



XSL/SE/2019-20/20

August 13, 2019

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

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

Sub: Outcome of the Board Meeting

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

Dear Sir/Madam,

This is to inform you that the Board of Directors of the Company at their meeting held today, August 13, 2019, have *inter-alia* considered and approved the following:

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

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

1. Unaudited financial results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2019;

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

The results will be published in the newspapers in terms of Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in due course and will also be placed on the website of the Company.

2. The meeting of the Board commenced at 1:00 PM and concluded at 3:30 PM

Moreover, pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 including amendments thereof, Trading Window of Xchanging Solutions Limited will be opened from August 15, 2019.

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

Thanking You,

Yours Sincerely,
For Xchanging Solutions Limited

Mayank Jain
Mayank Jain
Company Secretary

Membership No. A26620

Address: Kalyani Tech Park - Survey No 1, 6 & 24,
Kundanhalli Village, K R Puram Hobli,
Bangalore - 560066, Karnataka, India



Xchanging Solutions Limited
Registered Office : Kalyani Tech Park - Survey No 1, 6 & 24, Kundanhalli Village, K R Puram Hobli, Bangalore – 560066, Karnataka, India
CIN: L72200KA2002PLC030072
Tel.: +91 8043640000
Email: compliance@xchanging.com Website: www.xchanging.com

(Rs in lakhs except for per share data)					
Statement of Standalone Unaudited Financial Results for the Quarter ended 30/06/2019					
Sl. No.	Particulars	Quarter ended 30/06/2019	Quarter ended 31/03/2019 (Refer note 3)	Corresponding quarter ended 30/06/2018	Year ended 31/03/2019
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1.	Revenue from operations	1,088	1,260	1,362	5,203
2.	Other income	754	174	300	1,202
3.	Total Income (1+2)	1,842	1,434	1,662	6,405
4.	Expenses				
	Employee benefits expense	532	592	721	2,584
	Finance costs	1	-	-	1
	Depreciation and amortisation expense	13	10	11	37
	Other expenses	282	222	408	1,352
	Total expenses (4)	828	824	1,140	3,974
5.	Profit before tax (3-4)	1,014	610	522	2,431
6.	Tax expense / (benefit)				
	Current tax	275	225	162	737
	Current tax- for the earlier year	-	-	-	15
	Deferred tax	33	(30)	7	32
	Total tax expense (6)	308	195	169	784
7.	Profit for the period (5-6)	706	415	353	1,647
8.	Other comprehensive income				
	(i) Items that will not be reclassified to profit or loss				
	- Remeasurements gains/ (losses) on defined benefit plans	-	12	28	35
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(3)	(8)	(10)
	Total other comprehensive income (8(i)+8(ii))	-	9	20	25
9.	Total Comprehensive Income for the period (7+9)	706	424	373	1,672
11.	Paid up equity share capital (Face value per Share Rs 10/-, fully paid)	11,140	11,140	11,140	11,140
12.	Other Equity (excluding Revaluation Reserve)	-	-	-	9,299
13.	Earnings per Equity Share (Face value of Rs.10 each) (not annualised for the quarters)				
	Basic- In Rs.	0.63	0.37	0.32	1.48
	Diluted- In Rs.	0.63	0.37	0.32	1.48

Notes:

- The above unaudited financial results of Xchanging Solutions Limited (the Company) have been reviewed and recommended by the Audit Committee to the Board, and approved by the Board of Directors at its meeting held on August 13, 2019. The statutory auditors have carried out limited review of financial results for the quarter ended June 30, 2019.
- In accordance with Ind AS 10B – "Segment Reporting" the Company has identified only one primary segment viz., Information Technology (IT) services and accordingly the above results relate to this segment.
- The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures of the full financial year ended March 31, 2019 and published year to date figures upto the third quarter ended December 31, 2018.
- Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the Simplified approach and accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The adoption of the new standard resulted in recognition of Right-of-Use (ROU) of Rs. 64 and a lease liability of Rs. 64. The effect of this adoption is insignificant on the profit for the period and earnings per share.
- Other income for the quarter ended June 30, 2019 includes dividend income of Rs. 395 declared by its wholly owned subsidiary Xchanging Solutions (Europe) Limited, UK.
- Pursuant to an offer for sale undertaken on June 10, 2019 and June 11, 2019, Xchanging Technology Services India Private Limited, a promoter of the Company, sold 17,599,461 equity share representing 15.8% of the share capital of the Company, thereby increasing the public shareholding to 25%. On completion of the offer for sale on June 11, 2019, the promoter shareholding in the Company is at 75% and the public shareholding is at 25% thereby complying with the minimum public shareholding requirements under Rule 19A of the Securities Contract Regulation Rules, 1957.
- Figures for the previous periods have been regrouped and reclassified, wherever necessary.

By Order of the Board of Directors

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

Place : Bengaluru
Date : August 13, 2019



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

Tel: +91 44 6688 5000
Fax: +91 44 6688 5050

TO THE BOARD OF DIRECTORS OF XCHANGING SOLUTIONS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **XCHANGING SOLUTIONS LIMITED** ("the Company"), for the quarter ended June 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**

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



Bhavani Balasubramanian

Bhavani Balasubramanian
(Partner)
(Membership No. 22156)
(UDIN: 19022156AAAAT4551)

Place: CHENNAI

Date: August 13, 2019



Xchanging Solutions Limited
Registered Office : Kalyani Tech Park - Survey No 1, 8 & 24, Kundanhalli Village, K R Puram Hobli, Bangalore - 560066, Karnataka, India
CIN: L72200KA2002PLC030072
Tel.: +91 8043640000
Email: compliance@xchanging.com Website: www.xchanging.com

(Rs in lakhs except for per share data)					
Statement of Consolidated Unaudited Financial Results for the Quarter ended 30/06/2019					
Sl. No.	Particulars	Quarter ended 30/06/2019	Quarter ended 31/03/2019	Corresponding quarter ended 30/06/2018	Year ended 31/03/2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Revenue from operations	4,397	4,855	4,327	18,410
2.	Other income	380	183	335	1,455
3.	Total income (1+2)	4,777	5,038	4,662	19,865
4.	Expenses				
	Employee benefits expense	2,111	1,946	2,350	8,825
	Finance costs	2	-	-	1
	Depreciation and amortisation expense	30	15	14	47
	Other expenses	1,111	1,280	1,198	5,312
	Total expenses (4)	3,254	3,241	3,562	14,185
5.	Profit before tax (3-4)	1,523	1,797	1,100	5,680
6.	Tax expense / (benefit)				
	Current tax	332	176	225	952
	Current tax- for the earlier year	-	-	-	15
	Deferred tax	33	(29)	7	32
	Total tax expense (6)	365	147	232	1,009
7.	Profit for the period (5-6)	1,158	1,650	868	4,671
8.	Other comprehensive income/ (expense)				
	(A) (i) Items that will not be reclassified to profit or loss				
	- Remeasurements gains/ (losses) on defined benefit plans	-	12	28	35
	(A) (ii) Income tax relating to items that will not be reclassified to profit or loss	-	(3)	(8)	(10)
	(B) (i) Items that may be reclassified to profit or loss				
	- Exchange differences in translating the financial statements of foreign operations	(23)	(90)	320	378
	(B) (ii) Income tax relating to items that may be reclassified to profit or loss	7	26	(93)	(110)
9.	Total other comprehensive income/ (expense) (8(A)-(i-ii)+8(B)-(i-ii))	(16)	(65)	247	293
10.	Total Comprehensive Income for the period (7+9)	1,142	1,585	1,115	4,964
11.	Paid up equity share capital (Face value per Share Rs 10/-, fully paid)	11,140	11,140	11,140	11,140
12.	Other Equity (excluding Revaluation Reserve)	-	-	-	32,182
13.	Earnings per Equity Share (Face value of Rs.10 each) (not annualised for the quarters)				
	Basic- In Rs.	1.04	1.48	0.78	4.19
	Diluted- In Rs.	1.04	1.48	0.78	4.19

Notes:

- The above unaudited financial results of Xchanging Solutions Limited (the Company) and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") have been reviewed and recommended by the Audit Committee to the Board, and approved by the Board of Directors at its meeting held on August 13, 2019. The statutory auditors have carried out limited review of financial results for the quarter ended June 30, 2019.
- In accordance with Ind AS 108 - "Segment Reporting" the Group has identified only one primary segment viz., Information Technology (IT) services and accordingly the above results relate to this segment.
- Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the Simplified approach and accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The adoption of the new standard resulted in recognition of Right-of-Use (ROU) of Rs. 169 and a lease liability of Rs. 169. The effect of this adoption is insignificant on the profit for the period and earnings per share.
- Pursuant to an offer for sale undertaken on June 10, 2019 and June 11, 2019, Xchanging Technology Services India Private Limited, a promoter of the Company, sold 17,599,481 equity share representing 15.8% of the share capital of the Company, thereby increasing the public shareholding to 25%. On completion of the offer for sale on June 11, 2019, the promoter shareholding in the Company is at 75% and the public shareholding is at 25% thereby complying with the minimum public shareholding requirements under Rule 19A of the Securities Contract Regulation Rules, 1957.
- As the Group is required to publish quarterly consolidated financial results beginning from the quarter ended June 30, 2019 the comparative consolidated financial results for the quarters ended June 30, 2018 and March 31, 2019 have been approved by the Company's Board of Directors and have not been subject to limited review or audit by the statutory auditor.
- Figures for the previous periods have been regrouped and reclassified, wherever necessary.

By Order of the Board of Directors

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



Place : Bengaluru
Date : August 13, 2019



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

TO THE BOARD OF DIRECTORS OF XCHANGING SOLUTIONS LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **XCHANGING SOLUTIONS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2109 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Attention is drawn to Note 5 to the Statement which states that the consolidated figures for the corresponding quarters ended June 30, 2018, and March 31, 2019, as reported in the accompanying Statement have been approved by the Parent's Board of Directors, but have not been subjected to review or audit.

4. The Statement includes the results of the following entities:
 - a. Xchanging Solutions (Singapore) Pte Ltd ("XSSPL") – Wholly Owned Subsidiary of Parent Company;
 - b. Xchanging Solutions USA Inc ("XSUI") – Wholly Owned Subsidiary of Parent Company;
 - c. Xchanging Solutions (Europe) Limited ("XSEL") – Wholly Owned Subsidiary of Parent Company;
 - d. Xchanging Solutions (Malaysia) Sdn Bhd - Wholly owned Subsidiary of XSSPL; and
 - e. NexPLICIT Infotech India Private Limited – Wholly owned Subsidiary of XSUI.



5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The consolidated unaudited financial results includes the interim financial information of three subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. Nil lakhs for the quarter ended June 30, 2019, total loss after tax and total comprehensive loss of Rs. 1 lakhs for the quarter ended June 30, 2019, as considered in the Statement. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

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

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

Bhavana Balasubramanian

Bhavani Balasubramanian
Partner
(Membership No. 22156)
(UDIN: 19022156AAAAAU3358)



Place: CHENNAI
Date: August 13, 2019