



XSL/SE/2017

December 7, 2017

The Asst. Vice President,
National Stock Exchange of India
Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
Fax :No. 022 - 26598237/8
Scrip Code: XCHANGING

Department of Corporate
Services - CRD
BSE Limited,
Floor 25, Phiroze Jeejeebhoy
Towers,
Dalal Street, Mumbai - 400
001
Fax No. 022 - 22723121
Scrip Code: 532616

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

CIN: L72200KA2002PLC030072
Registered Office: SJR I-Park, Plot No. 13,
14, 15 EPIP Industrial Area, Phase 1,
Whitefield, Bangalore, Karnataka - 560 066
India
T +91.(0)80.30540000
F +91.(0)80.41157394
www.dxc.technology

Sub: Outcome of the Board Meeting
Ref: Regulation 30, 33 & other applicable Regulations of SEBI (Listing
Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam

This is to inform you that the Board of Directors of the Company at their
meeting held today, December 7, 2017, have *inter-alia* considered and
approved:

1. Unaudited standalone financial results of the Company for the
quarter and six months ended 30th September, 2017.


We are enclosing herewith the copy of the unaudited financial
results of the Company, along with Limited Review Report of the
Statutory Auditor.

2. The meeting of the Board commenced at 12:30 PM and concluded
at ~~2:40~~ 2:40 PM.

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

Thanking You,

Yours Sincerely,
For Xchanging Solutions Limited


Mayank Jain
Company Secretary



Membership No. A26620

Address: SJR I Park, Plot no. 13, 14, 15
EPIP Industrial Area, Phase 1 Whitefield, Bangalore - 560066

Encl: as above

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

TO THE BOARD OF DIRECTORS OF XCHANGING SOLUTIONS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **XCHANGING SOLUTIONS LIMITED** ("the Company"), for the quarter and six months ended September 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

As stated in Note 5 of the Statement, we have not performed a review or audit of the figures relating to the corresponding quarter and nine months ended September 30, 2016, including the reconciliation of net loss for the quarter and nine months ended September 30, 2016 between the previous GAAP and the Indian Accounting Standards ("Ind AS").

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Deloitte Haskins & Sells LLP

4. Attention is invited to Note 2 in the Statement, regarding redemption of certain debentures, aggregating to Rs. 625 Lakhs, by the Company in the year 2007. On the basis of an interim application filed by the Third Party, the Hon'ble High Court passed an Interim Order in September 2007 restraining the Company from reflecting the redemption of debentures and directing the Company to continue to show it as due and payable which Order was made absolute in December 2010. The Hon'ble Madras High Court vide order dated September 28, 2016 dismissed the suit filed by the said Third Party and also set aside the interim order. The Third Party has approached the Hon'ble Supreme Court against the said order of the Hon'ble Madras High Court. On January 20, 2017 the Hon'ble Supreme Court has issued notice to the Company. Based on the legal advice obtained, the Company is of the opinion that no adjustments are considered necessary. Our report is not modified in respect of this matter.

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

Bhavana Balasubramanian

Bhavani Balasubramanian
Partner
(Membership No. 22156)

Bangalore, December 07, 2017



| (Rs in lakhs) | | | | | | |
|---|--|-----------------------------|-----------------------------|---|---|--|
| Statement of Standalone Unaudited Financial Results For the Quarter and Six Months ended 30/09/2017 | | | | | | |
| Sl. No. | Particulars | Quarter ended 30/09/2017 | Quarter ended 30/06/2017 | Corresponding quarter ended 30/09/2016 in the previous year | For the six months period ended 30/09/2017 | For the nine months period ended 30/09/2016 |
| (Refer Notes Below) | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| 1. | Revenue | | | | | |
| | Revenue from operations | 1,261 | 1,509 | 1,819 | 2,770 | 6,269 |
| | Other income | 202 | 180 | 225 | 362 | 599 |
| | Total Revenue | 1,463 | 1,689 | 2,044 | 3,132 | 6,868 |
| 2. | Expenses | | | | | |
| | Employee benefits expense | 890 | 861 | 1,284 | 1,751 | 4,472 |
| | Finance costs | 1 | 2 | 4 | 3 | 10 |
| | Depreciation and amortisation expense | 27 | 35 | 44 | 62 | 171 |
| | Other expenses | 363 | 559 | 904 | 922 | 2,507 |
| | Total Expenses | 1,281 | 1,457 | 2,236 | 2,738 | 7,160 |
| 3. | Profit / (Loss) before tax (1-2) | 182 | 232 | (192) | 414 | (292) |
| 4. | Tax expense / (benefit) | | | | | |
| | Current tax | 88 | 90 | - | 178 | 154 |
| | Deferred tax | (11) | 37 | (2) | 26 | (34) |
| | Net tax expense / (benefit) | 77 | 127 | (2) | 204 | 120 |
| 5. | Net Profit / (Loss) after tax (3-4) | 105 | 105 | (190) | 210 | (412) |
| 6. | Other Comprehensive Income/ (expense) (net of tax) | 16 | 41 | (9) | 57 | (14) |
| 7. | Total Comprehensive Income/ (expense) (After tax) (5+6) | 121 | 146 | (199) | 267 | (426) |
| 8. | Paid up equity share capital (Face Value per Share Rs 10/-) | 11,140 | 11,140 | 11,140 | 11,140 | 11,140 |
| 9. | Earnings / (Loss) per Equity Share on Net Profit / (Loss) after tax (of Rs.10 each) (not annualised) | | | | | |
| | Basic | 0.09 | 0.09 | (0.17) | 0.19 | (0.37) |
| | Diluted | 0.09 | 0.09 | (0.17) | 0.19 | (0.37) |

| Xchanging Solutions Limited | | (Rs in lakhs) |
|--|--|---------------|
| Standalone Statement of Assets and Liabilities | | As at |
| Particulars | | 30/09/2017 |
| | | (Unaudited) |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | | 103 |
| Intangible assets | | 9 |
| Financial assets | | |
| Investments | | 5,186 |
| Loans | | 1,868 |
| Other financial assets | | 254 |
| Deferred tax assets (net) | | 936 |
| Other non-current assets | | 1,633 |
| | Sub-total - Non-current assets | 9,999 |
| Current assets | | |
| Financial assets | | |
| Investments | | 11,693 |
| Trade receivables | | 1,205 |
| Cash and cash equivalents | | 164 |
| Other financial assets | | 665 |
| Other current assets | | 182 |
| | Sub-total - Current assets | 13,909 |
| | TOTAL - ASSETS | 23,908 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Equity share capital | | 11,140 |
| Other equity | | 7,304 |
| | Sub-total - Equity | 18,444 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | | 13 |
| Provisions | | 304 |
| Other non-current liabilities | | 6 |
| | Sub-total - Non-current liabilities | 323 |
| Current liabilities | | |
| Financial liabilities | | |
| Trade payables | | 1,694 |
| Other financial liabilities | | 18 |
| Provisions | | 68 |
| Other current liabilities | | 340 |
| Income tax liabilities (net) | | 3,021 |
| | Sub-total - Current liabilities | 5,141 |
| | TOTAL - EQUITY AND LIABILITIES | 23,908 |



K.S. Ram

Notes to above results :

1. The above unaudited financial results of Xchanging Solutions Limited (the Company) have been reviewed and recommended by the Audit Committee to the Board, and approved by the Board of Directors at its meeting held on December 7, 2017. The statutory auditors have carried out limited review of financial results for the quarter and six months ended September 30, 2017.
2. On August 1, 2002, the Company issued 1,500,000, 11% debentures of face value of Rs. 100 each. The debentures were repayable at par at the end of five years from the date of issuance. Based on the orders of the Debt Recovery Tribunal, the Company had issued duplicate debenture certificates for 625,000 debentures in favour of a Bank and these debentures were redeemed in June 2007. Post redemption of these debentures, a civil suit was filed against the Company by Third Party claiming rights over the said 625,000 debentures. On the basis of an Interim application filed by the Third Party, the Hon'ble High Court passed an Interim Order in restraining the Company from reflecting the redemption of debentures and directing the Company to continue to show it as due and payable. The Hon'ble Madras High Court vide order dated September 28, 2016 dismissed the suit filed by the said Third Party and also set aside the interim order. The Third Party has approached the Hon'ble Supreme Court against the said order of the Hon'ble Madras High Court. On January 20, 2017 the Hon'ble Supreme Court has issued notice to the Company. Based on the legal advice obtained, the company is of the opinion that no adjustments are considered necessary.
3. The Company has only one primary segment viz., Information Technology (IT) services and accordingly the above results relate to this segment.
4. The Company has adopted the Indian Accounting Standard (Ind AS) from April 1, 2017 and these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
5. The Ind AS compliant financial results for the corresponding quarter and nine months period ended September 30, 2016 have been stated in terms of SEBI circular CIR/CFD/FAC/62/2016 dated July 5, 2016. The financial results relating to quarter and nine months period ended September 30, 2016 under the Ind AS have not been subjected to limited review by the statutory auditors of the company. The management has exercised necessary due diligence and ensured that the financial results provide a true and fair view of its affairs in accordance with the Companies (Indian Accounting Standard) Rules 2015.
6. Reconciliation of loss after tax for the quarter and nine months ended September 30, 2016 between Ind AS compliant results as reported above with results reported in previous period as per Indian GAAP are given below:

| Particulars | Notes | (Rs in lakhs) | |
|--|-------|--------------------------|---|
| | | Quarter ended 30/09/2016 | For the nine months period ended 30/09/2016 |
| Loss after tax as reported in previous year as per Indian GAAP | | (199) | (426) |
| Employee benefits expense | | | |
| a) Actuarial (gain) / loss on defined benefit plan transferred to other comprehensive income | (A) | 9 | 14 |
| Loss after tax as reported as per Ind AS | | (190) | (412) |
| Other comprehensive income/ (expense) (net of tax) | | (9) | (14) |
| Total Comprehensive Income/ (expense) as per Ind AS | | (199) | (426) |

(A) The actuarial gains and losses, under Ind AS form part of remeasurement of the net defined benefit liability and is recognised in other comprehensive income, as against recognition in profit or loss under previous GAAP.

7. Figures for the previous periods have been regrouped and reclassified, wherever necessary.

Place : Bangalore
Date : 7th December, 2017



By Order of the Board of Directors

K.S. Ramaswamy

Ramaswamy K S
Executive Director & Interim Chief Executive Officer

