease arrangements for its office premises. The lease arrangements for premises have been entered up to a maximum of five years from the respective dates of inception. Some of these lease arrangements have price escalation clauses.

**A. Break-up of current and non-current lease liabilities :**

The following is the break-up of current and non-current lease liabilities as at March 31, 2024

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Current lease liabilities	37	40
Non-current lease liabilities	63	94
<b>Total</b>	<b>100</b>	<b>134</b>

**B. Movement in Lease liabilities :**

The following is the movement in lease liabilities during the year ended March 31, 2024

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Balance as at the beginning of the year</b>	134	172
Additions	37	-
Deletions	(34)	-
Finance costs accrued during the period	8	10
Payment of Lease liabilities	(45)	(48)
<b>Balance as at the end of the year</b>	<b>100</b>	<b>134</b>

**C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Less than one year	43	48
One to five years	69	100
More than five years	-	-
<b>Total</b>	<b>112</b>	<b>148</b>

**D. Amounts recognized in profit or loss:**

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Interest on lease liabilities	8	10
Expenses relating to short- term leases	-	-
Depreciation of right of use of assets	40	41

**E. Amounts recognized in statement of cash flows**

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Total cash outflows for leases	45	48

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### 35 CAPITAL AND OTHER COMMITMENTS

	As at March 31, 2024	As at March 31, 2023
<b>(a) Capital Commitments</b>		
Estimated value of contracts in capital account remaining to be executed (net of advances)	-	-
<b>(b) Other Commitments</b>		
(i) As at March 31, 2024, Xchanging Solutions (USA) Inc, USA, Company's wholly owned subsidiary, has negative net assets amounting to Rs. 8,423 (2023: Rs. 10,463). While the subsidiary is confident of generating funds from their operations, the Company intends to support the shortfall, if any.		

### 36 CONTINGENT LIABILITIES

(Refer note 2.11)

(i) Claims against the Company not acknowledged as debts:		
Income tax matters [Note (a)]	2,394	3,030
Service tax matters [Note (b)]	4,718	4,718
GST matters [Note (c)]	30	-
	<b>7,142</b>	<b>7,748</b>

#### Notes:

- (a) Represents various income tax demands under appeal.
- (b) The Company had received a Show Cause Notice ('SCN') from the Commissioner of Service Tax, Bangalore in October 2012 proposing a demand of service tax of Rs. 2,359 on import of certain services made by company during the FYs 2007-08 to 2011-12. In March 2013, a suitable reply to above SCN was filed by company stating the legal grounds in defence of the matter. In November 2020, the adjudicating authority i.e. the Principal Commissioner of Service Tax, Noida passed the Order In Original ('OIO') confirming the demand of service tax proposed in the SCN along with penalty of Rs. 2,359 and applicable interest. The company has filed an appeal before CESTAT in Allahabad against above OIO in April, 2021 after paying a pre-deposit amount of Rs. 177. Also refer note 11.
- (c) The Company has received a Show Cause Notice ('SCN') from the GST authority, Chennai in December 2023 proposing a demand of GST of Rs. 14.37 on account of disallowance of Input Tax Credit availed by company during the FY 2018-19. In April 2024 the GST authority passed the order confirming the demand of GST along with penalty of Rs. 1.44 and applicable interest of Rs 14.39. The company is reviewing the demand order and will file an appeal before appellate authority against said order in due course.
- (d) The above contingent liabilities are possible obligation or present obligation that may (but probably will not) require an outflow of resources.
- (e) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (f) The Company does not expect any reimbursements in respect of the above contingent liabilities.

### 37 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds were primarily utilised through the year on the activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount required to be spent by the Company during the year	42.5	47.6
Amount of expenditure incurred	42.5	47.6
Shortfall at the end of the year	Nil	Nil
Total of previous years shortfall	Nil	Nil
Reason for shortfall	Not Applicable	Not Applicable
Nature of CSR activities		
- Skill development of persons with disabilities & underserved	40.9	-
- Education for blind children	-	46.3

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Administration Expenses	1.6	1.3
Details of related party transactions (Refer note (i) below)	1.6	1.3
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Nil	Nil

### Notes:

(i) This is administration cost claimed for CSR purpose

**38** The Company has strategic gross investment amounting to Rs. 11,224 (2023: Rs. 11,224) in Xchanging Solutions (USA) Inc, USA ("XSUI"), its wholly owned subsidiary. Based on assessment of value in use from continuing operations, the Company has made a provision of Rs. 6,045 (2023: Rs. 6,045) in prior years considering it to be "a decline other than temporary". The Company has tested the investments for impairment as at year end using cash flow projections based on financial forecast approved by the management covering a five-year period. The Company considers Xchanging Solutions (USA) Inc as a strategic long term investment and based on future growth projections, in the opinion of the management, the remaining value of the investments is not required to be impaired. The company also has receivables (net of payables) from the subsidiary amounting to Rs. 65 (2023: Rs. 128), based on the evaluation of recoverability, the net receivables is considered good and recoverable.

### 39 TRANSFER PRICING

The Company has carried out international transactions with associated enterprises. The Company appoints independent consultants to conduct a Transfer Pricing Study to determine whether the transactions with associated enterprises undertaken during the period are on an "arms length basis". For the current year, the transfer pricing study shall be completed within the permissible time under the legislation and adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed. However, the Management is confident that its international transactions with associated enterprises are at arm's length so that the aforesaid legislation/transactions will not have any material impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation for the current year.

### 40 DISCLOSURE AS PER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Loans given to subsidiary/ fellow subsidiaries in which directors are interested:

Name of the party	Relationship	Amount outstanding as at March 31, 2024	Maximum balance outstanding during the year
<u>Promoter</u>			
- Xchanging Technology Services India Private Limited	Fellow subsidiary	- (908)	909 (909)
<u>Individual Related Parties:</u>			
- Xchanging Builders (India) Private Limited	Fellow subsidiary	- (725)	726 (725)
- Xchanging Solutions (USA) Inc	Subsidiary	- (17,283)	17,283 (17,283)

Note: Figures in bracket relate to previous year

For Investment in subsidiaries refer note 7

**41** As per the MCA notification dated August 5, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain daily back-up of the books of account and other relevant books and papers on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and currently a backup is maintained on a daily basis on servers physically located in India.

**42** Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023.

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

The company has used accounting softwares for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in respect of accounting software operated by third party service provider for maintaining payroll records, independent auditor's service organisation report did not cover the audit trail requirements. However, Independent auditor's service organisation report included a clean opinion for design, implementation and operating effectiveness of the adequate controls for the purpose of internal financial controls with reference to the financial statements.

Additionally, there were no instances of audit trail feature being tampered with in respect of the accounting software for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

### 43 APPROVAL OF FINANCIAL STATEMENTS

The financial statements of 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 May 23, 2024.

### 44 OTHER STATUTORY DISCLOSURES

44.1 As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

44.2 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, whether recorded in writing or otherwise, 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.

#### 44.3 Ratios

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	March 31, 2024	March 31, 2023	Variance	Basis of determination
Current ratio	7.48	6.35	18%	Current Assets / Current Liabilities
Debt-equity ratio	0.00	0.00	-33%	Total borrowings including lease liabilities / Shareholders' equity
Debt service coverage ratio	370.58	13.53	2638%	EBITDA / (Total Borrowings including lease liabilities + Interest expense)
Return on equity ratio	1.23	0.05	2198%	Profit after tax / Average Shareholders' equity
Inventory turnover ratio	NA	NA	-	Product Revenue / Inventory
Trade receivable turnover ratio	8.96	10.89	-18%	Total Revenue / Trade Receivables
Trade payable turnover ratio	4.27	6.20	-31%	Total expenses excluding depreciation and finance cost / Trade payables
Net capital turnover ratio	0.16	0.20	-22%	Total Revenue / (Current assets – current liabilities excluding borrowings & lease liability)
Net profit ratio	9.95	0.39	2481%	Profit after tax / Total Revenue
Return on capital employed	1.29	0.07	1855%	Earnings before interest and tax / (Total assets - current liabilities excluding borrowings & lease liability)
Return on investment	1.29	0.07	1835%	Earnings before interest and tax / (Total Borrowings including lease liabilities + Shareholders' Equity)

#### Reason for variation beyond 25%

Debt-equity ratio	Mainly due to reduction in lease liability and increase in shareholders equity on account of total Comprehensive Income for the period
Debt service coverage ratio	Mainly due to higher EBITDA for the period due to exceptional items Rs. 30,965, dividend income from subsidiary Rs. 6,868 and reduction in lease liability
Return on equity ratio	Mainly due to higher profit for the period due to exceptional items net of tax Rs. 27,522, dividend income from subsidiary Rs. 6,868 and increase in average Shareholders' equity

## Notes forming part of the Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Trade payable turnover ratio	Mainly due to reduction in total expenses and increase in trade payable
Net profit ratio	Mainly due to higher profit for the period due to exceptional items net of tax Rs. 27,522, dividend income from subsidiary Rs. 6,868 and reduction in revenue
Return on capital employed	Mainly due to higher earnings before interest & tax due to exceptional items Rs. 30,965, dividend income from subsidiary Rs. 6,868 and increase in capital employed
Return on investment	Mainly due to higher earnings before interest & tax due to exceptional items Rs. 30,965, dividend income from subsidiary Rs. 6,868, increase in shareholders' equity and reduction in lease liability

### 45 PREVIOUS YEAR FIGURES

The financial statements have been prepared in accordance with the amended Schedule III and accordingly previous year's numbers have been regrouped/reclasses (as necessary) and incremental disclosures have been made to compare with current year disclosures.

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

**Gurvinder Singh**  
Partner  
Membership No. 110128

Place: Bengaluru  
Date: May 23, 2024

**For and on behalf of the Board of Directors**

**Nachiket Vibhakar Sukhtankar**  
Managing Director and  
Chief Executive Officer  
DIN: 08778377

Place: Mumbai  
Date: May 23, 2024

**Shrenik Kumar Champalal**  
Whole Time Director and  
Chief Financial Officer  
DIN: 08099410

Place: Bengaluru  
Date: May 23, 2024

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Noida  
Date: May 23, 2024



# INDEPENDENT AUDITOR'S REPORT

## To The Members of Xchanging Solutions Limited Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Xchanging Solutions Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of material 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 consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Parent Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 3.1(ii) and Note 37 to the Consolidated financial statements.</p>	<p><b>Principal Audit Procedures performed:</b></p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls relating to:</p> <p>(1) identification, evaluation, recognition of provisions, and disclosure of material uncertain tax positions including matters under dispute by considering the assumptions and information used by management in performing this assessment;</p> <p>(2) completeness and accuracy of the underlying data/information used in the assessment.</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2024 from management. With the assistance of our internal experts, we challenged the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2023 to evaluate whether any change was required to management's position on these uncertainties.</p>

### Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis Report and

## Independent Auditor's Report

Corporate Governance Report including annexures thereon, but does not include the consolidated financial statements, standalone financial statements and our 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 consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective 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 the Group 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 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 Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group are responsible for assessing the ability of the respective entities 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 their respective entities 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 also responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibility 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 financial 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 Parent Company has adequate internal financial controls 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 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.

## Independent Auditor's Report

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

- (a) We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of Rs. 37 Lakhs as at March 31, 2024, total revenues of Rs. Nil and net cash outflows amounting to Rs. 24 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has 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 this subsidiary, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to this subsidiary is based solely on the report of the other auditor.

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the financial information of the subsidiary referred to in the Other Matter section above 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 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, except for not complying with the requirement of audit trail as stated in (h) (vi) below.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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 Parent Company as on March, 31, 2024 taken on record by the Board of Directors of the Parent Company, none of the directors of the Parent Company, is disqualified as on March 31, 2024 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 consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

## Independent Auditor's Report

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 37 to the consolidated financial statements.
  - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts - Refer Note 18 to the consolidated financial statements.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company.
  - iv) (a) The respective Managements of the Parent Company and a subsidiary which is a Company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the note 46.2 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 Parent Company or such subsidiary to or in any other person or entity, including foreign entity ("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 Parent Company or such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Parent Company and a subsidiary which is a Company incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary that, to the best of their knowledge and belief, as disclosed in the note 46.2 to the consolidated financial statements, no funds have been received by the Parent Company and such subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or such subsidiary shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of a subsidiary which is a Company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v) The interim dividend declared and paid by the Parent Company during the year and until the date of this report is in compliance with section 123 of the Act.

As stated in note 16 to the consolidated financial statements, the Board of Directors of the Parent Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination which included test checks and that performed by the other auditor of a subsidiary and based on the other auditor's report of a subsidiary company incorporated in India whose financial statements have been audited under the Act, the Holding company and a subsidiary company incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that in respect of the Holding company for an accounting software operated by third party service provider for maintaining payroll records, in the absence of independent auditor's service organisation report covering the audit trail requirement, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

Additionally, during the course of the audit, we and other auditor of a subsidiary company, whose report has been furnished to us by the Management of the Holding company, have not come across any instance of audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating (Refer note 44 to the consolidated financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

## Independent Auditor's Report

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the other auditor of the subsidiary Company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO report of the said companies included in the consolidated financial statements.

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

**Gurvinder Singh**  
(Partner)  
(Membership No. 110128)  
(UDIN 24110128BKBGXQ4027)

Place: Bengaluru  
Date: May 23, 2024

### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

#### Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Xchanging Solutions Limited (hereinafter referred as "the Parent") as of that date.

#### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated 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. 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 Parent 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 Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated 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 consolidated financial statements was 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 system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting, 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 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 Parent Company's internal financial controls with reference to consolidated financial statements.

#### Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance



## Independent Auditor's Report

with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes 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 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 financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Parent has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to consolidated financial statements 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.

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

**Gurvinder Singh**  
(Partner)  
(Membership No. 110128)  
(UDIN 24110128BKBGXQ4027)

Place: Bengaluru  
Date: May 23, 2024

# CONSOLIDATED BALANCE SHEET

## XCHANGING SOLUTIONS LIMITED

### Consolidated Balance Sheet as at March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	14	28
Right of use assets	5	92	126
Other intangible assets	6	-	1
Goodwill	7	15,841	15,841
Financial assets			
Loans	8	-	1,618
Income tax assets (net)	21.1	2,357	2,084
Other non-current assets	11	297	331
<b>Total non-current assets</b>		<b>18,601</b>	<b>20,029</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	12	1,144	754
Cash and cash equivalents	13	30,769	51,486
Bank balances other than above	14	34	7
Other financial assets	9	1,425	1,959
Other current assets	11	333	81
<b>Total current assets</b>		<b>33,705</b>	<b>54,287</b>
<b>Total assets</b>		<b>52,306</b>	<b>74,316</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	11,140	11,140
Other equity	16	24,254	56,482
<b>Total equity</b>		<b>35,394</b>	<b>67,622</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	35	63	94
Borrowings	17	10,426	-
Deferred tax liabilities (net)	10	743	717
Provisions	18	143	422
<b>Total non-current liabilities</b>		<b>11,375</b>	<b>1,233</b>



## Consolidated Balance sheet

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	As at	As at
		March 31, 2024	March 31, 2023
<b>Current liabilities</b>			
Financial liabilities			
Lease liabilities	35	37	40
Trade payables			
- Dues of micro enterprises and small enterprises	19	-	1
- Dues of creditors other than micro enterprises and small enterprises	19	1,804	1,545
Other financial liabilities	20	81	-
Provisions	18	201	157
Current tax liabilities (net)	21.2	3,268	3,593
Other current liabilities	22	146	125
<b>Total current liabilities</b>		<b>5,537</b>	<b>5,461</b>
<b>Total liabilities</b>		<b>16,912</b>	<b>6,694</b>
<b>Total equity and liabilities</b>		<b>52,306</b>	<b>74,316</b>

See accompanying notes to the consolidated financial statements

In terms of our report attached.

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

For and on behalf of the Board of Directors

**Gurvinder Singh**  
Partner  
Membership No. 110128

**Nachiket Vibhakar Sukhtankar**  
Managing Director and  
Chief Executive Officer  
DIN: 08778377

**Shrenik Kumar Champalal**  
Whole Time Director and  
Chief Financial Officer  
DIN: 08099410

Place: Bengaluru  
Date: May 23, 2024

Place: Mumbai  
Date: May 23, 2024

Place: Bengaluru  
Date: May 23, 2024

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Noida  
Date: May 23, 2024

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

## XCHANGING SOLUTIONS LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

	Note	For the year ended	For the year ended
		March 31, 2024	March 31, 2023
Revenue from operations	23	17,442	17,442
Other income	24	2,183	1,070
<b>Total Income</b>		<b>19,625</b>	<b>18,512</b>
<b>Expenses</b>			
Employee benefits expense	25	6,099	6,311
Finance costs	26	187	10
Depreciation and amortisation expense	27	54	61
Other expenses	28	6,667	6,170
<b>Total expenses</b>		<b>13,007</b>	<b>12,552</b>
Profit before tax		6,618	5,960
<b>Tax expense/ (benefit)</b>			
Current tax (Also refer note 43)	29	5,607	1,493
Current tax- for the earlier years	29	(445)	(326)
Deferred tax	29	86	303
<b>Total tax expense</b>		<b>5,248</b>	<b>1,470</b>
<b>Profit for the period</b>		<b>1,370</b>	<b>4,490</b>
<b>Other comprehensive income/ (expense)</b>			
(A) (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		29	(27)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(7)	7
(B) (i) Items that may be reclassified to profit or loss			
- Exchange differences in translating the financial statements of foreign operations		(266)	2,415
(ii) Income tax relating to items that may be reclassified to profit or loss		67	(608)
<b>Total other comprehensive income/ (expense)</b>		<b>(177)</b>	<b>1,787</b>
<b>Total Comprehensive Income for the period</b>		<b>1,193</b>	<b>6,277</b>
Earnings per Equity Share (of Rs.10 each)	31		
Basic- In Rs.		1.23	4.03
Diluted- In Rs.		1.23	4.03

See accompanying notes to the consolidated financial statements

In terms of our report attached.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

For and on behalf of the Board of Directors

**Gurvinder Singh**

Partner

Membership No. 110128

Place: Bengaluru

Date: May 23, 2024

**Nachiket Vibhakar Sukhtankar**

Managing Director and

Chief Executive Officer

DIN: 08778377

Place: Mumbai

Date: May 23, 2024

**Shrenik Kumar Champalal**

Whole Time Director and

Chief Financial Officer

DIN: 08099410

Place: Bengaluru

Date: May 23, 2024

**Mayank Jain**

Company Secretary

M. No. A26620

Place: Noida

Date: May 23, 2024

## XCHANGING SOLUTIONS LIMITED

### Consolidated Statement of changes in equity for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

**a EQUITY SHARE CAPITAL**

<b>Balance at April 1, 2022</b>	<b>11,140</b>
Changes in equity share capital during the year	-
<b>Balance at March 31, 2023</b>	<b>11,140</b>
Changes in equity share capital during the year	-
<b>Balance at March 31, 2024</b>	<b>11,140</b>

**b OTHER EQUITY**

Particulars	Reserves & Surplus			Items of other comprehensive income	Total other equity
	Capital reserve	Security premium	Retained earnings*	Foreign currency translation reserve	
<b>Balance as of April 1, 2022</b>	<b>361</b>	<b>8,417</b>	<b>40,046</b>	<b>1,381</b>	<b>50,205</b>
Profit for the year	-	-	4,490	-	4,490
Other comprehensive income for the year, net of tax (remeasurement of defined benefit plans)	-	-	(20)	1,807	1,787
<b>Balance as of March 31, 2023</b>	<b>361</b>	<b>8,417</b>	<b>44,516</b>	<b>3,188</b>	<b>56,482</b>

Particulars	Reserves & Surplus			Items of other comprehensive income	Total other equity
	Capital reserve	Security premium	Retained earnings*	Foreign currency translation reserve	
<b>Balance as of April 1, 2023</b>	<b>361</b>	<b>8,417</b>	<b>44,516</b>	<b>3,188</b>	<b>56,482</b>
Profit for the year	-	-	1,370	-	1,370
Interim dividend paid (Refer note 16.4.(i))	-	-	(33,421)	-	(33,421)
Other comprehensive income for the year, net of tax (remeasurement of defined benefit plans)	-	-	22	(199)	(177)
<b>Balance as of March 31, 2024</b>	<b>361</b>	<b>8,417</b>	<b>12,487</b>	<b>2,989</b>	<b>24,254</b>

\*Includes transfer of General Reserve in the YE 2011 to the extent of Rs. 5,612 created mainly on account of Debenture redemption reserve, revaluation of investments and adjustment on merger scheme in YE 2008/2009.

See accompanying notes to the consolidated financial statements

In terms of our report attached.

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

For and on behalf of the Board of Directors

**Gurvinder Singh**  
Partner  
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**Nachiket Vibhakar Sukhtankar**  
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Place: Bengaluru  
Date: May 23, 2024

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Date: May 23, 2024

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Noida  
Date: May 23, 2024

# CONSOLIDATED CASH FLOW STATEMENT

## XCHANGING SOLUTIONS LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax</b>	6,618	5,960
<b>Adjustments for:</b>		
Depreciation and amortisation expense	14	20
Depreciation of right-of-use assets	40	41
Profit on sale of property, plant and equipment	(16)	(2)
Foreign exchange loss / (gain)- unrealised	1	(2)
Interest income	(1,882)	(984)
Provision for doubtful advances	-	2
Liabilities no longer required written back	(8)	(30)
Other provisions no longer required written back	-	(10)
Interest expense	187	10
<b>Operating profit before working capital changes</b>	<b>4,954</b>	<b>5,005</b>
Adjustments for changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	(383)	792
Other current assets	(234)	165
Loans & other financial assets and other assets	523	(78)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	243	(172)
Other financial liabilities and other liabilities	(319)	(104)
Provisions	(206)	(23)
<b>Cash generated from operations</b>	<b>4,578</b>	<b>5,585</b>
Taxes paid (net of refunds)	(5,784)	(1,382)
<b>Net cash (used in)/ generated from operating activities (A)</b>	<b>(1,206)</b>	<b>4,203</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2)	-
Proceeds from sale of property, plant and equipment	19	2
Proceeds from loans given (Refer note 8(i))	1,618	-
Deposits with banks with maturity period more than 3 months but less than 12 months	(27)	34
Interest received	1,940	930
<b>Net cash generated from investing activities (B)</b>	<b>3,548</b>	<b>966</b>

## Consolidated Cash Flow Statement

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non-current borrowings	10,426	-
Payment of lease liabilities	(45)	(48)
Interest paid	(177)	-
Interim dividend paid (Refer note 16.4.(i))	(33,421)	-
<b>Net cash used in financing activities (C)</b>	<b>(23,217)</b>	<b>(48)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b>	<b>(20,875)</b>	<b>5,121</b>
Cash and cash equivalents at the beginning of the year	51,486	43,975
Effect of exchange differences on balances with banks in foreign currency	158	2,390
<b>Cash and cash equivalents at the end of the year</b>	<b>30,769</b>	<b>51,486</b>
Cash on hand	-	-
Balances with banks:		
In current accounts	5,769	31,485
Demand deposits (less than 3 months maturity)	25,000	20,001
<b>Net cash and cash equivalents included in note 13</b>	<b>30,769</b>	<b>51,486</b>
<b>Cash and cash equivalents</b>	<b>30,769</b>	<b>51,486</b>

### Notes:

(1) Figures in brackets indicate cash outflow.

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached.

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

For and on behalf of the Board of Directors

**Gurvinder Singh**  
Partner  
Membership No. 110128

**Nachiket Vibhakar Sukhtankar**  
Managing Director and  
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DIN: 08778377

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Place: Bengaluru  
Date: May 23, 2024

Place: Mumbai  
Date: May 23, 2024

Place: Bengaluru  
Date: May 23, 2024

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Noida  
Date: May 23, 2024

# NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## XCHANGING SOLUTIONS LIMITED

### Notes forming part of the consolidated financial statements

(All amounts in Rs. Lakhs, unless otherwise stated)

#### 1. GENERAL INFORMATION

Xchanging Solutions Limited ('the Company'), incorporated on February 1, 2002 having CIN: L72200KA2002PLC030072, is an information technology (IT) services provider with operations in India and an international presence established through subsidiaries in USA and Singapore.

#### 2. MATERIAL ACCOUNTING POLICIES

##### 2.1 Basis of preparation and presentation

These consolidated financial statements relating to Xchanging Solutions Limited ('the Company') and its subsidiaries (together 'the Group') have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 & relevant amendment rules issued thereafter and guidelines issued by the Securities and Exchange Board of India (SEBI) under the historical cost convention on the 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.

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; regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a 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 purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 the 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.

The principal accounting policies are set out below:

##### 2.2 Basis of consolidation

###### 2.2.1 Subsidiaries

- (A) Subsidiaries are all entities (including structured entities) over which the Company has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation of the balance sheet, statement of profit and loss and cash flow statement of the Company and its subsidiaries as at and for the year ended March 31, 2024. All inter-company transactions and balances between the entities included in the consolidated financial statements have been eliminated.

The excess of cost to the Company of its investments in subsidiaries, over its proportionate share in equity of the subsidiaries at the date of acquisition is recognised in the consolidated financial statements as Goodwill. In case the cost of investment in subsidiaries is less than the proportionate share in equity of the subsidiaries at the date of acquisition, the difference is treated as Capital Reserve and disclosed under Reserves and Surplus.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's separate financial statements.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### (B) Subsidiaries considered in the consolidated financial statements are given below:

Name of the subsidiary	Country of incorporation	Ownership Interest	
		2024	2023
<b>Direct subsidiaries:</b>			
Xchanging Solutions (Singapore) Pte Limited	Singapore	100%	100%
Xchanging Solutions (USA) Inc	USA	100%	100%
<b>Step-down subsidiaries:</b>			
Nexplicit Infotech India Private Limited (Wholly owned subsidiary of Xchanging Solutions (USA) Inc)	India	100%	100%

### 2.3 Goodwill arising on consolidation

Goodwill arising on acquisition is the difference between the cost of an acquired business and the aggregate of the fair value of that entity's identifiable assets and liabilities. Goodwill arising on consolidation is carried at the value determined at the date of acquisition of the subsidiary. Goodwill arising on consolidation is not amortised, but is tested for impairment at every balance sheet date.

### 2.4 Revenue recognition

Revenue is recognised net of Goods and Services Tax (GST) to the extent that it is probable that economic benefit will flow to the Group and that revenue can be reliably measured. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Arrangements with customers for software related services are either on a fixed-price or on a time-and-material basis. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation.

- (i) Revenue on Time and Material contracts ("T&M") are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.
- (ii) In arrangements for software development and related services and maintenance services, the Group has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.
- (iii) Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.
- (iv) Revenue from licenses where the customer obtains a "right to use" the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Maintenance Contracts (AMC). The Group has applied the principles under Ind AS 115 to account for revenues from these performance obligations.



(All amounts in Rs. Lakhs, unless otherwise stated)

When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-of-completion method as the implementation is performed. Revenue from support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. AMC revenue is recognised ratably over the period in which the services are rendered.

- (v) Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.
- (vi) Deferred and unearned revenues represent the estimated unearned portion of fees derived from certain fixed-rate service agreements. Unearned revenues for fixed fee contracts are recognised on a pro-rata basis over the term of the underlying service contracts, which are generally one year.
- (vii) Unbilled revenue represents costs and earnings in excess of billings as at the balance sheet date.

### 2.5 Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accounted on accrual basis and recognised at effective interest rate wherever applicable. Dividend income is accounted for when the right to receive it is established.

### 2.6 Leases

As a lessee:

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(All amounts in Rs. Lakhs, unless otherwise stated)

### 2.7 Foreign currencies

(i) Functional and presentation currency

The functional currency of Xchanging Solutions Limited and NexPLICIT Infotech India Private Limited is the Indian rupee. The functional currencies of Xchanging Solutions (Singapore) Pte Limited and Xchanging Solutions (USA) Inc are the respective local currencies. These financial statements are presented in Indian rupee.

(ii) Initial recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(iii) Subsequent recognition:

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period other than those monetary assets which are provided for being doubtful of recovery.

Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

(iv) Translation of foreign operations:

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees 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, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expense in the same period in which the gain or loss on disposal is recognised.

### 2.8 Employee benefits

#### 2.8.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The gratuity fund is recognised by the income tax authorities and is administered through trust set up by the Group. The provision for gratuity recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets.

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### 2.8.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits, are measured at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Group has a policy on compensated absences which are accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

## 2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

### 2.9.1 Current tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 2.9.2 Deferred tax

Deferred income tax assets and liabilities are recognized for all temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred taxes and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.9.3 Current tax and deferred tax for the year

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

## 2.10 Property, plant and equipment and depreciation

- (i) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable costs of bringing the assets to their working condition for their intended use.
- (ii) 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 has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc:

<b>Category of assets</b>	<b>Estimated useful life</b>
Computers	4 to 7 years

- (iii) Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- (iv) Leasehold improvements are amortised over the period of lease or five years (useful life), whichever is lower.
- (v) Assets individually costing up to Rupees five thousand are fully depreciated in the year of purchase.

### 2.11 Intangible Assets and Amortisation

Intangible assets with finite useful lives are stated at cost of acquisition less accumulated amortisation and impairment losses.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. Intangible assets comprise of Goodwill and computer software.

- (i) Computer software is amortised over an estimated useful life of upto seven years.
- (ii) The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### 2.12 Impairment of tangible and intangible assets

The carrying values of tangible and intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and (b) an intangible asset with indefinite useful life.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

### 2.13 Provisions and contingent liabilities

Provisions: A provision is recognised when the Group has a present obligation as a result of past events 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions for onerous contracts (i.e., contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it) are recognised when it is probable that cash outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

## 2.14 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. 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 of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## 2.15 Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value depending on the classification of the Financial assets.

### 2.15.1 Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 2.15.3

Financial assets that meet the following conditions are subsequently measured at Fair Value Through Other Comprehensive Income ("FVTOCI") (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI financial assets. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for financial assets through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy on financial assets at FVTOCI, refer Note 2.15.3

All other financial assets are subsequently measured at fair value.

### 2.15.2 Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.



(All amounts in Rs. Lakhs, unless otherwise stated)

### 2.15.3 Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Financial assets that are initially measured at fair value with subsequent measurement at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR).

#### Allowance for Trade receivables

The Group follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

### 2.15.4 Derecognition of financial assets

The Group 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. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

### 2.15.5 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

## **2.16 Financial liabilities**

### Classification as debt

Debt are classified as financial liabilities in accordance with the substance of the contractual arrangements and the definitions of a financial liability

### Financial liabilities

#### 2.16.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL, are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

#### 2.16.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the

(All amounts in Rs. Lakhs, unless otherwise stated)

end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in profit or loss.

### 2.16.3 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired, An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **2.17 Derivative financial instruments**

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks through foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

### **2.18 Use of estimates**

The preparation of the consolidated financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### **2.19 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **2.20 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

### **2.21 Segment Reporting**

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance based on an analysis of various performance indicators by business segments and geographic segments.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, is included as "Unallocated". Segment assets includes all the assets except for deferred tax assets which are treated as unallocable.

The dominant source of risk and returns of the enterprise is considered to be the business in which it operates, viz. - Information Technology (IT) Services. The sub businesses are fully aligned to IT Services business of the Group and the same are being viewed by the management as a single business segment. Being a single business segment Group, no primary segment information is being provided.

### **2.22 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or 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 and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a



## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### **2.23 Project work expenses**

Project work expenses represents amounts charged by sub-contractors. These expenses are recognised on an accrual basis.

### **2.24 GST input credit**

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing/ utilising the credits.

### **2.25 Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

### **2.25 Government grants**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss under respective head in the period in which they become receivable.

## **3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Group's accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### **3.1 Critical judgements in applying accounting policies**

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

- i) Impairment of goodwill- Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. No impairment for goodwill has been identified during the year.
- ii) Income taxes- The Group's three major tax jurisdictions are India, Singapore and the United States of America, though the Group also files tax returns in other foreign jurisdictions. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Also refer to note 29.
- iii) Estimation of defined benefit obligation and other employee obligations- Employee benefit obligations are measured using actuarial methods. This requires various assumptions including with respect to salary trends, attrition rate, discounting factor etc. The Group engages third party qualified valuers to perform the actuarial valuation.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>4 PROPERTY, PLANT AND EQUIPMENT</b>		
(Refer note 2.10 and 2.12)		
(Owned unless specified)		
<b>Carrying amounts of:</b>		
Leasehold Improvements	3	4
Computers	10	22
Office Equipment	1	2
Furniture and Fittings	-	-
	<u>14</u>	<u>28</u>

### The changes in the carrying value for the year ended March 31, 2024

Particulars	Leasehold Improvements	Computers	Office Equipment	Furniture and Fittings	Total
<b>Gross carrying value</b>					
Balance as at April 1, 2022	21	956	91	9	1,077
Additions	-	-	-	-	-
Disposals	-	(202)	(30)	(3)	(235)
Translation	-	6	-	-	6
<b>Balance as at March 31, 2023</b>	<b>21</b>	<b>760</b>	<b>61</b>	<b>6</b>	<b>848</b>
Additions	-	2	-	-	2
Disposals	(15)	(357)	(28)	(5)	(405)
Translation	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>6</b>	<b>405</b>	<b>33</b>	<b>1</b>	<b>445</b>
<b>Accumulated depreciation</b>					
Balance as at April 1, 2022	16	919	88	8	1,031
Depreciation expense	1	15	1	1	18
Eliminated on disposals of assets	-	(202)	(30)	(3)	(235)
Translation	-	6	-	-	6
<b>Balance as at March 31, 2023</b>	<b>17</b>	<b>738</b>	<b>59</b>	<b>6</b>	<b>820</b>
Depreciation expense	1	12	1	-	14
Eliminated on disposals of assets	(15)	(355)	(28)	(5)	(403)
Translation	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>3</b>	<b>395</b>	<b>32</b>	<b>1</b>	<b>431</b>
<b>Carrying value as at March 31, 2024</b>	<b>3</b>	<b>10</b>	<b>1</b>	<b>-</b>	<b>14</b>
<b>Carrying value as at March 31, 2023</b>	<b>4</b>	<b>22</b>	<b>2</b>	<b>-</b>	<b>28</b>

### 5 RIGHT OF USE ASSETS

(Refer note 2.6)

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024:

Particulars	Buildings
Balance as at April 1, 2022	167
Additions	-
Deletions	-
Depreciation	(41)
<b>Balance as at March 31, 2023</b>	<b>126</b>
Additions	37
Deletions	(31)
Depreciation	(40)
<b>Balance as at March 31, 2024</b>	<b>92</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>6 OTHER INTANGIBLE ASSETS</b>		
(Refer note 2.11 and 2.12)		
<b>Carrying amounts of:</b>		
Computer software	-	1
	<u>-</u>	<u>1</u>
	<u>-</u>	<u>1</u>

Particulars	Computer software	Total
<b>Gross carrying value</b>		
Balance as at April 1, 2022	65	65
Additions	-	-
Disposals	(1)	(1)
Translation	-	-
<b>Balance as at March 31, 2023</b>	<b>64</b>	<b>64</b>
Additions	-	-
Disposals	(64)	(64)
Translation	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Accumulated amortisation</b>		
Balance as at April 1, 2022	63	63
Amortisation expense	2	2
Disposals	(1)	(1)
Translation	(1)	(1)
<b>Balance as at March 31, 2023</b>	<b>63</b>	<b>63</b>
Amortisation expense	-	-
Disposals	(63)	(63)
Translation	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Carrying value as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Carrying value as at March 31, 2023</b>	<b>1</b>	<b>1</b>

	As at March 31, 2024	As at March 31, 2023
<b>7 GOODWILL</b>		
(Refer note 2.3 and 3.1.(i))		
<b>Carrying amounts of:</b>		
Cost	15,841	15,841
Accumulated impairment losses	-	-
	<u>15,841</u>	<u>15,841</u>
	<u>15,841</u>	<u>15,841</u>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Cost</b>		
Balance at the beginning of year	15,841	15,841
Additions	-	-
Derecognised	-	-
<b>Balance at the end of year</b>	<b>15,841</b>	<b>15,841</b>
<b>Accumulated impairment losses</b>		
Balance at the beginning of year	-	-
Impairment losses recognised in the year	-	-
<b>Balance at the end of year</b>	<b>-</b>	<b>-</b>
<b>Net block at the end of the year</b>	<b>15,841</b>	<b>15,841</b>

### 7.1 Allocation of goodwill to cash-generating units

The entire goodwill is allocated to Information Technology services (CGU).

The recoverable amount of this CGU is determined based on a value in use calculation which uses cash flow projections based on financial forecast approved by the management covering a five-year period, and a discount rate of 14% p.a. (2023: 16% p.a.).

Cash flow projections during the forecast period are based on the expected gross margins. The cash flows beyond that five-year period have been extrapolated using a terminal growth rate of 1% p.a. (2023: 1% p.a.). The 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 of the cash-generating unit.

As of March 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount, hence impairment is not triggered. The key assumptions used for the calculations are as follows:

- (1) EBIT margin: Average gross margins achieved in the prior 4 years before the forecast period.
- (2) Discount rate: Discount rate is based on the Weighted Average Cost of Capital (WACC) of the Company. These estimates are likely to differ from future actual results of operations and cash flows.

	As at	As at
	March 31, 2024	March 31, 2023
<b>8 LOANS</b>		
(Refer note 2.15 and 2.18)		
Unsecured, considered good unless otherwise stated		
<b>Non-current</b>		
Loans to fellow subsidiaries [Refer note 34 and note (i) below]	-	1,618
	<u>-</u>	<u>1,618</u>

#### Note:

- (i) During the current financial year the Company has received Rs. 1,618 due from fellow subsidiaries.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Loans to Promoters, Directors, KMP and Related Parties (including interest accrued)

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	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<u>Promoter</u>				
- Xchanging Technology Services India Private Limited (Fellow subsidiary)	-	908	-	56%
Director	-	-	-	-
KMPs	-	-	-	-
<u>Individual Related Party:</u>				
- Xchanging Builders (India) Private Limited (Fellow subsidiary)	-	725	-	44%
<b>Total</b>	<b>-</b>	<b>1,633</b>	<b>-</b>	<b>100%</b>

	As at March 31, 2024	As at March 31, 2023
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### 9 OTHER FINANCIAL ASSETS

(Refer note 2.4, 2.15 and 2.18)

Unsecured considered good unless otherwise stated

#### **Current**

Expenses recoverable from fellow subsidiaries [Refer note 34]	-	2
Security deposits		
- Considered good	-	12
Unbilled revenue		
- Fellow subsidiaries [Refer note 34]	-	3
- Others	1,402	1,857
Interest accrued on loans to fellow subsidiaries [Refer note 34]	-	15
Interest accrued on bank deposits	11	54
Other Loans and advances (includes advances to employees and other receivables)		
- Considered good	12	16
- Considered doubtful	2	2
(Less): Provision for doubtful advances	(2)	(2)
	<b>1,425</b>	<b>1,959</b>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### 10 DEFERRED TAX ASSETS (NET)

(Refer note 2.9 and 3.1.(ii))

Details of deferred tax assets and liabilities as at March 31, 2024 comprise of the following:

Particulars	As at April 1, 2023	(Credit)/ Charged to Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2024
<b>Deferred Tax Assets</b>				
Depreciation	95	13	-	82
Provision for gratuity	98	83	7	8
Provision for compensated absences	38	-	-	38
Provision for other employee benefits	43	(2)	-	45
Provision for doubtful advances	89	3	-	86
Adjustment for lease	2	-	-	2
Exchange differences in translating the financial statements of foreign operations	63	-	-	63
Others	4	(11)	-	15
<b>Total (A)</b>	<b>432</b>	<b>86</b>	<b>7</b>	<b>339</b>
<b>Deferred Tax Liabilities</b>				
Exchange differences in translating the financial statements of foreign operations	(1,149)	-	(67)	(1,082)
<b>Total (B)</b>	<b>(1,149)</b>	<b>-</b>	<b>(67)</b>	<b>(1,082)</b>
<b>Deferred Tax Assets/ (Liabilities) (Net) (A)-(B)</b>	<b>(717)</b>	<b>86</b>	<b>(60)</b>	<b>(743)</b>

#### As at March 31, 2023

Particulars	As at April 1, 2022	(Credit)/ Charged to Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023
<b>Deferred Tax Assets</b>				
Depreciation	107	12	-	95
Provision for gratuity	97	6	(7)	98
Provision for compensated absences	39	1	-	38
Provision for other employee benefits	40	(3)	-	43
Provision for doubtful debts	277	277	-	-
Provision for doubtful advances	90	1	-	89
Adjustment for lease	1	(1)	-	2
Exchange differences in translating the financial statements of foreign operations	63	-	-	63
Others	14	10	-	4
<b>Total (A)</b>	<b>728</b>	<b>303</b>	<b>(7)</b>	<b>432</b>
<b>Deferred Tax Liabilities</b>				
Exchange differences in translating the financial statements of foreign operations	(541)	-	608	(1,149)
<b>Total (B)</b>	<b>(541)</b>	<b>-</b>	<b>608</b>	<b>(1,149)</b>
<b>Deferred Tax Assets (Net) (A)-(B)</b>	<b>187</b>	<b>303</b>	<b>601</b>	<b>(717)</b>

#### 10.1 Unrecognised taxable temporary differences associated with investments and interests

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Taxable temporary differences in relation to investments in subsidiaries for which deferred tax liabilities have not been recognised are attributable to the following:		
- foreign subsidiaries	1,573	1,019
<b>Total</b>	<b>1,573</b>	<b>1,019</b>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>11 OTHER ASSETS</b>		
(Refer note 2.24)		
Unsecured considered good unless otherwise stated		
<b>Non-current</b>		
Advances recoverable in kind		
- Service tax [Refer note 37(b)]	177	177
Balances with Government Authorities (Service tax & GST)		
- Considered good	120	154
- Considered doubtful	338	351
(Less): Provision for doubtful advances	(338)	(351)
	<b>297</b>	<b>331</b>
<b>Current</b>		
Balances with Government Authorities (GST)	248	15
Prepaid Expenses	84	66
Other Loans and advances		
- Considered good	1	-
	<b>333</b>	<b>81</b>

## 12 TRADE RECEIVABLES

(Refer note 2.15, 33 and 34)

(Unsecured)

Considered good	1,144	754
Credit impaired	-	-
Less: Allowance for credit impairment	-	-
	<b>1,144</b>	<b>754</b>

Trade receivables ageing schedule for the year ended as on March 31, 2024

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables-Considered Good	880	264	-	-	-	-	1,144
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>880</b>	<b>264</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,144</b>
Less: Allowance for credit impairment							-
<b>Total Trade Receivable</b>							<b>1,144</b>



## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Trade receivables ageing schedule for the year ended as on March 31, 2023

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables-Considered Good	664	90	-	-	-	-	754
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>664</b>	<b>90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>754</b>
Less: Allowance for credit impairment							-
<b>Total Trade Receivable</b>							<b>754</b>

	As at March 31, 2024	As at March 31, 2023
<b>13 CASH AND CASH EQUIVALENTS</b> (Refer note 2.19)		
Balances with banks		
In current accounts	5,769	31,485
In demand deposit accounts (less than 3 months maturity)	25,000	20,001
Cash on hand	-	-
Cash and cash equivalent as per consolidated statement of cash flow	<u>30,769</u>	<u>51,486</u>
<b>14 OTHER BANK BALANCES</b>		
Long Term Deposit with maturity more than 3 months but less than 12 months	7	7
Unpaid dividend accounts	27	-
	<u>34</u>	<u>7</u>
Fixed Deposits with Banks include: Rs. 7 (2023: Rs. 7) which are under lien		

### 15 EQUITY SHARE CAPITAL

#### Authorised capital:

12,50,00,000 (2023: 12,50,00,000) Equity shares of Rs.10 each

#### Issued, subscribed and paid up capital:

11,14,03,716 (2023: 11,14,03,716) Equity shares of Rs.10 each fully paid up

11,140	11,140
<u>11,140</u>	<u>11,140</u>

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year are as given below:

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	11,14,03,716	11,140	11,14,03,716	11,140
Add / (Less): Movement during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>11,14,03,716</b>	<b>11,140</b>	<b>11,14,03,716</b>	<b>11,140</b>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### b) Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### c) Details of shares held by the holding company and its subsidiaries:

Name of Shareholder	As at March 31, 2024	As at March 31, 2023
	Number of Shares	Number of Shares
Xchanging (Mauritius) Limited, the immediate holding company	58,002,787	58,002,787
Xchanging Technology Services India Private Limited, subsidiary of Immediate Holding Company	21,348,838	21,348,838
	<b>7,93,51,625</b>	<b>7,93,51,625</b>

### d) Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	Percentage	Number of Shares held	Percentage
Xchanging (Mauritius) Limited	58,002,787	52.07	58,002,787	52.07
Xchanging Technology Services India Private Limited	21,348,838	19.16	21,348,838	19.16

### e) Details of Shares held by promoters at the end of the year

Promoter name	As at March 31, 2024		
	Number of Shares held	% of total shares	% change during the year
Xchanging (Mauritius) Limited	58,002,787	52.07	-
Xchanging Technology Services India Private Limited	21,348,838	19.16	-
DXC Technology India Private Limited	4,201,162	3.77	-
<b>Total</b>	<b>83,552,787</b>	<b>75.00</b>	<b>-</b>

Promoter name	As at March 31, 2023		
	Number of Shares held	% of total shares	% change during the year
Xchanging (Mauritius) Limited	58,002,787	52.07	-
Xchanging Technology Services India Private Limited	21,348,838	19.16	-
DXC Technology India Private Limited	4,201,162	3.77	-
<b>Total</b>	<b>83,552,787</b>	<b>75.00</b>	<b>-</b>

	As at March 31, 2024	As at March 31, 2023
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### 16 OTHER EQUITY

Capital reserve	361	361
Security premium	8,417	8,417
Foreign currency translation reserve	2,989	3,188
Retained earnings	12,487	44,516
	<b>24,254</b>	<b>56,482</b>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>16.1 Capital reserve</b>		
Balance at the beginning of the year	361	361
Add / (Less): Movement during the year	-	-
Balance at the end of the year	<u>361</u>	<u>361</u>
Capital reserve represents waiver of liability by Scandent Holding Mauritius Limited, erstwhile ultimate holding company.		
<b>16.2 Security premium</b>		
Balance at the beginning of the year	8,417	8,417
Add / (Less): Movement during the year	-	-
Balance at the end of the year	<u>8,417</u>	<u>8,417</u>
Amounts received (on issue of shares) in excess of the par value has been classified as securities premium.		
<b>16.3 Foreign currency translation reserve</b>		
Balance at the beginning of the year	3,188	1,381
Add: Exchange difference arising on translating the foreign operations net of income tax	(199)	1,807
Balance at the end of the year	<u>2,989</u>	<u>3,188</u>
Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Rs.) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.		
<b>16.4 Retained earnings</b>		
Balance at the beginning of the year	44,516	40,046
Profit for the year	1,370	4,490
Interim Dividend paid (Refer Note (i) below)	(33,421)	-
Other comprehensive income arising from remeasurement of defined benefit obligation net of tax	22	(20)
Balance at the end of the year	<u>12,487</u>	<u>44,516</u>

Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.

Note:

- (i) The Board of Directors of the Company had considered and recommended Interim dividend of INR 15 per equity share (face value of INR 10 each) amounting to INR 16,711 for the financial year ending March 31, 2024 at their meeting held on July 10, 2023 and the same was approved by the shareholders at their annual general meeting held on August 25, 2023. Also the Board of Directors of the Company at their meeting held on February 13, 2024, has approved second interim dividend of INR 15 per equity share (face value of INR 10 each) amounting to INR 16,711 for the financial year ending March 31, 2024. These dividends have been paid during the year.
- (ii) The Board of Directors of the Company has considered and recommended final dividend of INR 4 per equity share (including special dividend of INR 2 per equity share) (face value of INR 10 each) amounting to INR 4,456 for the financial year ended March 31, 2024 at their meeting held on May 23, 2024. The recommended final dividend (including special dividend) on equity shares is subject to approval at the ensuing annual general meeting.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>17 BORROWINGS</b>		
(Refer note 2.16 and 2.18)		
Unsecured, at amortised cost		
<b>Non-current</b>		
Loan from Intermediate holding company [Refer note 34 and note (i) below]	10,426	-
	<u>10,426</u>	<u>-</u>

**Note:**

- (i) Xchanging Solutions USA Inc, wholly owned subsidiary of the Company has received an intercompany loan of USD 12.5 Million from Computer Sciences Corporation, USA on December 21, 2023. The same has been approved by the shareholders of the Company through postal ballot. The loan carries an interest rate of 6.139% p.a. charged on the outstanding loan balances and the loan is repayable in full by December 31, 2028. There are no defaults in repayment of principal borrowings or interest there on.

Loans from Promoters, Directors, KMP and Related Parties (including interest accrued)

Type of Lender	Amount of borrowing in the nature of loan outstanding		Percentage to the total borrowing in the nature of loans	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Promoter	-	-	-	-
Director	-	-	-	-
KMPs	-	-	-	-
Individual Related Party:				
- Computer Sciences Corporation (Intermediate holding company)	10,480	-	100%	-
<b>Total</b>	<b>10,480</b>	<b>-</b>	<b>100%</b>	<b>-</b>

	As at March 31, 2024	As at March 31, 2023
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## 18 PROVISIONS

(Refer note 2.8)

**Non-current**

Provision for employee benefits :

Provision for compensated absences	111	113
Provision for gratuity (net) [Refer note 32]	32	309
	<u>143</u>	<u>422</u>

**Current**

Provision for employee benefits :

Provision for compensated absences	78	74
Provision for gratuity (net) [Refer note 32]	-	83
Provision for onerous contract [Refer note (ii) below]	123	-
	<u>201</u>	<u>157</u>

**Notes:**

- (i) The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

- (ii) The Group has identified an onerous contract in its subsidiary Xchanging Solutions (USA) Inc and accordingly recognised a provision of INR 123 (USD 147,504/-). The provision is created based on the assessment of cost till the estimated date of completion of the contract.

	As at March 31, 2024	As at March 31, 2023
<b>19 TRADE PAYABLES</b>		
(Refer note 2.16)		
Total outstanding dues of micro enterprises and small enterprises (Refer Note (i))	-	1
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Due to Related parties [Refer note 34]	1,102	1,010
Others:		
Goods & services	519	351
Employee related payables	183	184
	<u>1,804</u>	<u>1,545</u>
	<u><b>1,804</b></u>	<u><b>1,546</b></u>

### Notes:

- (i) On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:
- (a) Principal amount remaining unpaid\* - 1
- (b) Interest due thereon remaining unpaid - -
- (c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period - -
- (d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 - -
- (e) Interest accrued and remaining unpaid - -
- (f) 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 enterprises - -

### Trade payables ageing schedule for the year ended as on March 31, 2024

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Accruals	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-	-	-
(ii) Others	1,012	562	219	11	-	-	1,804
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,012</b>	<b>562</b>	<b>219</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>1,804</b>

\*Amount of Rs 29,241/-under 'Not Due' is below the rounding off norm adopted by the Company i.e. Rs. 1 Lakh hence is not appearing above

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### Trade payables ageing schedule for the year ended as on March 31, 2023

Particulars	Outstanding for the following period from due date of payments						Total
	Not due	Accruals	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1	-	-	-	-	-	1
(ii) Others	824	688	33	-	-	-	1,545
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
<b>Total</b>	<b>825</b>	<b>688</b>	<b>33</b>	-	-	-	<b>1,546</b>

	As at March 31, 2024	As at March 31, 2023
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### 20 OTHER FINANCIAL LIABILITIES

(Refer note 2.7 and 2.16)

Interest accrued on loan from Intermediate holding company (Refer note 34)	54	-
Unpaid dividends [Refer note (i) below]	27	-
	<u>81</u>	<u>-</u>

Note:

(i) The Company has paid the first interim dividend for FY 2023-24 of INR 15 per share on September 1, 2023 through online mode. Further, the Company issued demand drafts to the shareholders whose bank details were not updated with their depository participants or Company's Registrar and Transfer Agent. The Company has sent the demand drafts to the shareholder via registered post. After expiry of 90 days of issuing of such demand drafts, the amount of demand drafts was credited to the unpaid and unclaimed first interim dividend account for the financial year 2023-24. As per section 124 and 125 of the Companies Act, 2013, unpaid or unclaimed dividend shall be transferred to the Investor Education and Protection Fund after expiry of seven years from the date of transfer of dividend amount to the unpaid dividend account of the Company.

### 21 TAX ASSETS AND LIABILITIES

(Refer note 2.9 and 3.1.(ii))

#### 21.1 Non Current Asset (net)

Income tax asset (refer note (i) below)	2,589	2,482
Less: Provision for tax	232	398
	<u>2,357</u>	<u>2,084</u>

(i) Includes an amount of Rs. 1,862 (2023: 1,771) towards amount paid under protest

#### 21.2 Current Liabilities (net)

Provision for tax	12,832	9,333
Less: Income tax asset	9,564	5,740
	<u>3,268</u>	<u>3,593</u>

### 22 OTHER CURRENT LIABILITIES

(Refer note 2.4 and 2.7)

Income received in advance (Unearned revenue)	66	53
Statutory remittances	80	72
	<u>146</u>	<u>125</u>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>23 REVENUE FROM OPERATIONS</b>		
(Refer note 2.4, 30 and 34)		
Software services	17,442	17,442
	<u>17,442</u>	<u>17,442</u>

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2024 by contract type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cashflows are affected by industry, market and other economic factors.

Revenues by contract type	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
T&M and AMC	15,377	15,873
Fixed Price	2,065	1,569
<b>Total</b>	<u>17,442</u>	<u>17,442</u>

### 24 OTHER INCOME

(Refer note 2.5 and 2.7)

#### a) Interest Income (at amortised cost)

Interest income earned on financial assets that are not designated as at fair value through profit or loss:

Bank deposits	1,704	790
Income tax refunds	42	-
Loans to fellow subsidiaries [Refer note 34]	178	194
	<u>1,924</u>	<u>984</u>

#### b) Other non-operating income (net of expenses directly attributable to such income)

Other provisions no longer required written back	-	10
Liabilities no longer required written back	8	30
Service tax refund	216	-
Others (aggregate of immaterial items)	19	10
	<u>243</u>	<u>50</u>

#### c) Other gains and losses

Profit on sale of property, plant and equipment (net)	16	2
Foreign exchange gain (net)	-	34
	<u>16</u>	<u>36</u>

(a+b+c)

2,183                      1,070

### 25 EMPLOYEE BENEFITS EXPENSE

(Refer note 2.8 and 32)

Salaries and wages including bonus	5,551	5,643
Contribution to provident and other funds [Refer note 32]	141	152
Gratuity expenses [Refer note 32]	59	56
Staff welfare expenses	348	460
	<u>6,099</u>	<u>6,311</u>



## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>26 FINANCE COSTS</b>		
(Refer note 2.6)		
Interest expense on:		
Loan from fellow subsidiaries [Refer note 34]	177	-
Lease liabilities	8	10
Others	2	-
	<u>187</u>	<u>10</u>
<b>27 DEPRECIATION AND AMORTISATION EXPENSE</b>		
(Refer note 2.6, 2.10, 2.11 and 2.18)		
Depreciation of property, plant and equipment [Refer note 4]	14	18
Depreciation of right of use of assets [Refer note 5]	40	41
Amortisation of intangible assets [Refer note 6]	-	2
	<u>54</u>	<u>61</u>
<b>28 OTHER EXPENSES</b>		
(Refer note 2.6, 2.7, 2.13, 2.18 and 2.23)		
Project work expenses	6,083	5,489
Power and fuel	23	22
Rental expenses*	6	6
Repairs and maintenance:		
Computer equipments	23	21
Others	13	16
Insurance	54	54
Rates and taxes	40	133
Communication	15	36
Travelling and conveyance	29	77
Business promotion	6	6
Expenditure towards Corporate Social Responsibility (CSR) activities [Refer note 38]	43	48
Legal and professional	76	61
Payments to auditors [Refer Note (i) below]	121	120
Foreign exchange loss (net)	35	-
Provision for doubtful advances	-	2
Directors' sitting fees	50	36
Miscellaneous expenses	50	43
	<u>6,667</u>	<u>6,170</u>
* Represents lease rentals for short term leases and leases of low value assets		
Note:		
(i) Payments to the auditors comprise (net of taxes, where applicable):		
Statutory audit	70	69
Limited review of quarterly financial results	44	44
Tax audit	6	6
Certifications	1	1
	<u>121</u>	<u>120</u>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
<b>29 INCOME TAXES</b>		
(Refer note 2.9 and 3.1.(ii))		
<b>1. Income tax recognised in profit or loss</b>		
<b>Current tax</b>		
In respect of current year	5,607	1,493
In respect of tax adjustments related to earlier years	(445)	(326)
<b>Deferred tax</b>		
In respect of current year	86	303
<b>Total income tax expense /(gain) recognised in the current year</b>	<b>5,248</b>	<b>1,470</b>
<b>2. The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax	6,618	5,960
Income tax expense calculated at 25.168% (2023: 25.168%)	1,666	1,500
Adjustments in respect of current income tax of previous years	(445)	(326)
Effect of exchange gain on loan repayments (Refer note 43)	3,443	-
Effect of notional income recognised for taxation	88	196
Effect of overseas withholding tax	419	-
Effect of inadmissible expenses	12	42
Effect of change in tax rate in foreign subsidiaries	15	30
Effect of tax interest	26	-
Others	24	28
<b>Income tax expense recognised in Profit and Loss</b>	<b>5,248</b>	<b>1,470</b>
The income tax rate used for the above reconciliations is current tax 25.168% (2023: 25.168%) and deferred tax 25.168% (2023: 25.168%), these are the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.		
<b>3. Income tax recognised in other comprehensive income:</b>		
<b>Income tax</b>		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	(7)	7
Exchange differences in translating the financial statements of foreign operations	-	-
Total	(7)	7
<b>Deferred tax</b>		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	-	-
Exchange differences in translating the financial statements of foreign operations	67	(608)
Total	67	(608)
<b>Total income tax recognised in other comprehensive income</b>	<b>60</b>	<b>(601)</b>
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(7)	7
Items that may be reclassified to profit or loss	67	(608)

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### 30 SEGMENT INFORMATION

(Refer note 2.21)

The entire operation of the Group relate only to single operating segment "Software Services". Thus there are no reportable segments which require disclosures under Ind AS 108 "Operating Segments".

Additional information relating to geographical dispersion is as follows:

	Revenue by location of customers	
	March 31, 2024	March 31, 2023
Europe	287	162
USA	14,053	13,974
India	1,209	1,181
Singapore	1,786	1,846
Rest of the World	107	279
	<b>17,442</b>	<b>17,442</b>

Revenue from customers with more than 10% of total revenue amounts to Rs. 12,382 from 2 customers (for the year ended March 31, 2023: Rs. 10,885 from 1 customer).

	Carrying amount of segment assets by location of the assets		Addition to Fixed Assets/Right of use assets	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Europe	27	26	-	-
USA	3,535	22,479	-	-
India	27,495	24,484	39	-
Rest of the World	18,892	25,243	-	-
	<b>49,949</b>	<b>72,232</b>	<b>39</b>	<b>-</b>

	For the year ended	For the year ended
	March 31, 2024	March 31, 2023

### 31 EARNINGS PER SHARE

(Refer note 2.22)

#### Basic earnings per share

Profit for the year after tax	1,370	4,490
Nominal value per share (Rs.)	10	10
Weighted average number of equity shares considered for calculating basic earnings per share – (A)	11,14,03,716	11,14,03,716

#### Earnings per share – Basic (Rs.)

**1.23**                      **4.03**

#### Diluted earnings per share

Weighted average number of equity shares considered for calculating diluted earnings per share – (B)	11,14,03,716	11,14,03,716
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#### Earnings per share – Diluted (Rs.)

**1.23**                      **4.03**

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### 32 EMPLOYEE BENEFITS EXPENSE

(Refer note 2.8)

#### (a) Defined Contribution Plans

Provident Fund and Other Funds: During the year, the Group has recognised Rs. 141 (2023: Rs. 152) in the Statement of Profit and Loss relating to provident fund and other funds, which is included in the 'Contribution to provident and other funds'.

#### (b) Defined Benefit Plan

**Gratuity (funded):** The Group provides for gratuity, a defined benefit plan (the "gratuity plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's last drawn salary and years of employment with the Group.

The Group is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest risk: A decrease in the bond interest rate will increase the plan liability.

Investment risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following tables summarise the components of expense recognised in the Statement of Profit and Loss and amounts recognised in the Balance Sheet for the gratuity plan:

	As at March 31, 2024	As at March 31, 2023
<b>(i) Movement in Present Value of the Defined benefit obligation</b>		
Balance at the beginning of the year	392	386
Current Service Cost	34	36
Interest Cost	25	20
Actuarial (gains) / losses- Demographic	-	-
Actuarial (gains) / losses- Financial	(5)	(2)
Actuarial (gains) / losses- Experience	(24)	29
Benefits paid	(31)	(77)
<b>Present Value of Defined benefit obligation at the end of the year</b>	<b>391</b>	<b>392</b>
<b>(ii) Change in fair value of plan assets</b>		
Balance at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contributions	358	-
Actuarial gains / (losses) on plan assets	1	-
<b>Balance at the end of the year</b>	<b>359</b>	<b>-</b>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at	As at
	March 31, 2024	March 31, 2023
<b>(iii) Assets and Liabilities recognised in the Balance Sheet</b>		
Present Value of Defined Benefit Obligation	391	392
Less: Fair value of plan assets	(359)	-
<b>Amounts recognised as liability</b>	<b>32</b>	<b>392</b>
Recognised under:		
Non-current provisions [Refer note 18]	32	309
Current provisions [Refer note 18]	-	83
	<b>32</b>	<b>392</b>
	<b>For the year ended</b>	<b>For the year ended</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>(iv) Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows.</b>		
Current Service Cost	34	36
Interest Cost	25	20
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>59</b>	<b>56</b>
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses due to Demographic Assumption changes	-	-
Actuarial (gains) / losses due to Financial Assumption changes	(5)	(2)
Actuarial (gains) / losses due to Experience	(24)	29
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(29)</b>	<b>27</b>
<b>Total</b>	<b>30</b>	<b>83</b>
	<b>As at</b>	<b>As at</b>
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>(v) Actuarial Assumptions</b>		
Discount Rate	6.95%	7.15%
Attrition Rate	20%	20%
Increase in Compensation Cost	6.00%	6.50%
Retirement Age	60 years	60 years
<b>(vi) Expected Future Cashflows</b>		
<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Year 1	83	83
Year 2	71	80
Year 3	74	59
Year 4	49	61
Year 5	41	40
Years 6 to 10	142	140

### Notes:

- (i) The estimates of future salary increases, considered in the actuarial valuation, takes into on account, inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.
- (ii) The discount rate is based on the prevailing market yields of Indian government securities as at the Balance Sheet date for the estimated term of the obligation.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>vii) Major Category of Plan Assets as a % of total Plan assets</b>		
Investments with Life Insurance Corporation of India	100%	-

viii) Expected contribution to the fund in the next year- Rs. 32

### ix) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below 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.

The following table summarizes the impact on defined benefit obligation arising due to increase / decrease in key actuarial assumptions by 50 basis points:

#### As at March 31, 2024

Defined Benefit Obligation	Discount rate	Rate of Increase in Compensation Cost
Impact of decrease	8	(7)
Impact of increase	(7)	8

#### As at March 31, 2023

Defined Benefit Obligation	Discount rate	Rate of Increase in Compensation Cost
Impact of decrease	8	(7)
Impact of increase	(7)	8

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

## 33 FINANCIAL INSTRUMENTS

### 33.1 Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt and total equity of the Group.

The Group is not subject to any externally imposed capital requirements.

#### 33.1.1 Debt equity ratio

The debt equity ratio at end of the reporting period was as follows.

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Debt (i)	10,526	134
<b>Net debt</b>	<b>10,526</b>	<b>134</b>
<b>Total equity</b>	<b>35,394</b>	<b>67,622</b>
<b>Net debt to equity ratio</b>	<b>0.30</b>	<b>0.00</b>

(i) Debt is defined as long & short-term borrowings and lease liabilities (excluding derivatives and financial guarantee contracts) as detailed in notes 17 and 35.

(ii) Equity includes all capital and reserves of the Group that are managed as capital.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### 33.2 Categories of financial instruments

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Financial assets</b>		
<u>Measured at amortised cost</u>		
(a) Cash and bank balances	30,769	51,486
(b) Bank balances other than above	34	7
(c) Trade receivables	1,144	754
(d) Other financial assets at amortised cost	1,425	3,577
<b>Financial liabilities</b>		
<u>Measured at amortised cost</u>		
Lease liabilities	100	134
Borrowings	10,426	-
Other financial liability at amortised cost	1,885	1,546

### 33.3 Financial risk management

The Group is exposed to foreign currency risk, liquidity risk, credit risk and interest risk which may impact the fair value of its financial instruments. The Group has a risk management policy to manage & mitigate these risks.

The Group's risk management policy aims to reduce volatility in consolidated financial statements while maintaining balance between providing predictability in the Group's business plan along with reasonable participation in market movement.

### 33.4 Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see note 33.5).

### 33.5 Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Liabilities as at		Assets as at	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
USD	11,478	912	3,650	22,751
SGD	203	119	2,993	8,942
GBP	115	1	-	-
Others*	50	10	-	-
<b>Total</b>	<b>11,846</b>	<b>1,042</b>	<b>6,643</b>	<b>31,693</b>

\* Others include currencies such as EUR, MYR, CAD, PLN, CRC and VND

#### 33.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to USD, SGD and GBP.

The following table details the Group's sensitivity to a 10% increase and decrease in the Rs. against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Rs. strengthens 10% against the relevant currency. For a 10% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.



## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Impact on profit or loss for the year		Impact on total equity as at the end of the reporting period	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>USD sensitivity</b>				
Increase by 10%	(783)	2,184	(783)	2,184
Decrease by 10%	783	(2,184)	783	(2,184)
<b>SGD sensitivity</b>				
Increase by 10%	279	882	279	882
Decrease by 10%	(279)	(882)	(279)	(882)
<b>GBP sensitivity</b>				
Increase by 10%	(12)	-	(12)	-
Decrease by 10%	12	-	12	-
<b>Others sensitivity*</b>				
Increase by 10%	(5)	(1)	(5)	(1)
Decrease by 10%	5	1	5	1

\* Others include currencies such as EUR, MYR, CAD, PLN, CRC and VND

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### 33.6 Interest rate risk management

The Group is exposed to interest rate risk because the Group lend/ borrow funds at fixed interest rates. There is no exposure to market rate fluctuations.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

### 33.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist various customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivables.

The Group does not have significant credit risk exposure to any single counterparty.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### Provision for expected credit losses

The Group provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision		
		Loans at amortised cost	Other financial assets at amortised cost	Trade receivables
High quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-month expected credit losses	12-month expected credit losses	Life-time expected credit losses (simplified approach)
Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, however counter-party has sufficient capacity to meet the obligations			
Low quality assets, very high credit risk	Assets where there is a high probability of default and is considered as high risk	Life-time expected credit losses	Life-time expected credit losses	

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Category	Description of category	Basis for recognition of expected credit loss provision		
		Loans at amortised cost	Other financial assets at amortised cost	Trade receivables
Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery	Asset is written off		

Particulars		Category	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>March 31, 2024</b> (a) Expected credit loss for loans and other financial assets at amortised cost							
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	High quality assets, negligible credit risk	Other financial assets at amortised cost	11	0%	-	11
		Standard assets, moderate credit risk	Other financial assets at amortised cost	1,416	0%	2	1,414
(b) For expected credit loss for trade receivables under simplified approach refer note 12							

Particulars		Category	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
<b>March 31, 2023</b> (a) Expected credit loss for loans and other financial assets at amortised cost							
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	High quality assets, negligible credit risk	Loans at amortised cost	1,618	0%	-	1,618
		High quality assets, negligible credit risk	Other financial assets at amortised cost	71	0%	-	71
		Standard assets, moderate credit risk	Other financial assets at amortised cost	1,890	0%	2	1,888
(b) For expected credit loss for trade receivables under simplified approach refer note 12							

### 33.8 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### 33.8.1 Liquidity and interest risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

# Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Average effective interest rate(%)	Less than 1 year	1-2 years	2 years & above	Total carrying value
<b>March 31, 2024</b>					
Non-interest bearing Borrowings	-	1,885	-	-	1,885
Lease liabilities	6.139%	-	-	10,426	10,426
	6.62%- 8.91%	43	55	14	112
		1,928	55	10,440	12,423
<b>March 31, 2023</b>					
Non-interest bearing Borrowings	-	1,546	-	-	1,546
Lease liabilities	6.53%- 6.62%	48	97	3	148
		1,594	97	3	1,694

## 33.9 Fair value measurements

### Fair value hierarchy

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

There are no financial assets and liabilities measured at fair value as at March 31, 2024 and March 31, 2023

There have been no transfers between Level 1 and Level 2 during the year ended March 31, 2024 and March 31, 2023

### Valuation Methodologies

Fair value of financial assets and financial liabilities that are not measured at fair value

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, other current assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

## 34 RELATED PARTY DISCLOSURES

### A. Names of related parties and nature of relationship:

#### 1) Parties where control exists:

##### Nature of relationship

##### Names of related parties

##### (i) Holding companies:

Ultimate Holding Company  
Intermediate holding companies

DXC Technology Company  
Computer Sciences Corporation, USA ('CSC, USA')  
DXC US International Inc.  
Lux 1 Holding Company, Inc.  
DXC Luxembourg International S.a.r.l.  
DXC Lux 5 S.a.r.l.  
DXC Luxembourg Holding S.a.r.l.  
DXC Lux 6 S.a.r.l.  
DXC UK International Holdings Limited  
DXC UK International Limited  
DXC UK International Operations Limited  
Xchanging Holdings Limited  
Xchanging B.V.  
Xchanging (Mauritius) Limited, Mauritius ('XML, Mauritius')

Immediate holding company

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### (ii) Key Managerial Personnel (KMP)

Whole time Director & Chief Financial Officer	Shrenik Kumar Champalal
Managing Director & Chief Executive Officer	Nachiket Vibhakar Sukhtankar
Company Secretary	Mayank Jain

### 2) Other Related Parties with whom transactions have taken place during the year:

#### Fellow subsidiaries

Xchanging Technology Services India Private Limited, India ('XTSIPL, India')

Xchanging UK Limited, UK ('XUKL, UK')

Xchanging Asia Pacific Sdn Bhd, Malaysia ('XAPSB, Malaysia')

Xchanging Builders (India) Private Limited, India ('XBPL, India')

DXC Technology India Private Limited, India ('DXC, India')

DXC Technology Singapore Pte. Ltd, Singapore ('DXC, Singapore')

DXC Technology Services Vietnam Co Ltd, Vietnam ('DXC, Vietnam')

EIT Services India Private Limited, India ('EIT, India')

DXC Technology Services Singapore Pte.Ltd, Singapore ('DXC Technology, Singapore')

Ins-Sure Services Limited, UK ('Ins-Sure, UK')

CSC Consulting Inc., USA ('CSC Consulting, USA')

DXC Technology Services LLC, USA ('DXC, USA')

CSC Corp - FSG US, USA ('CSC Corp, USA')

CSC CORP-Americas Outsourcing, USA ('Americas Outsourcing, USA')

DXC US Agility Platform Inc., USA ('DXC US Agility, USA')

EntServ Deutschland GmbH, Germany ('EntServ, Germany')

Enterprise Services Nederland B.V., Nederland ('Enterprise Services, Nederland')

Enterprise Services Sverige AB, Sweden ('Enterprise Services, Sweden')

DXC Technology Switzerland GmbH, Switzerland ('DXC, Switzerland')

CSC Computer Sciences Limited, UK ('CSC Computer, UK')

EntServ UK Limited, UK ('EntServ, UK')

FSG – Mynd Corp, USA ('FSG, USA')

EntServ Malaysia Sdn Bhd, Malaysia ('EntServ, Malaysia')

CSC Covansys Corporation, USA ('CSC Covansys, USA')

Enterprise Services Costa Rica Limitada, Costa Rica ('Enterprise Services, Costa Rica')

ESIT Canada Enterprise Services, Canada ('ESIT, Canada')

DXC Enterprise Australia Pty Ltd, Australia ('DXC Enterprise, Australia')

CHEU EntServ Schweiz(EnQ4), Switzerland ('CHEU EntServ, Switzerland')

Fondsdepot Bank GmbH, Germany ('Fondsdepot, Germany')

Enterprise Services Italia Srl, Italy ('Enterprise Services, Italy')

DXC Integrated Services Victoria Pty Ltd, Australia ('DXC Integrated Services, Australia')

DXC Australia Pty Ltd, Australia ('DXC, Australia')

Enterprise Services (AP) Limited, Philippines ('Enterprise Services, Philippines')

LUXOFT USA INC, USA ('LUXOFT, USA')

CSC Deutschland GmbH, Germany ('CSC, Germany')

DXC Technology Fin Serv SAS, France ('DXC Technology, France')

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

ENTERPRISE SERVICES FRANCE SAS, France ('ENTERPRISE SERVICES, France')

DXC Technology Polska Sp. z o.o., Poland ('DXC Technology, Poland')

Computer Sciences Canada Inc., Canada ('CSC, Canada')

Luxoft Global Operations GmbH, Switzerland ('Luxoft, Switzerland')

EntServ Philippines Inc, Philippines ('EntServ Philippines')

Xchanging Global Insurance Solutions Ltd, UK ('XGIS, UK')

B. Summary of transactions with related parties is as follows:	Holding companies		Fellow subsidiaries		Total	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023

### Expenses paid on behalf of the Group:

XUKL, UK	-	-	4	4	4	4
XTSIPL, India	-	-	1	3	1	3
DXC, India	-	-	2	1	2	1
DXC, USA	-	-	5	-	5	-
EIT, India	-	-	37	37	37	37
<b>Total</b>	-	-	<b>49</b>	<b>45</b>	<b>49</b>	<b>45</b>

### Expenses paid on behalf of the related party:

XTSIPL, India	-	-	50	6	50	6
DXC Technology, Singapore	-	-	20	1	20	1
CSC, USA	-	2	-	-	-	2
<b>Total</b>	-	<b>2</b>	<b>70</b>	<b>7</b>	<b>70</b>	<b>9</b>

### Interest income on loans:

XTSIPL, India	-	-	99	108	99	108
XBPL, India	-	-	79	86	79	86
<b>Total</b>	-	-	<b>178</b>	<b>194</b>	<b>178</b>	<b>194</b>

### Interest expense on loans:

CSC, USA	177	-	-	-	177	-
<b>Total</b>	<b>177</b>	-	-	-	<b>177</b>	-

### Revenue:

XAPSB, Malaysia	-	-	23	7	23	7
XTSIPL, India	-	-	182	207	182	207
DXC, India	-	-	407	494	407	494
DXC, Singapore	-	-	345	363	345	363
DXC Technology, Singapore	-	-	520	505	520	505
Ins-Sure, UK	-	-	-	119	-	119
EIT, India	-	-	21	20	21	20
CSC Consulting, USA	-	-	-	1	-	1
DXC, USA	-	-	588	753	588	753
CSC Corp, USA	-	-	22	34	22	34
Americas Outsourcing, USA	-	-	27	8	27	8

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

DXC, Switzerland	-	-	47	71	47	71
EntServ, Germany	-	-	27	62	27	62
Enterprise Services, Nederland	-	-	19	12	19	12
Enterprise Services, Sweden	-	-	15	19	15	19
CSC Computer, UK	-	-	61	53	61	53
EntServ, UK	-	-	55	20	55	20
ESIT, Canada	-	-	4	4	4	4
DXC Enterprise, Australia	-	-	19	25	19	25
CHEU EntServ, Switzerland	-	-	9	2	9	2
Fondsdepot, Germany	-	-	-	99	-	99
Enterprise Services, Italy	-	-	24	26	24	26
CSC Covansys, USA	-	-	45	19	45	19
DXC Integrated Services, Australia	-	-	4	4	4	4
DXC, Australia	-	-	19	17	19	17
XUKL, UK	-	-	20	18	20	18
CSC, Germany	-	-	-	6	-	6
DXC Technology, France	-	-	-	1	-	1
ENTERPRISE SERVICES, France	-	-	26	3	26	3
<b>Total</b>	-	-	<b>2,529</b>	<b>2,972</b>	<b>2,529</b>	<b>2,972</b>

### Purchase of services

XTSIPL, India	-	-	1,742	1,658	1,742	1,658
DXC, India	-	-	34	49	34	49
DXC, Singapore	-	-	18	68	18	68
DXC, Vietnam	-	-	10	14	10	14
DXC Technology, Singapore	-	-	79	95	79	95
DXC, USA	-	-	1,574	1,489	1,574	1,489
Americas Outsourcing, USA	-	-	216	134	216	134
DXC US Agility, USA	-	-	-	14	-	14
FSG, USA	-	-	-	3	-	3
EntServ, Malaysia	-	-	77	74	77	74
CSC Covansys, USA	-	-	1,231	1,278	1,231	1,278
XAPSB, Malaysia	-	-	-	14	-	14
Enterprise Services, Costa Rica	-	-	32	-	32	-
EntServ, UK	-	-	102	20	102	20
Enterprise Services, Philippines	-	-	-	6	-	6
LUXOFT, USA	-	-	-	59	-	59
XGIS, UK	-	-	36	-	36	-
CSC Corp, USA	-	-	143	-	143	-
EntServ Philippines	-	-	1	-	1	-
ENTERPRISE SERVICES, France	-	-	5	-	5	-
DXC Technology, Poland	-	-	13	-	13	-
CSC, Canada	-	-	305	-	305	-
Luxoft, Switzerland	-	-	7	-	7	-
EIT, India	-	-	105	64	105	64
<b>Total</b>	-	-	<b>5,730</b>	<b>5,039</b>	<b>5,730</b>	<b>5,039</b>

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### Dividend paid:

XML, Mauritius	17,401	-	-	-	17,401	-
XTSIPL, India	-	-	6,405	-	6,405	-
DXC, India	-	-	1,260	-	1,260	-
<b>Total</b>	<b>17,401</b>	<b>-</b>	<b>7,665</b>	<b>-</b>	<b>25,066</b>	<b>-</b>

### Other Income:

XTSIPL, India	-	-	2	2	2	2
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>

### Note:

(i) Amount below the rounding off norm adopted by the Group i.e. Rs. 1 Lakh are not considered above

C. Summary of balances of related parties is as follows:	Holding companies		Fellow subsidiaries		Total	
	As at	As at	As at	As at	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023

### Trade Receivables:

XAPSB, Malaysia	-	-	1	1	1	1
XTSIPL, India	-	-	20	41	20	41
DXC, India	-	-	31	62	31	62
DXC, Singapore	-	-	30	20	30	20
EIT, India	-	-	20	-	20	-
DXC, USA	-	-	44	59	44	59
Enterprise Services, Nederland	-	-	1	1	1	1
Enterprise Services, Sweden	-	-	-	2	-	2
DXC, Switzerland	-	-	4	7	4	7
CSC Computer, UK	-	-	5	5	5	5
EntServ, UK	-	-	6	2	6	2
XUKL, UK	-	-	2	2	2	2
Americas Outsourcing, USA	-	-	3	1	3	1
EntServ, Germany	-	-	1	2	1	2
DXC Enterprise, Australia	-	-	2	2	2	2
DXC, Australia	-	-	2	1	2	1
CHEU EntServ, Switzerland	-	-	1	1	1	1
Enterprise Services, Italy	-	-	2	-	2	-
CSC Covansys, USA	-	-	6	2	6	2
CSC, Germany	-	-	-	2	-	2
CSC Corp, USA	-	-	-	4	-	4
ESIT, Canada	-	-	-	1	-	1
ENTERPRISE SERVICES, France	-	-	6	2	6	2
DXC Technology, Singapore	-	-	49	53	49	53
<b>Total</b>	<b>-</b>	<b>-</b>	<b>236</b>	<b>273</b>	<b>236</b>	<b>273</b>

### Trade Payables:

XTSIPL, India	-	-	194	127	194	127
DXC, India	-	-	6	2	6	2
DXC, Singapore	-	-	-	5	-	5



## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

CSC, USA	416	355	-	-	416	355
EIT, India	-	-	25	16	25	16
Americas Outsourcing, USA	-	-	22	12	22	12
DXC Technology, Singapore	-	-	10	8	10	8
DXC, USA	-	-	70	272	70	272
EntServ, Malaysia	-	-	7	7	7	7
CSC Covansys, USA	-	-	122	192	122	192
EntServ, UK	-	-	79	2	79	2
LUXOFT, USA	-	-	-	11	-	11
XGIS, UK	-	-	36	-	36	-
CSC Corp, USA	-	-	66	-	66	-
CSC, Canada	-	-	35	-	35	-
Luxoft, Switzerland	-	-	4	-	4	-
DXC Technology, Poland	-	-	5	-	5	-
Enterprise Services, Costa Rica	-	-	5	-	5	-
DXC, Vietnam	-	-	-	1	-	1
<b>Total</b>	<b>416</b>	<b>355</b>	<b>686</b>	<b>655</b>	<b>1,102</b>	<b>1,010</b>

### Expense receivable:

XTSIPL, India	-	-	-	2	-	2
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>

### Loans and Advances (including interest accrued):

XTSIPL, India	-	-	-	908	-	908
XBPL, India	-	-	-	725	-	725
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,633</b>	<b>-</b>	<b>1,633</b>

### Borrowings (including interest accrued):

CSC, USA	10,480	-	-	-	10,480	-
<b>Total</b>	<b>10,480</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,480</b>	<b>-</b>

### Note:

(i) Amount below the rounding off norm adopted by the Group i.e. Rs. 1 Lakh are not considered above

## D. Remuneration paid to the key managerial personnel

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Salaries, bonus, etc.	81	80
<b>Total</b>	<b>81</b>	<b>80</b>

### Note:

(i) As gratuity and compensated absences provision are computed for all the employees in aggregate, the amounts relating to key managerial personnel cannot be individually identified.

## 35 LEASES

(Refer note 2.6)

The Group has operating lease arrangements for its office premises. The lease arrangements for premises have been entered up to a maximum of five years from the respective dates of inception. Some of these lease arrangements have price escalation clauses.

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### A. Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities as at March 31, 2024

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Current lease liabilities	37	40
Non-current lease liabilities	63	94
<b>Total</b>	<b>100</b>	<b>134</b>

### B. Movement in Lease liabilities :

The following is the movement in lease liabilities during the year ended March 31, 2024

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Balance as at the beginning of the year</b>	134	172
Additions	37	-
Deletions	(34)	-
Finance costs accrued during the period	8	10
Payment of Lease liabilities	(45)	(48)
<b>Balance as at the end of the year</b>	<b>100</b>	<b>134</b>

### C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Less than one year	43	48
One to five years	69	100
More than five years	-	-
<b>Total</b>	<b>112</b>	<b>148</b>

### D. Amounts recognized in profit or loss:

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Interest on lease liabilities	8	10
Expenses relating to short- term leases	6	6
Depreciation of right of use of assets	40	41

### E. Amounts recognized in statement of cash flows

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Total cash outflows for leases	45	48

	As at	As at
	March 31, 2024	March 31, 2023

## 36 CAPITAL AND OTHER COMMITMENTS

### (a) Capital Commitments

Estimated value of contracts in capital account remaining to be executed (net of advances)	-	-
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## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
<b>37 CONTINGENT LIABILITIES</b>		
(Refer note 2.13)		
(i) Claims against the Company not acknowledged as debts:		
Income tax matters [Note (a)]	2,394	3,030
Service tax matters [Note (b)]	4,718	4,718
GST matters [Note (c)]	30	-
	<b>7,142</b>	<b>7,748</b>

### Notes:

- (a) Represents various income tax demands under appeal.
- (b) The Company had received a Show Cause Notice ('SCN') from the Commissioner of Service Tax, Bangalore in October 2012 proposing a demand of service tax of Rs. 2,359 on import of certain services made by company during the FYs 2007-08 to 2011-12. In March 2013, a suitable reply to above SCN was filed by company stating the legal grounds in defence of the matter. In November 2020, the adjudicating authority i.e. the Principal Commissioner of Service Tax, Noida passed the Order In Original ('OIO') confirming the demand of service tax proposed in the SCN along with penalty of Rs. 2,359 and applicable interest. The company has filed an appeal before CESTAT in Allahabad against above OIO in April, 2021 after paying a pre-deposit amount of Rs. 177. Also refer note 11.
- (c) The Company has received a Show Cause Notice ('SCN') from the GST authority, Chennai in December 2023 proposing a demand of GST of Rs. 14.37 on account of disallowance of Input Tax Credit availed by company during the FY 2018-19. In April 2024 the GST authority passed the order confirming the demand of GST along with penalty of Rs. 1.44 and applicable interest of Rs 14.39. The company is reviewing the demand order and will file an appeal before appellate authority against said order in due course.
- (d) The above contingent liabilities are possible obligation or present obligation that may (but probably will not) require an outflow of resources.
- (e) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (f) The Group does not expect any reimbursements in respect of the above contingent liabilities.

### 38 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds were primarily utilised through the year on the activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount required to be spent by the Company during the year	42.5	47.6
Amount of expenditure incurred	42.5	47.6
Shortfall at the end of the year	Nil	Nil
Total of previous years shortfall	Nil	Nil
Reason for shortfall	Not Applicable	Not Applicable
Nature of CSR activities		
- Skill development of persons with disabilities & underserved	40.9	-
- Education for blind children	-	46.3
- Administration Expenses	1.6	1.3
Details of related party transactions (Refer note (i) below)	1.6	1.3
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Nil	Nil

### Notes:

- (i) This is administration cost claimed for CSR purpose

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

### 39 TRANSFER PRICING

The Group has carried out international transactions with associated enterprises. The Group appoints independent consultants to conduct a Transfer Pricing Study to determine whether the transactions with associated enterprises undertaken during the period are on an “arms length basis”. For the current period, the transfer pricing study shall be completed within the permissible time under the legislation and adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed. However, the Management is confident that its international transactions with associated enterprises and within its subsidiaries are at arm’s length so that the aforesaid legislation/transactions will not have any material impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation for the current period.

### 40 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Entity	Net assets, i.e., total assets minus total liabilities		Share in profit/(loss) for the year ended March 31, 2024		Share in other comprehensive income for the year ended March 31, 2024		Share in total comprehensive income for the year ended March 31, 2024	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Xchanging Solutions Limited	122%	31,433	93%	36,650	100%	22	93%	36,672
<u>Indian Subsidiaries</u>								
Nexplicit Infotech India Private Limited	0%	38	0%	(34)	-	-	0%	(34)
<u>Foreign Subsidiaries</u>								
Xchanging Solutions (Singapore) Pte Limited	11%	2,710	1%	400	-	-	1%	400
Xchanging Solutions (USA) Inc	-33%	(8,423)	6%	2,171	-	-	6%	2,171
<b>Gross amounts</b>	<b>100%</b>	<b>25,758</b>	<b>100%</b>	<b>39,187</b>	<b>100%</b>	<b>22</b>	<b>100%</b>	<b>39,209</b>
Adjustments arising out of consolidation		9,636		(37,817)		(199)		(38,016)
<b>Net amounts</b>		<b>35,394</b>		<b>1,370</b>		<b>(177)</b>		<b>1,193</b>

### 41 DISCLOSURE AS PER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Loans given to fellow subsidiaries in which directors are interested:

Name of the party	Relationship	Amount outstanding as at March 31, 2024	Maximum balance outstanding during the year
<u>Promoter</u>			
Xchanging Technology Services India Private Limited	Fellow subsidiary	- (908)	909 (909)
<u>Individual Related Party:</u>			
Xchanging Builders (India) Private Limited	Fellow subsidiary	- (725)	726 (725)

Note: Figures in bracket relate to previous year

### 42 As per the MCA notification dated August 5, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain daily back-up of the books of account and other relevant books and papers on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and currently a backup is maintained on a daily basis on servers physically located in India.

### 43 The Company had earlier given an unsecured loan of USD 38 Million during the Financial Year 2002 to 2008 to Xchanging Solutions USA Inc, wholly owned subsidiary of the Company which was fully provided as at March 31, 2023. On June 21, 2023 and December 22, 2023, the Company has received USD 23 Million (INR 18,315) and USD 15 Million (INR 12,650) respectively

## Notes forming part of the Consolidated Financial Statements

(All amounts in Rs. Lakhs, unless otherwise stated)

as repayment of this loan. As the inter-company loans which have been treated as net investment in foreign operations in the financial statements, are eliminated on consolidation, this doesn't have any impact on consolidated results except the tax expense of INR 3,863 on account of exchange gain on repatriation and overseas withholding taxes which are included in the current tax expenses.

- 44** Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Holding Company and a subsidiary Company (Nexplicit Infotech India Private Limited) w.e.f. April 1, 2023.

The Holding company and a subsidiary company incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except that in respect of the Holding company for an accounting software operated by third party service provider for maintaining payroll records, independent auditor's service organisation report did not cover the audit trail requirement. However, Independent auditor's service organisation report included a clean opinion for design, implementation and operating effectiveness of the adequate controls for the purpose of internal financial controls with reference to the financial statements.

Additionally, there were no instances of audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

### 45 APPROVAL OF FINANCIAL STATEMENTS

The financial statements of 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 May 23, 2024.

### 46 OTHER STATUTORY DISCLOSURES

46.1 As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

46.2 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 Group 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 Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding, whether recorded in writing or otherwise, that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 47 PREVIOUS YEAR FIGURES

The financial statements have been prepared in accordance with the amended Scheduled III and accordingly previous year's numbers have been regrouped/reclasses (as necessary) and incremental disclosures have been made to compare with current year disclosures.

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

**Gurvinder Singh**  
Partner  
Membership No. 110128

Place: Bengaluru  
Date: May 23, 2024

For and on behalf of the Board of Directors

**Nachiket Vibhakar Sukhtankar**  
Managing Director and  
Chief Executive Officer  
DIN: 08778377

Place: Mumbai  
Date: May 23, 2024

**Shrenik Kumar Champalal**  
Whole Time Director and  
Chief Financial Officer  
DIN: 08099410

Place: Bengaluru  
Date: May 23, 2024

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Noida  
Date: May 23, 2024

# FORM AOC – 1

Pursuant to first proviso to Sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2018  
Statement containing salient features of the financials statements of subsidiaries/associates Companies / joint ventures as included in the consolidated Financial Statement

## Part - "A": Subsidiaries

(Rs. in Lakhs)

S. No.	Particulars	Xchanging Solutions (USA), Inc.	Xchanging Solutions Singapore Pte Ltd.
1.	Date since when subsidiary was acquired	July 2, 2004	March 31, 2004
2.	Reporting period	April 1, 2023 - March 31, 2024	
3.	Reporting currency	1 USD = [83.41]	1 SGD = [61.78]
4.	Share Capital	8,282.12	1,421.04
5.	Reserves & Surplus	(16,697.28)	1,289.92
6.	Total Assets	3,649.94	3,149.41
7.	Total Current Liabilities	1,639.48	438.46
8.	Investments	22.83	-
9.	Turnover	13,430.18	2,028.43
10.	Profit (Loss) before Taxation	3,380.52	422.60
11.	Provision for taxation	1,184.51	21.30
12.	Profit after taxation	2,196.01	401.30
13.	Proposed dividend	-	-
14.	Extent of shareholding (in percentage)	100%	100%

### Note:

1) NexPLICIT Infotech India Private Limited, step down subsidiary of the Company, is under liquidation

For and on behalf of the Board of Directors,

**Nachiket Vibhakar Sukhtankar**  
Managing Director & Chief Executive Officer

**Shrenik Kumar Champalal**  
Whole Time Director & Chief Financial Officer

**Mayank Jain**  
Company Secretary  
M. No. A26620

Place: Mumbai  
Date: May 23, 2024

Place: Bengaluru  
Date: May 23, 2024

Place: Noida  
Date: May 23, 2024



## NOTICE OF ANNUAL GENERAL MEETING

**Notice** is hereby given that the 23<sup>rd</sup> Annual General Meeting (“**AGM**”) of the members of Xchanging Solutions Limited (“**the Company**”) will be held on Wednesday, July 24, 2024 at 10:00 A.M. IST through Video Conferencing / Other Audio Visual Means (“**VC**” / “**OAVM**”) to transact the following businesses:

### ORDINARY BUSINESSSES:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.

and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolution(s)**:

- a. “**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”
  - b. “**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”
2. To declare final dividend of Rs 4/- per equity share (including special dividend of Rs 2/- per equity share) of face value of Rs 10/- each for the financial year ended March 31, 2024 and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:-

“**RESOLVED THAT** final dividend of Rs 4/- per equity share (including special dividend of Rs 2/- per equity share) of face value of Rs 10/- each for the financial year ended March 31, 2024, be and is hereby declared.”
  3. To appoint a Director in place of Mr. Shrenik Kumar Champalal (DIN 08099410), who retires by rotation and being eligible, offers himself for re-appointment as a Director and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Shrenik Kumar Champalal (DIN 08099410), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company.”

### SPECIAL BUSINESSSES:

4. **Re-appointment of Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377) as Managing Director & CEO of the Company for a period of three years:**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other

applicable provisions of the Companies Act, 2013 (“**the Act**”), (including any statutory modification(s) or re-enactment thereof, for the time being in force), provisions of the Articles of Association of the Company and pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors, Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377), Managing Director & CEO of the Company, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Act, be and is hereby re-appointed as the Managing Director & CEO of the Company for a period of three years commencing from August 13, 2024 to August 12, 2027, liable to retire by rotation, on the payment of remuneration and other terms and conditions as set out below:

#### i. **Tenure:**

The appointment of Mr. Nachiket Vibhakar Sukhtankar as Managing Director & CEO is for a period of 3 years with effect from August 13, 2024 to August 12, 2027. He shall be liable to retire by rotation.

#### ii. **Duties:**

Mr. Nachiket Vibhakar Sukhtankar shall perform such duties and exercise such powers as may from time to time be entrusted to him, subject to the superintendence and control of the Board of Directors of the Company.

#### iii. **Salary & Commission:**

Mr. Nachiket Vibhakar Sukhtankar will draw “**Nil**” remuneration from the Company as mutually agreed between him and the Company. He shall not to be entitled to any commission during his tenure as Managing Director.

#### iv. **Reimbursement of Travel and out of pocket expenses:**

Mr. Nachiket Vibhakar Sukhtankar shall be entitled for actual reimbursement of travel and out of pocket expenses incurred for business purpose of the Company.

**RESOLVED FURTHER THAT** the Managing Director shall perform such duties and services as shall from time to time be entrusted to him including the powers exercisable by the Board under the Articles of Association of the Company and shall undertake to use his best endeavors to promote the interests of the Company and comply with such orders and directions as may be given to him by the Board from time to time.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

5. **Appointment of Mr. Kartik Ganapathy Iyer (DIN:09318280) as a Non-Executive Non-Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:



## Notice of Annual General Meeting

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 and other applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and other applicable provisions of the regulations and guidelines issued by the Securities and Exchange Board of India, including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force and in terms of Articles of Association of the Company, on the recommendation of Nomination and Remuneration Committee, Mr. Kartik Ganapathy Iyer (DIN: 09318280), who was appointed as an Additional Director of the Company effective June 17, 2024 by the Board of Directors at its meeting held on June 17, 2024, being eligible and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation.”

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee(s) thereof), be and is hereby authorized to settle all matters arising out of and incidental thereto, and to execute all documents, letters and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to aforesaid proposal.”

### 6. Material Related Party Transaction(s) between Xchanging Solutions (USA), Inc. and DXC Technology Services LLC

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Sections 177 and other applicable provisions of the Companies Act, 2013 (“**the Act**”) read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions and pursuant to the recommendation of the Audit Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to the related party contract(s)/arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of the Company, namely, Xchanging Solutions (USA), Inc., material wholly owned subsidiary of the Company (“**XSUI**”) and DXC Technology Services LLC, (one of the group company/related

party of the Company/XSUI) (“**DXC USA**”), for an aggregate value not exceeding Rs. 24,00,00,000/- (Rupees Twenty Four Crores) during FY 2024-25, on such terms and conditions as may be agreed between XSUI and DXC USA subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of XSUI and DXC USA.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Board of Directors of XSUI be and are hereby authorized to delegate all or any of the powers herein conferred and severally authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

### 7. Material Related Party Transaction(s) between Xchanging Solutions (USA), Inc. and Xchanging Technology Services India Private Limited

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Sections 177 and other applicable provisions of the Companies Act, 2013 (“**the Act**”) read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the related party contract(s)/arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of the Company, namely, Xchanging Solutions (USA), Inc., material wholly owned subsidiary of the Company (“**XSUI**”), and Xchanging Technology Services India Private Limited, (one of the group company/related party of XSUI/ promoter of the Company) (“**XTSI**”), for an aggregate value not exceeding Rs. 23,00,00,000/- (Rupees Twenty Three Crores) during FY 2024-25, on such terms and conditions as may be agreed between XSUI and XTSI, subject to such contract(s)/ arrangement(s)/transaction(s) being carried out at arm’s length and in the ordinary course of business of XSUI and XTSI.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Board of Directors of XSUI be and are hereby authorized to delegate all or any of the powers herein conferred and severally authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of

## Notice of Annual General Meeting

giving effect to this resolution.”

### 8. Material Related Party Transaction(s) between Xchanging Solutions (USA), Inc. and CSC Covansys Corporation

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Sections 177 and other applicable provisions of the Companies Act, 2013 (“**the Act**”) read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to the related party contract(s)/arrangement(s)/ transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as detailed in the Explanatory Statement, to be entered into and/or carried out and/or continued with between two related parties of the Company, namely, Xchanging Solutions (USA), Inc., material wholly owned subsidiary of the Company (“**XSUI**”) and CSC Covansys Corporation (one of the group company /related party of the Company/XSUI) (“**CSC**”), for an aggregate value not exceeding Rs. 23,00,00,000/- (Rupees Twenty Three Crores) during FY2024-25, on such terms and conditions as may be agreed between XSUI and CSC, subject to such contract(s)/ arrangement(s)/ transaction(s) being carried out at arm’s length and in the ordinary course of business of XSUI and CSC.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Board of Directors of XSUI be and are hereby authorized to delegate all or any of the powers herein conferred and severally authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

### 9. Material Related Party Transaction(s) between Xchanging Solutions (USA), Inc. and Computer Sciences Corporation

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Regulations 2(1)(zc), 23(1A), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Sections 177 and other applicable provisions of the Companies Act, 2013 (“**the Act**”) read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions and pursuant to the recommendation of the

Audit Committee and Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for the payment of Service Mark License fees and Global Network Intangibles fees (together defined as “**Royalty**”) by Xchanging Solutions (USA), Inc., material wholly owned subsidiary of the Company (“**XSUI**”) to Computer Sciences Corporation, USA (intermediate holding company of the Company and XSUI as well as one of the group company/related party of the Company/XSUI.) (“**CSC USA**”), at the rate not exceeding 3% of the revenue of XSUI realized from parties other than inter-company effective April 1, 2024 to March 31, 2029.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and Board of Directors of XSUI be and are hereby authorized to delegate all or any of the powers herein conferred and severally authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction(s) with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution.”

By Order of the Board of Directors  
For **Xchanging Solutions Limited**

**Place:** Delhi  
**Date:** June 17, 2024

**Mayank Jain**  
Company Secretary  
Membership No: A26620

**Registered office: -**  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru 560 100,  
Karnataka, India

#### NOTES:

1. The Ministry of Corporate Affairs (“**MCA**”) *inter-alia* vide its General Circular nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 05, 2020; 02/2021 dated January 13, 2021; 02/2022 dated May 5, 2022; 10/2022 dated December 28, 2022; and 09/2023 dated September 25, 2023 issued by MCA (hereinafter collectively referred as “**MCA Circulars**”) has permitted the holding of the Annual General Meeting through Video Conferencing (“**VC**”) or through other audio-visual means (“**OAVM**”), without the physical presence of the Members at a common venue. The Deemed Venue for the 23<sup>rd</sup> AGM shall be the Registered office of the Company.

In compliance with the provisions of the Companies Act, 2013 (“**the Act**”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022; Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023; and SEBI/HO/DDHS/P/CIR/2023/0164 dated October 6, 2023 issued by the Securities and Exchange Board of India (hereinafter collectively referred as “**SEBI Circular**”), the

## Notice of Annual General Meeting

23<sup>rd</sup> Annual General Meeting (“AGM”) of the Company is being conducted through VC/OAVM on Wednesday, July 24, 2024.

2. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the AGM through VC/OAVM Facility and e-Voting during the AGM.
  3. The Explanatory Statement pursuant to Section 102 of the Act setting out the material facts concerning the businesses under Item Nos. 4 to 9 are annexed with this Notice. The Board of Directors of the Company at its meeting held on June 17, 2024 considered that the special businesses under Item Nos. 4 to 9 be transacted at the AGM of the Company.
  4. Institutional / Corporate Shareholders (i.e. other than Individuals / HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution / Authorisation etc., authorising its representative to attend the AGM through VC/OAVM Facility on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [cs.ankushagarwal@gmail.com](mailto:cs.ankushagarwal@gmail.com) with copies marked to the Company at [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com) and to its Registrars and Transfer Agents (“RTA”) at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  5. In terms of the applicable provisions of the Act, SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (“Listing Regulations”) read with the MCA Circulars and SEBI Circular, the Annual Report including Notice of the AGM of the Company will also be available on the website of the Company at <https://www.dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of e-voting agency M/s KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) (“KFin Technologies”) at <https://evoting.kfintech.com>.
  6. Since the AGM will be held through VC/OAVM Facility, the Attendance Slip, Proxy Form and Route Map are not annexed to the Notice.
  7. The Company has appointed KFin Technologies, RTA of the Company, to provide Video Conferencing Facility for the AGM and to act as the attendant enablers for conducting the AGM.
  8. Pursuant to the provisions of the MCA Circulars on convening AGM through VC / OVAM:
    - a. Members can attend the meeting through log in credentials provided to them to connect to Video Conference. Physical attendance of the Members at the Meeting venue is not required.
  - b. Appointment of proxy to attend and cast vote on behalf of the member is not available.
  - c. Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
9. The Members may join the AGM through VC/ OAVM Facility by following the procedure mentioned herein below in the Notice which shall be kept open for the Members from 9:30 A.M. (IST) i.e. 30 (Thirty) minutes before the time scheduled to start the AGM.
  10. Members may note that the VC/OAVM facility, provided by KFin Technologies, allows participation of at-least 1,000 Members on a first-come-first served basis (“FIFO”). The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the AGM without any restriction on account of FIFO principle.
  11. The attendance of the Members (members logins) attending the AGM through VC/ OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  12. Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owners (in case of electronic shareholding) as on the **Cut-off date i.e. Wednesday, July 17, 2024.**
  13. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of the Listing Regulations, as amended, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through e-Voting agency ‘KFin Technologies’.

The Remote e-voting period commences on Sunday, July 21, 2024 (9:00 A.M. IST) and ends on Tuesday, July 23, 2024 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the **Cut-off date i.e., Wednesday, July 17, 2024**, may cast their votes electronically.
  14. **Voting at the AGM:** Members who could not vote through remote e-voting may avail the e-voting system provided at the time of the meeting:
    - a. The e-Voting “Thumb sign” on the left hand corner of the video screen shall be activated upon instructions of the chairman during the AGM proceedings. Shareholders shall click on the same to take them to the “Instapoll” page
    - b. Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions.



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- c. Only those shareholders, who are present in the AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
15. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
16. The SEBI has mandated the submission of Permanent Account Number (“PAN”) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent.
17. Securities of listed companies would be transferred in dematerialised form only w.e.f. April 1, 2019. In view of the same, Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company’s RTA for assistance in this regard.
18. In terms of provisions of Section 152 of the Act, Mr. Shrenik Kumar Champalal retires by rotation at the AGM. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.
19. Relevant details in respect of the Director seeking re-appointment at the AGM, in terms of Regulations 26(4) and 36(3) of the Listing Regulations and Clause 1.2.5 of SS – 2 issued by ICSI are also annexed to this notice.
20. The Board of Directors at its meeting held on May 23, 2024, has recommended a final dividend of Rs 4/- per equity share (including special dividend of Rs 2/- per equity share). The Record date fixed for determining entitlement of Members to pay the final dividend (including special dividend) for the financial year ended March 31, 2024, if approved at the AGM, is Friday, June 14, 2024. The same shall be paid in the following manner:
- a) To all Beneficial Owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, June 14, 2024;
- b) To all Members in respect of shares held in physical form after giving effect to valid transfer/transmission in respect of transfer/transmission requests properly lodged with the Company on or before the close of business hours on Friday, June 14, 2024.
21. Pursuant to the amendments as per the Income Tax Act, 1961 (“the IT Act”) by the Finance Act, 2020, dividend income is taxable in the hands of the shareholders from April 1, 2020 and the Company is required to deduct tax at source (“TDS”) from dividend paid to the Members at prescribed rates in the IT Act. To enable the Company to comply with the TDS requirements, Members are requested to complete and / or update their Residential Status, Income Tax PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company’s Registrar & Share Transfer Agent. A communication providing detailed information & instructions with respect to tax on the final Dividend (including special dividend) for the financial year ended March 31, 2024 is being sent separately to the Members. The said communication will also be made available on the Company’s website.
22. **Compulsory Transfer of Equity Shares to Investor Education and Protection Fund (“IEPF”) Suspense Account:**
- Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), all Equity Shares on which dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred to the Investor Education and Protection Fund (“IEPF”) authority after complying with the procedure laid down under the said Rules. The Company has not declared any dividend in past except in the financial year 2023-24.
- Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).
23. The Securities and Exchange Board of India (“SEBI”) has made it mandatory all the listed entities to use the Bank Account details furnished by the Depositories and the Bank Account details maintained by the RTA for payment of Dividend through National Automated Clearing House (NACH) to investors and Bank details are available. In the absence of NACH facilities, the Company will print the Bank Account details, if available, on the payment instrument for distribution of Dividend. The Company will not entertain any direct request from Members holding shares in electronic mode for deletion / change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participant(s) about such change, with complete details of Bank Account.
24. Shareholders holding the shares in electronic mode may please note that their dividend would be paid through National Automated Clearing House (NACH) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NACH facility, the dividend would be paid through warrants/demand drafts and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants/demand drafts as per the applicable Regulations. For Shareholders who have not updated their bank account details, Dividend Warrants/ Demand Drafts will be sent to their registered addresses

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subject to normalization of the postal services.

25. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in dematerialized form are, therefore requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to RTA.
26. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.
27. Mr. Ankush Agarwal, Partner (Membership No. F9719 & COP No. 14486) or failing him Mr. Satish Kumar Nirankar, Partner (Membership No. F9605 & COP No. 19993) of MAKS & Co., Company Secretaries (FRN P2018UP067700) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and casting of vote through the e-voting system during the AGM in a fair and transparent manner.
28. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the AGM i.e. Wednesday, July 24, 2024.
29. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations> and on the website of KFin Technologies at <https://evoting.kfintech.com>, immediately after the declaration of result by the Chairman or any person authorized by him in writing and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited.
30. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
31. The Company has designated an exclusive Email ID [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com) for redressal of shareholders complaints/grievances and for any investor related queries, you are requested to please write to us at the above Email ID.
32. KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), ("KFin Technologies/RTA"), the Company's Registrar and Transfer Agent will provide the facility for voting through remote e-voting; for participating at the AGM through VC / OAVM and for e-voting during the AGM.
33. Generally, a Member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. Since the AGM is being held through VC / OAVM, physical attendance of Members is dispensed with and consequently, the facility for appointment of proxies is not applicable. Hence proxy forms and attendance slips are not annexed to this Notice.
34. Corporate Members intending to authorise their representatives to attend the meeting pursuant to Section 113 of the Act, are requested to email certified copy of the Board / governing body resolution / authorisation etc. authorising their representatives to attend and vote on their behalf. The documents should be emailed to the Company at [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com) and to Scrutinizer at [cs.ankushagarwal@gmail.com](mailto:cs.ankushagarwal@gmail.com) and a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) with the subject line **XCHANGING SOLUTIONS LIMITED**.
35. SEBI vide circular no. SEBI/HO/MIRSD/POD-1/CIR/2023/193 dated December 27, 2023 extended the last date for submission of 'choice of nomination' for demat accounts to June 30, 2024 failing which demat accounts/folios shall be frozen for debits.  
Further, as provided in Master Circular for all Registrars to an Issue and Share Transfer Agents (RTAs) dated May 07, 2024, the security holders holding securities in physical form whose folio(s) do not have PAN, Choice of Nomination, Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible:-
  - to lodge grievance or avail any service request from the RTA only after furnishing PAN, KYC details and Nomination.
  - for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from April 01, 2024.Further, SEBI, vide circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024, for ease of compliance and investor convenience, the following has been decided for existing shareholders:
  - Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts.
  - Securityholders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these securityholders.
  - Payments including dividend, interest or redemption payment withheld presently by the Listed Companies/ RTAs, only for want of 'choice of nomination' shall be processed accordingly.Those Shareholders who have not complied with all KYC requirements, payment of dividend shall be made electronically only upon furnishing PAN; Contact Details; Mobile Number and Bank Account Details and Specimen signature. The Shareholders may also refer to SEBI FAQs by accessing the Link: [https://www.sebi.gov.in/sebi\\_data/](https://www.sebi.gov.in/sebi_data/)

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[faqfiles/jan-2024/1704433843359.pdf](#) (FAQ No 38 & 39).

For the purpose of updation of KYC details against your folio, you are requested to send the ISR forms to RTA, M/s. KFin Technologies Limited (Unit: Xchanging Solutions Limited), Selenium Tower-B", Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana.

- a. Through hard copies which should be self -attested and dated. OR
- b. Through electronic mode, provided that they are sent through E-mail id of the holder registered with RTA and all documents should be electronically/digitally signed by the Shareholder and in case of joint holders, by first joint holder. OR
- c. Through web- portal of our RTA, M/s KFin Technologies Limited - <https://ris.kfintech.com>

The Shareholders can download the following forms, which are uploaded on the website of the Company and on the website of KFin Technologies Limited- <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>.

- a. Form ISR-1 duly filled in along with self-attested supporting documents for updation of KYC details.
  - b. Form ISR-2 duly filled in for banker attestation of signature along with Original cancelled cheque with your name(s) printed thereon or self-attested copy of bank passbook/statement.
  - c. Form SH-13 for updation of Nomination for the aforesaid folio OR ISR-3 for "Opt-out of the Nomination.
36. As per the provisions of Section 72 of the Companies Act, 2013 and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at <https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>. Members are requested to submit the said details to their Depository Participant in case the shares are held by them in dematerialized form and to KFin Technologies in case the shares are held in physical form.

### DISPATCH OF ANNUAL REPORT, PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF NOTICE AND ANNUAL REPORT:

1. In accordance with the provisions of the MCA and SEBI circulars, the AGM Notice along with the Annual Report are being sent through email only to Members whose email IDs are registered with KFin Technologies; National Securities Depository Limited ("NSDL") and / or Central Depository Services (India) Limited ("CDSL") (collectively referred to as Depositories or NSDL / CDSL). In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2023-24 and Notice of the 23<sup>rd</sup> AGM of the Company, may send request to the Company's email

address at [xchangingcompliance@dxc.com](mailto:xchangingcompliance@dxc.com) mentioning Folio No./ DP ID and Client ID

2. The AGM Notice and the Annual Report are available on the Company's website <https://www.dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>, the website of KFin Technologies <https://evoting.kfintech.com> and also on those of the BSE Limited [www.bseindia.com](http://www.bseindia.com) and the National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com).
3. Members who have still not registered their email IDs are requested to do so at the earliest.
  - Members holding shares in electronic mode can get their email ID registered by contacting their respective Depository Participant.
  - Members holding shares in physical mode are requested to register their email ID with the Company or KFin Technologies, for receiving the AGM Notice and Annual Report. Requests can be through email or by logging into <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.

We urge Members to support this Green Initiative effort of the Company and get their email ID registered.

### PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of the AGM at <https://emeetings.kfintech.com/> by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM.

Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the AGM Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

2. Members may join the AGM through laptops, smartphones, tablets or ipads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox.

Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

Members will be required to grant access to the web-cam to enable two-way video conferencing.

3. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM. Members will be able to participate in the AGM through VC / OAVM on a first-come-first-serve basis.

Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not



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be subject to the aforesaid restriction of first-come first-serve basis.

4. Institutional Members are encouraged to participate at the AGM through VC / OAVM and vote thereat.
5. Members, holding shares as on the **Cut-off date i.e. Wednesday, July 17, 2024** and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers at <https://emeetings.kfintech.com> and clicking on "Speaker Registration" during the period from Friday, July 19, 2024 (9:00 AM IST) to Saturday, July 20, 2024 (5:00 PM IST). Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.  
Alternatively, Members holding shares as on the cut-off date may also visit <https://emeetings.kfintech.com> and click on the tab 'Post Your Queries' and post their queries / views / questions in the window provided, by mentioning their name, demat account number / folio number, email ID and mobile number. The window will close at 5.00 p.m. (IST) on Saturday, July 20, 2024.
6. Members who need assistance before or during the AGM, relating to use of technology, can contact KFin technologies at 1800 309 4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).

### PROCEDURE FOR REMOTE E-VOTING AND VOTING DURING THE AGM:

1. Members are requested to attend and participate at the ensuing AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during AGM.
2. The facility of e-voting during the AGM will be available to those Members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the AGM through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a Member casts votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
3. In case of any query and / or assistance required, relating to attending the AGM through VC / OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC / OAVM' user manual available at the download section of <https://evoting.kfintech.com> or contact Mr. Anandan K, Manager, KFin Technologies at the email ID [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFin Technologies's toll free No.: 1800 309 4001 for any further clarifications / technical assistance that may be required.

4. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 relating to 'e-voting Facility provided by Listed Entities' ("SEBI e-voting Circular"), the Company is pleased to provide to Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means through e-voting services arranged by KFin Technologies. Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ("remote e-voting").
5. The remote e-voting period commences on **Sunday, July 21, 2024 (9:00 A.M. IST)** and ends on **Tuesday, July 23, 2024 (5:00 P.M. IST)**. During this period, Members of the Company holding shares either in physical form or in demat form, as on the **Cut-off date i.e. Wednesday, July 17, 2024** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFin Technologies for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
6. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
7. Any person holding shares in physical form and non-individual shareholders holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). In case they are already registered with KFin Technologies for remote e-voting, they can use their existing User ID and password for voting.
8. In terms of SEBI e-voting Circular, e-voting process has been enabled for all 'individual demat account holders', by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participant(s) ("DP").
9. Individual Members having demat account(s) would be able to cast their vote without having to register again with the E-voting Service Provider ("ESP") i.e. KFin Technologies, thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access the e-voting facility.
10. The process and manner for remote e-voting and joining and voting at the AGM are explained below:

**Step 1** : Access to Depositories e-voting system in case of individual Members holding shares in demat mode.

**Step 2** : Access to KFin Technologies e-voting system in case of Members holding shares in physical and non-individual Members in demat mode.





**Step 3** : Access to join the AGM on KFin Technologies system and to participate and vote thereat.



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Details on Step 1 are mentioned below:

## I) Login for remote e-voting for Individual Members holding equity shares in demat mode.

Type of Member	Login Method
Individual Members holding securities in demat mode with NSDL	<p><b>Existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</b></p> <ol style="list-style-type: none"> <li>1. Visit the e-services website of NSDL <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile.</li> <li>2. On the e-services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. Thereafter enter the existing user id and password.</li> <li>3. After successful authentication, Members will be able to see e-voting services under ‘Value Added Services’. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed.</li> <li>4. Click on company name i.e. ‘Xchanging Solutions Limited’ or e-voting service provider i.e. KFin Technologies.</li> <li>5. Members will be re-directed to KFin Technologies website for casting their vote during the remote e-voting period and voting during the AGM.</li> </ol> <p><b>Those not registered under IDeAS:</b></p> <ol style="list-style-type: none"> <li>1. Visit <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> for registering.</li> <li>2. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3. Visit the e-voting website of NSDL <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>.</li> <li>4. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open.</li> <li>5. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen.</li> <li>6. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>7. Click on company name i.e Xchanging Solutions Limited or e-voting service provider name i.e KFin Technologies after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the AGM.</li> <li>8. Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>     <b>Google Play</b></p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. <b>Existing user who have opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:</b> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Click on New System Myeasi.</li> <li>iii. Login to MyEasi option under quick login.</li> <li>iv. Login with the registered user ID and password.</li> <li>v. Members will be able to view the e-voting Menu.</li> <li>vi. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication.</li> </ol> </li> <li>2. <b>User not registered for Easi / Easiest</b> <ol style="list-style-type: none"> <li>i. Visit <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> for registering.</li> <li>ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc.</li> <li>iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote.</li> </ol> </li> </ol>

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	<p><b>3. Alternatively, by directly accessing the e-voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>Provide Demat Account Number and PAN</li> <li>System will authenticate user by sending OTP on registered mobile and email as recorded in the Demat Account.</li> <li>After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'Xchanging Solutions Limited' or select KFin Technologies.</li> <li>Members will be re-directed to the e-voting page of KFin Technologies to cast their vote without any further authentication.</li> </ol>
Individual Members login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> <li>Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.</li> <li>Once logged-in, Members will be able to view e-voting option.</li> <li>Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.</li> <li>Click on options available against Xchanging Solutions Limited or KFin Technologies.</li> <li>Members will be redirected to e-voting website of KFin Technologies for casting their vote during the remote e-voting period without any further authentication.</li> </ol>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

### **Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:**

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

### **Details on Step 2 are mentioned below:**

#### **II) Login method for e-voting for Members other than Individual Members holding shares in demat mode and Members holding securities in physical mode.**

(A) Members whose email IDs are registered with the Company / Depository Participant(s), will receive an email from KFin Technologies which will include details of e-voting Event Number (EVEN), USER ID and password.

They will have to follow the following process:

- Launch internet browser by typing the URL: <https://evoting.kfintech.com>
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a Member is registered with KFin Technologies for e-voting, they can use their existing User ID and password for casting the vote.
- After entering these details appropriately, click on "LOGIN".
- Members will now reach password change Menu wherein they are required to mandatorily change

- the password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt the Member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that Members do not share their password with any other person and that they take utmost care to keep their password confidential.
- Members would need to login again with the new credentials.
  - On successful login, the system will prompt the Member to select the "EVEN" i.e., 'Xchanging Solutions Limited - AGM' and click on "Submit"
  - On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, a Member may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed the total shareholding as mentioned herein above. A Member may also choose the option ABSTAIN. If

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- a Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
  - ix. Voting has to be done for each item of the notice separately. In case a Member does not desire to cast their vote on any specific item, it will be treated as abstained.
  - x. A Member may then cast their vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once a Member has voted on the resolution(s), they will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

### Details on Step 3 are mentioned below:

#### III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-voting during the meeting.

- i. Members will be able to attend the AGM through VC / OAVM platform provided by KFin Technologies. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company / KFin Technologies.
- ii. After logging in, click on the Video Conference tab and select the EVEN of the Company.
- iii. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that Members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above.

#### Other Instructions:

- I. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- II. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. **Wednesday, July 17, 2024**.
- III. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. **Wednesday, July 17, 2024** may obtain the User ID and Password in the manner as mentioned below:
  - a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD<space>E-voting Event Number + Folio No. or DP ID Client ID to +91 9212993399

Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>1402345612345678

Example for Physical: MYEPWD<SPACE>XXX1234567890

- b. If email ID of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c. Members may call KFin Technologies toll free number 1800 309 4001.
  - d. Members may send an email request to: [evoting@kfintech.com](mailto:evoting@kfintech.com). If the Member is already registered with the KFin Technologies e-voting platform then such Member can use his / her existing User ID and password for casting the vote through remote e-voting.
- IV. The Board of Directors has appointed M/s. MAKS & CO., Company Secretaries (FRN : P2018UP067700), as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
- V. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC / OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform and no separate login is required for the same.
- VI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations> and on the website of KFin Technologies at <https://evoting.kfintech.com>, immediately after the declaration of result by the Chairman or any person authorized by him in writing and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited.
- VII. Procedure for Registration of email and Mobile: securities in physical mode
- Physical shareholders are hereby notified that SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.
- ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx>
- ISR Form(s) and the supporting documents can be provided by any one of the following modes.
- a) Through 'In Person Verification' (IPV): the authorized

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person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or

- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name : KFIN Technologies Limited

Address : Selenium Building, Tower-B,  
Plot No 31 & 32, Financial District,  
Nanakramguda, Serilingampally,  
Hyderabad, Rangareddy,  
Telangana India - 500 032.

- c) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

By Order of the Board of Directors  
For **Xchanging Solutions Limited**

**Place:** Delhi  
**Date:** June 17, 2024

**Mayank Jain**  
Company Secretary  
Membership No: A26620

**Registered office: -**  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru 560 100,  
Karnataka, India



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### **EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (“the Act”), sets out all material facts relating to the special businesses mentioned in the accompanying Notice June 17, 2024:

#### **ITEM NO. 4:**

The Board based on the recommendation of the Nomination & Remuneration Committee at its meeting held on May 23, 2024 has re-appointed Mr. Nachiket Vibhakar Sukhtankar as Managing Director & CEO of the Company for a further period of three years w.e.f. August 13, 2024 on the terms and remuneration set out hereunder, subject to the approval of the Shareholders of the Company.

Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377) is the Managing Director of one of the Promoter Companies i.e. DXC Technology India Private Limited from where he draws his remuneration. He will not receive any remuneration from the Company as its Managing Director & CEO. Mr. Nachiket Vibhakar Sukhtankar was appointed as the Managing Director of DXC Technology India Private Limited on August 10, 2020.

Considering the rich experience of Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377) and the benefit which the Company may have from his insights and global perspective, the Nomination & Remuneration Committee along with the Board recommends his re-appointment as Managing Director & CEO of the Company for a period of 3 years with effect from August 13, 2024 upto August 12, 2027. He shall be liable to retire by rotation.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Nachiket Vibhakar Sukhtankar for the office of Director of the Company.

The disclosure relating to the Directors seeking re-appointment/appointment are furnished pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2 are provided after item no. 5 in the Notice.

Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377) is not disqualified from being appointed as a Director in terms of Section 164 of the Act, nor debarred from holding the office of Director by virtue of any SEBI order or any other such authority and has given his consent for the said re-appointment. The terms as set out in the Resolution and explanatory statement may be treated as an abstract of the terms of appointment pursuant to Section 196 of the Act.

Accordingly, it is proposed to seek Members’ approval for the re-appointment of Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377) as a Managing Director cum Chief Executive Officer of the Company under Item No. 4 as a Special Resolution.

Except Mr. Nachiket Vibhakar Sukhtankar (DIN: 08778377), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board of Directors accordingly recommends the Special Resolution as set out at Item No. 4 of the Notice for the approval of the members.

#### **ITEM NO. 5:**

The members are informed that Mrs. Gidugu Kalpana Tataavarti resigned as Director from the Board of Directors of the Company on June 5, 2024. With her resignation, the total number of directors on Board reduce to five. As per Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Top 2000 listed entities, the Board shall comprise of not less than six directors. Therefore, the Company needs to appoint one more director on its Board.

The members are further informed that based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”), Regulation 17 and other applicable Regulations Listing Regulations and the Articles of Association of the Company, has appointed Mr. Kartik Ganapathy Iyer (DIN: 09318280) as an Additional Director (Non-Executive Non-Independent Director) of the Company with effect from June 17, 2024 who shall hold office up to the Annual General meeting.

The Company has received from Mr. Kartik Ganapathy Iyer (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Act. He is also not debarred from holding the office of a director by virtue of any SEBI order or any other Authority.

Further, Mr. Kartik Ganapathy Iyer shall not be eligible for any remuneration by way of fee for attending meeting(s) of the Board or Committees thereof. However, he shall be eligible for reimbursement of expenses, if any, for participating in the Board and other Meetings.

The Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of director of the Company. The Nomination and Remuneration Committee of the Board of Directors as well as the Board of Directors has recommended his appointment as a director of the Company, liable to retire by rotation.

The disclosure relating to the Directors seeking re-appointment/appointment are furnished pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2 and are provided after item no. 5 in the Notice.

Except Mr. Kartik Ganapathy Iyer, being the appointee, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way financially or otherwise, concerned or interested, in the said resolution, except to the extent of their shareholding, if any.

The Board of Directors of the Company recommends the resolution set out in Item No. 5 in the accompanying Notice for approval by the Members as an Ordinary Resolution.

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### ADDITIONAL INFORMATION

Information as required in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India for Item Nos. 3, 4 and 5:

Name of the Director	Mr. Shrenik Kumar Champalal	Mr. Nachiket Vibhakar Sukhtankar	Mr. Kartik Ganapathy Iyer																						
DIN	08099410	08778377	09318280																						
Date of Birth	February 1, 1976	June 26, 1968	November 17, 1979																						
Nationality	Indian	Indian	Indian																						
Age	48 years	55 years	45 years																						
Date of first appointment on the Board	March 31, 2018	August 13, 2021	June 17, 2024																						
Qualification	Shrenik is a Chartered Accountant	Nachiket holds a master's degree in economics from Northwestern University and a bachelor's degree in electrical engineering, as well as economics and business, from Lafayette College	Kartik holds following degrees <ul style="list-style-type: none"> <li>Harvard business school (HBS) certification on 'Disruptive Strategies'.</li> <li>Post Graduate Diploma in Business Administration (Finance)- Indian Education Society, Mumbai.</li> <li>Masters of Commerce (Accounting)- University of Mumbai.</li> </ul>																						
Relationship with other directors, managers and key managerial personnel	Shrenik is a CFO of the Company. He has been appointed in the following DXC group of Companies: - <table border="1" data-bbox="348 907 756 1101"> <thead> <tr> <th>Name of Company</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Xchanging Technology Services India Private Limited</td> <td>Director</td> </tr> <tr> <td>Xchanging Builders India Private Limited</td> <td>Director</td> </tr> </tbody> </table>	Name of Company	Designation	Xchanging Technology Services India Private Limited	Director	Xchanging Builders India Private Limited	Director	Nachiket has been appointed in the following DXC group of Companies: - <table border="1" data-bbox="769 879 1153 1274"> <thead> <tr> <th>Name of Company</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>DXC Technology India Private Limited</td> <td>Managing Director</td> </tr> <tr> <td>Computer Sciences Corporation India Private Limited</td> <td>Director</td> </tr> <tr> <td>Xchanging Builders (India) Private Limited</td> <td>Director</td> </tr> <tr> <td>Xchanging Technology Services India Private Limited</td> <td>Director</td> </tr> <tr> <td>UXC India IT Services Private Limited</td> <td>Director</td> </tr> </tbody> </table>	Name of Company	Designation	DXC Technology India Private Limited	Managing Director	Computer Sciences Corporation India Private Limited	Director	Xchanging Builders (India) Private Limited	Director	Xchanging Technology Services India Private Limited	Director	UXC India IT Services Private Limited	Director	Kartik has been appointed in the following DXC group of Companies: - <table border="1" data-bbox="1166 879 1547 983"> <thead> <tr> <th>Name of Company</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>EIT Services India Private Limited</td> <td>Director</td> </tr> </tbody> </table>	Name of Company	Designation	EIT Services India Private Limited	Director
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UXC India IT Services Private Limited	Director																								
Name of Company	Designation																								
EIT Services India Private Limited	Director																								
Details of remuneration drawn (during financial year 2023-24)	Rs. 54 lakhs	Nil	NA																						
Details of remuneration sought to be paid	NA	He will not be paid any remuneration from the Company.	He will not be paid any remuneration from the Company.																						
Brief Resume and expertise in specific functional areas/ experience	Shrenik is a Chartered Accountant with over 23 years of progressive and successful experience in Finance, Controllership, Reporting & technical accounting advisory role in various countries. He has a strong background in corporate finance, financial and statutory reporting, auditing, controllership along with expertise in International and Indian accounting standards. He has acquired valuable international experience working with management and business cultures in Canada, UAE and UK. He is an exceptional leader, motivator, and team builder who is goal-oriented and excels in a fast-paced, high-pressure environment. He is well-versed in driving the strategic vision, developing strategic budgetary plans, aligning financial performance to goals, budgets, and forecasts, as well as identifying and mitigating financial risks.	Nachiket brings over 30 years of experience in business strategy, management and leadership at both the regional and global levels. He has worked in the technology and IT services sector with TCS, Infosys and, most recently, Accenture. His expertise on driving efficiencies, performance and satisfaction while delivering innovative technology solutions to customers. He drives to improve business leadership and competitive position of the company and helps to define and implement the company's global delivery and innovation center strategy, in support of DXC's focus on the enterprise technology stack.	Kartik heads Global Delivery Network Business Operations across India, Philippines, Eastern Europe and Vietnam which is the largest group of DXC. He is responsible for resource management, demand/supply, talent transformation to name a few. Prior to joining DXC, he was with Accenture for 16 years supporting Technology business across geographies. He was Business Finance lead for India Technology Centre which was the biggest geography for Accenture. He has experience of setting up a new Technology centres in Lativa, Mexico, Spain and Morocco.																						

## Notice of Annual General Meeting

Name of the Director	Mr. Shrenik Kumar Champalal		Mr. Nachiket Vibhakar Sukhtankar		Mr. Kartik Ganapathy Iyer	
	He has actively participated in the development of the various corporate strategic plans. He has contributed significantly to the development and management of the various financial controls. He has led financial reporting integration and automation projects in various countries.  He worked with Companies like P&O ports, Lovelock & Lewes (PwC) and Dubai International Capital LLC prior to joining Xchanging.				He ran finance operations as Regional lead for 32 delivery centres across Europe, North and Latin America. He was also based in Philippines and Europe leading projects in the areas of cost competitiveness, demand and supply and infrastructure.	
Terms and Conditions of appointment	NA		Stated in the Resolution		Stated in the Resolution	
Directorships held in other Companies (Including Listed Companies)	<ul style="list-style-type: none"> <li>Xchanging Technology Services India Private Limited</li> <li>Xchanging Builders India Private Limited</li> <li>Xchanging Solutions Limited</li> </ul>		<ul style="list-style-type: none"> <li>Xchanging Technology Services India Private Limited</li> <li>Xchanging Builders India Private Limited</li> <li>Xchanging Solutions Limited</li> <li>Computer Sciences Corporation India Private Limited</li> <li>UXC India IT Services Private Limited</li> <li>DXC Technology India Private Limited</li> </ul>		<ul style="list-style-type: none"> <li>EIT Services India Private Limited</li> <li>Xchanging Solutions Limited</li> </ul>	
Chairman/Member (Other than Xchanging Solutions Ltd.) of:	Chairman	Member	Chairman	Member	Chairman	Member
Audit Committee	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders' Grievances Committee	Nil	Nil	Nil	Nil	Nil	Nil
Membership / Chairmanship in Committees of Xchanging Solutions Limited	<ol style="list-style-type: none"> <li>Stakeholders Relationship Committee-Member</li> <li>Corporate Social Responsibility Committee-Member</li> <li>Audit Committee- Member</li> <li>Risk Management Committee - Chairman</li> </ol>		<ol style="list-style-type: none"> <li>Risk Management Committee – Member</li> </ol>		<ol style="list-style-type: none"> <li>Stakeholders Relationship Committee-Member</li> <li>Corporate Social Responsibility Committee-Member</li> <li>Nomination and Remuneration Committee - Member</li> </ol>	
Name of listed entities from which she/he has resigned in the past three years	Nil		Nil		Nil	
Number of shares held in Xchanging Solutions Limited including shareholding as a beneficial owner	1		Nil		Nil	
Percentage of shareholding	Nil		Nil		Nil	
No. of Board Meetings attended during FY 2023-24.	6		6		NA	

### ITEM NO. 6, 7 and 8

#### 1. Brief Background of related parties involved in proposed related party transaction:

**Xchanging Solutions (USA), Inc. (“XSUI”)-** XSUI was incorporated as a LLC on February 14, 2000 and was converted to Corporation on June 29, 2001. XSUI is a material wholly owned subsidiary of Xchanging Solutions Limited (“the Company”). XSUI is an Information Technology (IT) services provider with operations in United States of America.

**DXC Technology Services LLC (“DXC USA”)-** DXC USA was formed on July 18, 2017 under the laws of the state of Delaware in the United States of America. DXC USA is an IT consulting and technology services company.

**Xchanging Technology Services India Private Limited (“XTSI”)-** XTSI was incorporated on March 24, 1998, provides Information Technology Enabled Services and Information Technology Services across various Industries. XTSI is the promoter of the Company and holds 19.16% of the paid up share capital of the Company.



## Notice of Annual General Meeting

**CSC Covansys Corporation (“CSC”)-** CSC Covansys was incorporated on February 22, 1985 under the laws of the state of Michigan. CSC Covansys is an IT consulting and technology services company.

### 2. Regulatory Provisions regarding proposed related party transaction:

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**Listing Regulations**”), all material related party transactions of the Company and its subsidiary require prior approval of the members of the Company through ordinary resolution.

In accordance with Regulation 23 of the Listing Regulations, “Material Related Party Transaction” means any

transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 Crores or 10% of the consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

### 3. Proposed related party transactions.

As the value of transaction(s) may exceed the materiality threshold limit, as provided under the Listing Regulations, your approval is being sought for the Related Party Transactions as set out in the resolution for the financial year 2024-25.

On account of these transactions, XSUI will be benefitted by consistent flow of desired quality and quantity of services and generation of revenue and business.

The details as required under Regulation 23(4) of the Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 (“SEBI Circular”) are set forth below:

S.No.	Description	Details for Item No. 6	Details for Item No. 7	Details for Item No. 8
<b>1</b>	<b>Details of summary of information provided by the Management to the Shareholders</b>			
a	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	The material related party transaction is between : Xchanging Solutions (USA), Inc., (“ <b>XSUI</b> ”), Material Wholly Owned Subsidiary of Xchanging Solutions Limited (“ <b>the Company</b> ”). and DXC Technology Services LLC, (one of the group company/related party of the Company/XSUI) ( <b>DXC, USA</b> )	The material related party transaction is between : Xchanging Solutions (USA), Inc., (“ <b>XSUI</b> ”), Material Wholly Owned Subsidiary of Xchanging Solutions Limited (“ <b>the Company</b> ”). and Xchanging Technology Services India Private Limited, (one of the group company/related party of XSUI/ Promoter of the Company) ( <b>XTSI</b> )	The material related party transaction is between : Xchanging Solutions (USA), Inc., (“ <b>XSUI</b> ”), Material Wholly Owned Subsidiary of Xchanging Solutions Limited (“ <b>the Company</b> ”). and CSC Covansys Corporation, (one of the group company/related party of the Company/XSUI) ( <b>CSC</b> )
b	Name of the Director or Key Managerial Personnel who is related, if any	None of the Directors or Key Managerial Personnel of XSUI and DXC, USA are interested in this transaction.	None of the Directors or Key Managerial Personnel of XSUI and XTSI are interested in this transaction.	Ceyhun Cetin and Christopher Voci are common directors in XSUI and CSC.
c	Type, material terms and particulars of the proposed transaction	Type of Transaction 1: XSUI avails information related services and allied services from DXC, USA. Amount: up to Rs. 23 crores. Type of Transaction 2: XSUI provides information related services and allied services to DXC USA. Amount: up to Rs. 1 crore.	Type of Transaction XSUI avails information related services and allied services from XTSI. Amount: up to Rs. 23 crores.	Type of Transaction XSUI avails information related services and allied services from CSC. Amount: up to Rs. 23 crores.
d	Tenure of the proposed transaction	This approval is being taken for FY 2024-25.	This approval is being taken for FY 2024-25.	This approval is being taken for FY 2024-25.
e	Value of proposed transaction	Refer point no. 1 (c) of this table.	Refer point no. 1 (c) of this table.	Refer point no. 1 (c) of this table.
f	Percentage of annual consolidated turnover of the Company considering FY 2024 as the immediately preceding financial year	13.79%	13.22%	13.22%
g	Percentage of subsidiary’s (XSUI) turnover considering FY 2024 as the immediately preceding financial year	17.91%	17.16%	17.16%

## Notice of Annual General Meeting

S.No.	Description	Details for Item No. 6	Details for Item No. 7	Details for Item No. 8
2	Justification for the proposed transaction as to why the transaction is in the interest of the Company	Refer para 'Proposed related party transaction' of the explanatory statement mentioned above.		
3	Details of proposed transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary			
a	details of the source of funds in connection with the proposed transaction	Not Applicable		
b	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments. nature of indebtedness; cost of funds; and- tenure			
c	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security			
d	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.			
4	Arm's length pricing and valuation or other external party report, if any such report has been relied upon	The pricing mechanism followed for RPTs shall be based on arm's length principle. Also these RPTs are in the ordinary course of business. Valuation Report and/or other external report, if applicable, would be obtained and relied upon.		
5	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	–	–	–
6	Any other information that may be relevant.	All important information forms part of this explanatory statement setting out material facts of the proposed related party transaction.		

Based on the relevant details provided by the management, the Independent Directors of the Audit Committee of the Company and the Board of Directors, have at their respective meetings held on May 23, 2024, reviewed and approved the said proposed transaction, while noting that such transaction shall be at arms' length basis and in the ordinary course of business.

Members may note that in terms of the provisions of Regulation 23(4) of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), are not permitted to vote to approve the resolution under Item No. 6, 7 and 8 of the accompanying Notice.

None of the Directors, Key Managerial Personnel or any of their relative, is in anyway, concerned or interested, financially or otherwise, in the above resolution, except to the extent of their respective shareholding in the Company, if any.

Further, Mr. Henry D'Souza, an independent director of the Company, also holds the position of the independent director on the Board of XSUI.

Your Directors, therefore, recommend the resolution for your approval by way of an Ordinary Resolution set out at Item no. 6, 7 and 8 of the accompanying Notice.

### ITEM NO. 9

#### 1. **Brief Background of related parties involved in proposed related party transaction.**

**Xchanging Solutions (USA), Inc. ("XSUI")**- XSUI was incorporated as an LLC on February 14, 2000 and was converted to Corporation on June 29, 2001. XSUI is a material wholly owned subsidiary of Xchanging Solutions Limited ("**the Company**"). XSUI is an information technology (IT) services provider with operations in United States of America.

**Computer Sciences Corporation ("CSC USA")**- CSC, USA was incorporated on April 16, 1959 under the laws of the state of Nevada in the United States of America. CSC, USA is a global provider of information technology and professional services and solutions. Since CSC, USA was founded in 1959, CSC, USA has helped its clients develop and integrate information technology assets in support of operational efficiency, new growth initiatives and other business objectives. CSC, USA is an intermediate holding Company of the Company and XSUI.

DXC Technology Company, USA ("**DXC**") is the ultimate holding Company of XSUI, CSC USA and the Company.

## Notice of Annual General Meeting

### 2. **Regulatory Provisions regarding proposed related party transaction:**

In terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**Listing Regulations**”), all material related party transactions of the Company and its subsidiary require prior approval of the members of the Company through ordinary resolution.

In accordance with Regulation 23 of the Listing Regulations, “Material Related Party Transaction” means any transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 Crores or 10% of the consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

### 3. **Proposed related party transaction.**

The members are informed that CSC USA owns economic rights for using DXC brand in USA. CSC USA charges Royalty by way of Service Mark License fees through Service Mark License Agreement to DXC group of companies in USA for using DXC brand. The Royalty is charged at 1% of the revenue.

Further, CSC USA charges Royalty by way of Global Network Intangibles fees through Master International Licensing Agreement to DXC group of companies for using Intangibles rights which includes providing market strategies and business models, relationships with key business partners, tools, technical data and other know-how related to standardized solutions and offerings, methodologies, and processes. The Royalty is charged at 2% of the revenue.

The members are informed that the Royalty by way of Service Mark License fees is to be paid @ 1% of the revenue of Xchanging Solutions (USA), Inc., (“**XSUI**”) to CSC USA for using DXC brand and Royalty by way of Global Network Intangibles fees is to be paid @ 2% of the revenue of XSUI to CSC USA for using Intangibles rights.

Through the Global Network Intangibles (“**GNI**”), XSUI has access to tools, processes, technologies, know-how, etc. that are developed by DXC/CSC USA: Worldwide Services Offerings, Strategic Partners/Global Partner Ecosystem, several teams in Delivery Enablement (Technology, Strategy & Innovation, Innovation & Automation, and Enabling Delivery and Global Excellence (“**EDGE**”)), and Global Pricing. In summary, these tools/resources allow XSUI to leverage knowledge to turn around higher quality sales proposals and delivery executions in less time and at reduced cost.

If XSUI did not have a standard set of tools and processes, the pursuit team would need to create a customized solution for the customer from scratch each time, which would result in a long turnaround time for the bid process and a material investment to determine specifically what services will be

performed, where will the performance of those services be delivered (e.g., onshore service or offshore services in low-cost locations) and the expected cost to provide those services. Furthermore, not having and deploying the tools and processes of the GNI consistently across the DXC Group puts DXC’s work at risk of not meeting the required quality standards and failing to deliver a certain output. XSUI would not otherwise have access to these intangibles if CSC USA did not invest in them, and would either have to employ its own resources or contract another party to create the same resources.

Through the DXC Brand, XSUI benefits from standardized marketing tools and resources, as well as the DXC name and reputation, that the Global Marketing and Communications team develops and maintains. These resources include sales and marketing materials that are developed by the global marketing team and refined by the regional and market specific teams, media campaigns implemented by regional teams, targeted marketing efforts towards strategic accounts, and global brand sponsorships that create more market awareness of the DXC brand. Currently active high-profile sponsorships include those with Manchester United and Scuderia Ferrari. XSUI would not otherwise have access to these resources and benefit from enhanced brand recognition if CSC USA did not make these investments, and would either have to employ its own resources or contract another entity to create the same resources and level of market awareness.

It may be noted royalty charges apply only to the revenue realized from third parties. In other words Royalty will not be charged on Inter-company revenue.

The members are informed that that XSUI took a loan of USD 12,500,000 from CSC USA after the shareholders of Xchanging Solutions Limited (“the Company”) approved the same. The shareholders’ approval was obtained through postal ballot dated November 14, 2023 and the same was passed on December 20, 2023.

The members are informed that payment of royalty along with payment of interest and loan repayment (which is payable on demand) by XSUI to CSC USA may exceed 10 % of the consolidated turnover of the Company. As the value of transaction(s) may exceed the materiality threshold limit, as provided under the Listing Regulations, your approval is being sought for the Related Party Transactions as set out in the resolution for the financial year 2024-25.

On account of these transactions, XSUI will be benefitted by consistent flow of desired quality and quantity of services and generation of revenue and business.

The details as required under Regulation 23(4) of the Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 (“SEBI Circular”) are set forth below:

## Notice of Annual General Meeting

S. No.	Description	Details
<b>Details of summary of information provided by the Management to the Shareholders</b>		
1		
a	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	The material related party transaction is between : Xchanging Solutions (USA), Inc., (“ <b>XSUI</b> ”), Material Wholly Owned Subsidiary of Xchanging Solutions Limited (“ <b>the Company</b> ”). and Computer Science Corporation, USA (“ <b>CSC USA</b> ”). CSC USA is the intermediate holding company of the Company and XSUI as well as one of the group company/related party of the Company/XSUI.
b	Name of the Director or Key Managerial Personnel who is related, if any	None of the Directors or Key Managerial Personnel of XSUI and CSC USA are interested in this transaction.
c	Type, material terms and particulars of the proposed transaction	Royalty by way of Service Mark License fees is to be paid @ 1% of the revenue of XSUI to CSC USA for using DXC brand.  Royalty by way of Global Network Intangibles fees is to be paid @ 2% of the revenue of XSUI to CSC USA for using Intangibles rights.  It may be noted royalty charges apply only to revenue realized from third parties. In other words Royalty will not be charged on Inter-company revenue.  Transaction will be done on an arm’s length terms and in compliance with international transfer pricing regulations, as applicable.
d	Tenure of the proposed transaction	From April 1, 2024 to March 31, 2029
e	Value of proposed transaction	Refer point no. 1 (c) of this table.
f	Percentage of annual consolidated turnover of the Company considering FY 2024 as the immediately preceding financial year	~2.39%
g	Percentage of subsidiary’s turnover considering FY 2024 as the immediately preceding financial year	~3.00%
2	Justification for the proposed transaction as to why the transaction is in the interest of the Company	Refer para ‘Proposed related party transaction’ of the explanatory statement mentioned above.
3	Details of proposed transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	
a	details of the source of funds in connection with the proposed transaction	Not applicable
b	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments.- nature of indebtedness;- cost of funds; and- tenure	
c	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	
4	Arm’s length pricing and valuation or other external party report, if any such report has been relied upon	The pricing mechanism followed for RPTs shall be based on arm’s length principle. Valuation Report and/or other external report, if applicable, would be obtained and relied upon.

## Notice of Annual General Meeting

S. No.	Description	Details
5	Percentage of counterparty's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
6	Any other information that may be relevant.	All important information forms part of this explanatory statement setting out material facts of the proposed related party transaction.

Based on the relevant details provided by the management, the Independent Directors of the Audit Committee of the Company and the Board of Directors, have at their respective meetings held on June 17, 2024, reviewed and approved the said proposed transaction, while noting that such transaction shall be at arms' length basis.

Members may note that in terms of the provisions of Regulation 23(4) of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) are a party to the aforesaid transactions or not), are not permitted to vote to approve the resolution under Item No. 9 of the accompanying notice.

None of the Directors, Key Managerial Personnel or any of their relative, is in anyway, concerned or interested, financially or otherwise, in the above resolution, except to the extent of their respective shareholding in the Company, if any.

Further, Mr. Henry D'Souza, an Independent Director of the Company, also holds the position of Independent Director on the Board of XSUI.

Your Directors, therefore, recommend the resolution for your approval by way of an Ordinary Resolution set out at Item no. 9 of the accompanying Notice.

By Order of the Board of Directors  
For **Xchanging Solutions Limited**

**Place:** Delhi  
**Date:** June 17, 2024

**Mayank Jain**  
Company Secretary  
Membership No: A26620

**Registered office: -**  
HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru 560 100,  
Karnataka, India

## Shareholder Information

### **XCHANGING SOLUTIONS LIMITED**

**Registered office:**

HP Avenue, 39/40, Electronic City,  
Hosur Main Road, Bengaluru 560 100,  
Karnataka, India  
T +91 80 6972 9602

For Corporate reports and Company News, visit our website at:

<https://dxc.com/in/en/about-us/xchanging-solutions-limited-investor-relations>

### **STOCK EXCHANGES**

Company is listed on the following stock exchanges (Ticker Symbol: XCHANGING)

BSE (BSE Limited)

NSE (National Stock Exchange of India Limited)

### **Safe Harbor Statement**

Certain statements in this document are forward looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services, including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns in fixed price, fixed time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, etc. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

If undelivered please return to:

**XCHANGING SOLUTIONS LIMITED**

CIN: L72200KA2002PLC030072

HP Avenue, 39/40, Electronic City,

Hosur Main Road, Bengaluru 560100,

Karnataka, India

Phone : +91 80 6972 9602