

Public Announcement under Regulations 3, 4 and 5(1) read with Regulations 13(2)(e) and 15(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “SEBI (SAST) Regulations”)

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF XCHANGING SOLUTIONS LIMITED

Open offer (“Offer”) for acquisition of up to 27,850,929 fully paid-up equity shares of face value of INR 10 (Indian Rupees ten) each (“Equity Shares”), representing 25% (twenty five percent) of the fully diluted voting equity share capital of Xchanging Solutions Limited (“Target Company”) by Capita plc (“Acquirer”) along with Ventura (India) Private Limited, in its capacity as the person acting in concert with the Acquirer (“PAC”), from the Public Shareholders of the Target Company. Save and except for the PAC, no other person is acting in concert with the Acquirer for the purpose of this Offer.

This public announcement (“**Public Announcement**”) is being issued by ICICI Securities Limited (the “**Manager to the Offer**”) for and on behalf of the Acquirer and the PAC, to the Public Shareholders (as defined below) of the Target Company pursuant to and in compliance with Regulations 3, 4 and 5(1), and other applicable regulations of the SEBI (SAST) Regulations.

For the purpose of this Public Announcement, “**Public Shareholders**” shall mean all the public shareholders of the Target Company excluding (i) the shareholders forming a part of the promoter / promoter group of the Target Company and (ii) the persons acting in concert or deemed to be acting in concert with the Acquirer.

1. Offer Details

- 1.1 **Offer Size:** Up to 27,850,929 Equity Shares, representing 25% (twenty five percent), of the fully diluted voting equity share capital of the Target Company (“**Voting Share Capital**”), as of the 10th (tenth) working day from the closure of the tendering period.
- 1.2 **Price / consideration:** INR 35.06 (Indian Rupees thirty five, and six paise only) per Equity Share (“**Offer Price**”) amounting to a total of Indian Rupees 97,64,53,570.74 (Indian Rupees ninety seven crores sixty four lakhs fifty three thousand five hundred and seventy rupees, and seventy four paise only). The Equity Shares are not frequently traded in terms of Regulation 2(1) (j) of the SEBI (SAST) Regulations. The Offer Price has been calculated in accordance with Regulation 8(4) of the SEBI (SAST) Regulations, since it is incapable of being determined under any of the parameters specified in Regulation 8(3) of the SEBI (SAST) Regulations.
- 1.3 **Mode of payment (cash / security):** The Offer Price will be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations.
- 1.4 **Type of offer (Triggered offer, voluntary offer/competing offer, etc.):** The Offer is a mandatory offer made by the Acquirer and the PAC in compliance with Regulations 3, 4 and 5(1) of SEBI (SAST) Regulations. The thresholds specified under Regulation 5(2) of the SEBI (SAST) Regulations are not applicable. This Offer is not subject to any minimum level of acceptance.

2. Transaction which has triggered the Offer obligations (Overseas Offer)

- 2.1 The boards of directors of the Acquirer and Xchanging plc, a public limited company incorporated in England and Wales with its shares trading on the London Stock Exchange (“**Xchanging**”) have reached an agreement on the terms of a recommended final cash offer for Xchanging by the Acquirer, pursuant to which the Acquirer will acquire, the entire issued and to be issued share capital of Xchanging (the “**Overseas Offer**”). Pursuant to the above, a firm intention to make an offer for Xchanging shares has been announced by the Acquirer on October 14, 2015. The Overseas Offer is to be

implemented by means of a takeover offer under the City Code on Takeovers and Mergers (the “City Code”). An offer document in respect of the Overseas Offer has been prepared and published on October 17, 2015 for the purpose of complying with English law and the City Code.

- 2.2 Xchanging, through its subsidiaries viz. Xchanging Mauritius Ltd and Xchanging Technology Services Pvt Ltd (collectively referred to as the “Existing Shareholders”) together holds 75% of the Voting Share Capital of the Target Company. The Existing Shareholders are also the Promoter and Promoter Group of the Target Company. Upon successful completion of the Overseas Offer, the Acquirer would acquire the entire issued and to be issued share capital of Xchanging thereby entitling the Acquirer to: (i) indirectly exercise 75% voting rights in the Target Company indirectly held by the Acquirer which is more than the 25% (twenty five per cent) acquisition limit available to the Acquirer under Regulation 3 of the SEBI (SAST) Regulations; and (ii) indirectly exercise control over the Target Company through the Existing Shareholders. Accordingly, this Offer is also being made under Regulation 4 of the Regulations. The completion of the Overseas Offer is subject to certain conditions including without limitation legal and statutory approvals.
- 2.3 While the Offer has been triggered by the Acquirer as a result of the Overseas Offer, the Equity Shares tendered in the Offer, if any, will be acquired by the PAC, since the Acquirer and PAC are persons acting in concert with each other.

Details of Overseas Offer						
Type of Transaction (direct / indirect)	Mode of Transaction (Agreement / Allotment / market purchase)	Shares / Voting rights acquired / proposed to be acquired		Total Consideration for shares / Voting Rights Acquired (Rs.)	Mode of payment (Cash / securities)	Regulation which has triggered
		Number	% vis a vis total equity / voting capital			
Indirect Acquisition	Offer for Xchanging made by the Acquirer under the City Code.	The Acquirer proposes to acquire 100% of the equity share capital of Xchanging, which will result in indirect acquisition of 83,552,787 Equity Shares aggregating to 75.00% of the Voting Share Capital of the Target Company.	The Acquirer proposes to acquire 100% of the equity share capital of Xchanging, which will result in indirect acquisition of 83,552,787 Equity Shares aggregating to 75.00% of the Voting Share Capital of the Target Company.	Not applicable as this is an indirect acquisition.	Not applicable as this is an indirect acquisition.	Regulations 3, 4 read with 5(1) of the SEBI (SAST) Regulations.

3. Acquirer / PAC

Details	Acquirer	PAC	Total
Name of the Acquirer / PAC(s)	Capita plc	Ventura (India) Private Limited	Two
Address	71 Victoria Street London SW1H 0XA	Wing C, Marisoft Annex, Vadgaonsheri, Kalyaninagar, Pune- 411014	Not applicable
Name(s) of persons in control/promoters of acquirers/ PAC where Acquirers/PAC are companies	Publicly listed company with no controlling shareholder / promoter	PAC is a wholly owned indirect subsidiary of the Acquirer.	Not applicable

Details	Acquirer	PAC	Total
Name of the Group, if any, to which the Acquirer/PAC belongs to	Capita Group	Capita Group	Not applicable
Pre-Transaction shareholding %	Nil	Nil	Nil
Pre-Transaction Shareholding Number	Nil	Nil	Nil
Proposed shareholding after the acquisition of shares which triggered the Offer (not taking into account the Equity Shares validly accepted in the Offer, if any)	After completion of the Overseas Offer, the Acquirer will hold the entire share capital of Xchanging, which indirectly holds 75% of the Voting Share Capital of the Target Company.	Nil	After completion of the Overseas Offer, the Acquirer will hold the entire share capital of Xchanging, which indirectly holds 75% of the Voting Share Capital of the Target Company.
Any other interest in the Target Company	None	None	Not applicable

Note: In accordance with the explanation to the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, the Offer to the Public Shareholders is subject to the completion of the Overseas Offer.

4. Details of selling shareholders, if applicable: Not applicable, as the Offer is being made as a result of an indirect acquisition of control over the Target Company; and not as a result of any direct acquisition of Equity Shares, voting rights in or control over the Target Company.

5. Target Company

Name: Xchanging Solutions Limited

Registered Office: SJR - I Park 13, 14, 15 EPIP Industrial Area, Phase 1 Whitefield Road, Bangalore- 560066, Karnataka

Exchanges where listed: BSE Limited (Scrip Code: 532616) (Scrip ID: XCHANGING) and National Stock Exchange of India Limited (Symbol: XCHANGING)

ISIN Code: INE692G01013

6. Other Details

6.1 The detailed public statement pursuant to this Public Announcement, which will contain all other information about the Offer, including the reasons and background to the Offer, detailed information on the Offer Price, details of Overseas Offer and detailed information on the Acquirer, the PAC and the Target Company and statutory approvals, if any, for the Offer, shall be published not later than five working days of the completion of the Overseas Offer, in accordance with the proviso to Regulation 13(4) of the SEBI (SAST) Regulations.

6.2 In accordance with the explanation to the proviso to Regulation 13(4) of the SEBI (SAST) Regulations, the Offer to the Public Shareholders of the Target Company is subject to the completion of the Overseas Offer. It is clarified that, in the event the Acquirer is unable to exercise or direct the exercise of voting rights in, or control over the Target Company on account of the Overseas Offer having failed, the Acquirer and the PAC shall not proceed with this Offer.

6.3 The Acquirer and the PAC confirm that the Offer Price shall be enhanced by an amount equal to the sum determined at the rate of 10% (ten per cent)

per annum for the period between the date of this Public Announcement and the date of the detailed public statement in respect of this Offer, provided that such period is more than five working days, in accordance with Regulation 8(12) of the SEBI (SAST) Regulations.

- 6.4 The Acquirer and the PAC undertake that they are aware of and will comply with their obligations under the SEBI (SAST) Regulations and that they have adequate financial resources for meeting the Offer obligations under the SEBI (SAST) Regulations.
- 6.5 This Public Announcement is not being issued pursuant to a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 6.6 This Public Announcement is not conditional upon any minimum level of acceptance as per Regulations 19 (1) of the SEBI (SAST) Regulations.
- 6.7 The completion of this Offer is subject to receipt of statutory approvals required, if any.
- 6.8 In this Public Announcement, all references to “INR” are references to the Indian Rupee.
- 6.9 All information in relation to the Target Company contained in the Public Announcement is based on publicly available information.

Issued by the Manager to the Offer:



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For and on behalf of the Acquirer and the PAC

For Capita plc (Acquirer)	For Ventura (India) Private Limited (PAC)
Sd/-	Sd/-
Name: Nick Greatorex Designation: Group Finance Director	Name: Yatish Doshi Designation: Director

Place: Mumbai

Date: October 20, 2015