



Date: 10.11.2016

Bombay Stock Exchange Limited
Wholesale Debt Market Segment
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001

Scrip Code 952199 and SCRIP ID 12PTI2020

Dear Sirs,

Sub.: Half yearly communication for Debt Securities in respect of half year ending September 30, 2016, Pursuant to Regulation 52(1) read with Regulation 52(4) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015

We wish to inform the following –

1. Credit Rating = BWR BB+ effective from 19/04/2016 – Attached as Annexure A.
2. Asset cover available = 2.20 times - CA certificate attached as Annexure B.
3. Debt – Equity Ratio = 0.85:1 as per audited/ unaudited financial results for the year ended September 30, 2016. The unaudited accounts with limited review report by the statutory auditors are annexed as Annexure C.
4. The interest was paid on: NIL (The first due date for payment of interest is May 31, 2017)
5. The next due date for the payment of interest is May 31, 2017.
6. Debt service coverage ratio= (0.38:1)
7. Interest service coverage ratio= (0.38:1)
8. Outstanding redeemable preference shares (quantity and value)= Not Applicable
9. Capital redemption reserve/debenture redemption reserve= Not Applicable
10. Net worth= Rs. 902,953,291
11. Net profit after tax = Rs. (83,101,004)
12. Earning per share= Rs. (0.70)



Payfront Technologies India Private Limited

Unit 001, Ground Floor, Tower- C, Unitech Cyber Park, Sector-39, Gurgaon- 122001 Haryana. T +91124 3368570
Registered Office : Corporate Miller, 332/1, Thimmaiah Road, Vasanthnagar, Bengaluru - 560052, KA, India. T +91 80 66938000, F +91 80 66938100
Company Identity Number: U74900KA2014FTC077632 | E-mail: info@excelityglobal.com | excelityglobal.com

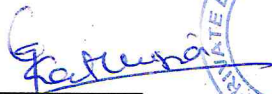
Formerly the payroll business of Aon Hewitt.
The "Aon" and "Aon Hewitt" names are trademarks of the Aon group and are used under license.

This is for your information.

Thanking you,

Yours faithfully,

For Payfront Technologies India Private Limited



Vice President – Compliance and Company Secretary and Compliance Officer



BWR/NCD/HO/ERC/RR/0021/2016-17

April 19, 2016

CIN: U67190KA2007PTC043591

Mr. Kazi Arif Uz Zaman

Director

Payfront Technologies India Private Limited (PTIPL)

Corporate Miller, 332/1

Thimmaiah Road,

Vasanth Nagar, Bengaluru- 560052

Dear Sir,

Sub: Review of Rating of Listed, Unsecured Redeemable NCD issue of Rs 100.00 Crs (Rupees One Hundred Crores only) of Payfront Technologies India Private Limited (PTIPL) with a tenor of upto 5 years.

Ref: Initial rating advice letter no. BWR/BNG/RL/2015-16/0021 dated 22nd April 2015

On a review of **Payfront Technologies India Private Limited's** performance based on the information & clarifications provided by your Company, as well as information available in public sources, Brickwork Ratings is pleased to inform you that the rating assigned to **Payfront Technologies India Private Limited's** listed, unsecured redeemable NCD issue amounting to Rs 100.00 Crs with a tenor of upto 5 years has been reaffirmed at **BWR BB+ [Pronounced Double B Plus] (Outlook: Stable)**. Instruments with this rating are considered to have **Moderate Risk of Default** regarding timely servicing of financial obligations.

The Rating is valid for one year from the date of assignment subject to the terms and conditions that were agreed in your mandate dated 7th April, 2015, our initial rating advice letter no. BWR/BNG/RL/2015-16/0021 dated 22nd April 2015 and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended at the end of this letter. Brickwork would conduct surveillance till maturity/ redemption of the instrument. Please note that Brickwork Ratings would need to be kept informed of any information/ development that may affect your Bank's finances/ performance without any delay.

Kindly acknowledge.

Best Regards,

Rajee R

Deputy General Manager- Ratings

Brickwork Ratings India Private Limited



Note: In case of all valid Ratings, respective Rating Rationale is published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, if they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

Brickwork Ratings India Pvt. Ltd.

Corporate Office: 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bengaluru - 560 076.

Phone: +91 80 4040 9940 • Fax: +91 80 4040 9941 • 1-860-425-2742 • www.BrickworkRatings.com • www.Financial-Literacy.in

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Rating Rationale

Brickwork Ratings reaffirms 'BWR BB+' for Payfront Technologies India Private Limited's Listed, Unsecured Redeemable NCD issue of Rs 100.00 Crs

Brickwork Ratings has reaffirmed '**BWR BB+**' [Pronounced BWR Double B Plus] **rating**[^] with **Stable Outlook** for **Payfront Technologies India Private Limited's** (PTIPL or the 'Company') **Listed, Unsecured Redeemable NCD issue of Rs 100.00 Crs** with a **tenor of upto 5 years**. The NCDs were listed and subscribed in May- June 2015.

Instrument	Amount (Rs Crs)	Tenor	Rating History April 2015	Present Rating
Listed, Unsecured Redeemable NCDs	100.00	Upto 5 years	BWR BB+ [Pronounced BWR Double B Plus] (Outlook: Stable)	BWR BB+ [Pronounced BWR Double B Plus] (Outlook: Stable) [Reaffirmed]

BWR has principally relied upon the executed Information Memorandum, audited financial results up to FY15, management certified provisional financials of FY16, projections upto FY18, publicly available information and information/clarifications provided by the Company.

The rating reaffirmation factors, inter alia, the strength PTIPL derives from being a 100% subsidiary of Excelity Global Solutions Pte Ltd, Singapore, backed by an established private equity firm Everstone Capital Partners II LLC, strong management team, demonstrated and continued managerial and financial commitment of Everstone Capital Partners II LLC to this business and stable business operations post acquisition by PTIPL of the payroll processing division of Aon Services India Pvt Ltd (subsidiary of Aon Hewitt). The rating also factors the financial performance for FY16 (Provisional) being in line with projections shared with BWR earlier, retention of reputed clientele for generation of targeted revenues, comfortable capital structure and expected generation of cash accruals to meet the NCD obligations.

[^]Please refer to BWR website www.brickworkratings.com for definition of the ratings assigned.

The rating however, continues to be constrained by the refinancing risk as the NCDs are proposed to be redeemed partly through refinancing of debt and stiff competition from other players in this market, which is fragmented and largely dominated by commoditized players competing on price.

Background

Payfront Technologies India Private Limited (PTIPL) was incorporated on 5th December 2014, as a subsidiary of Excelity Global Solutions Pte Limited, Singapore (formerly known as Payfront Technologies Pte Ltd).

Excelity Global Solutions Pte Limited, subsidiary of Everstone Capital Partners II LLC, was incorporated in October 2014. Everstone Capital Partners II LLC has acquired the APAC payroll businesses of Aon Hewitt's indirect subsidiaries in India, China, Philippines and Singapore through Excelity Global Solutions Pte Limited or its subsidiaries. In India, Excelity Global Solutions Pte Limited established PTIPL, which has acquired the payroll business of Aon Hewitt's Indian subsidiary - Aon Services India Pvt Ltd on a slump sale basis in March 2015. The acquisition has been funded by equity from Excelity Global Solutions Pte Limited and a bridge loan from HSBC, India.

PTIPL offers end-to-end managed payroll solutions including mandatory/statutory/flexible benefits management, leave management, time and attendance assimilation, reimbursements and tax calculations, etc. The Company's registered office is located at Bangalore, Karnataka and corporate office at Gurgaon, Haryana. Post-acquisition, the staff and management team of Aon India continued to serve PTIPL.

Management Profile

The Board of PTIPL comprises of three non-executive directors viz. Mr. Viral Rathod, Mr. Kazi Arif Uz Zaman and Mr. Venkatesh Srinivasan. Ms Poonam Sethi Barua and Mr Rajesh Jaykumar Doshi are the Independent Directors. During the year, the CFO of the Company Mr. Amit Garg was appointed as a whole-time director on the Board of the Company. The CEO of the Company, Mr. Gurinder Singh, resigned effective 31st December, 2015. All the Board of Directors are well qualified and experienced professionals.

NCD Details

The Unsecured Redeemable NCDs of Rs 100.00 Crs with a tenor of upto 5 years were listed on the Wholesale Debt Segment of BSE Limited and fully subscribed in May-June 2015. The NCDs were issued at a coupon of 12% to Everstone II FII Holdings, Mauritius on 26th May 2015 on private placement basis and thereafter were available for trading effective 5th June 2015. The proceeds of the issue have been utilized to repay bridge loan finance taken from HSBC and balance, if any, for general corporate purposes. There was a moratorium period of 1 year from the date of allotment for interest repayments. The first payment of interest will be due on 31st May 2017. The redemption of the debentures in full is expected to be on 26th May 2020.

Financial Performance

The business was acquired by PTIPL on 30th March 2015 and FY16 was the first full year of operations of the company. As per FY16 (management certified provisional financials for the period Apr 15- Mar 16), the Company has reported income from operations and loss of ~ Rs 76 Crs and Rs (18.19) Crs respectively. Tangible net worth stood at Rs 97.55 Crs (provisional) as on March 31, 2016 when compared to Rs 112.71 Crs as on March 31, 2015. The decline in net worth is on account of losses during the year. Total debt stood at Rs 109.67 Crs (Provisional) as on March 31, 2016 comprising NCD obligations. Total debt/ Tangible net worth was comfortable at 1.12 times (provisional) as on March 31, 2016.

Rating Outlook

The rating outlook is expected to be stable over the current year. The rating has essentially factored the strong parentage of PTIPL, the acquisition of an established business and streamlined and stabilised operations post acquisition. Going forward, PTIPL's ability to ensure retention and expansion of customer base for continued revenue growth and generation of targeted revenue, profits and cash accruals to meet the debt obligations on the stipulated time periods will be the key rating sensitivities.

Analysts	Media
analyst@brickworkratings.com	media@brickworkratings.com
	Relationship Contact bd@brickworkratings.com
Phone: 1-860-425-2742	

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Alok Vasant & Associates
Chartered Accountants

B-201, Manisha Towers
Plot 7B, Sector 23
Dwarka, New Delhi- 110077

Tel: +91-11-4277 8954

TO WHOM SO EVER IT MAY CONCERN

At the request of Payfront Technologies India Private Limited, we, Alok Vasant & Associates have examined the attached Annexure containing the computation of total assets/fixed assets coverage ratio and debt equity ratio as on September 30, 2016 prepared by Payfront Technologies India Private Limited.

1. The Annexure is the responsibility of the Company's management and we have performed the following procedures on the records made available to us:
 - a) With respect to the amount of total assets, fixed assets, non-convertible debentures and equity share capital as detailed in the Annexure, we have verified the amount from the trial balance as on September 30, 2016.
 - b) With respect to the computation of ratios, we have verified the arithmetical computation of the total assets/fixed assets coverage ratio and debt equity ratio.
2. Our responsibility is to perform the procedures mentioned above on the particulars given under the Annexure and state our findings. We performed the above-mentioned procedures, in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The above-mentioned procedures include examination of evidence supporting the particulars in the Annexure on a test basis. Our procedures do not include verification of compliance. Further, for the purpose of this certificate, our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion.
3. Based on the procedures performed by us as stated above and to the best of our knowledge and according to the information and explanations given to us and as shown by the records examined by us, we state that the details mentioned in Annexure in relation to total assets, fixed assets, non-convertible debentures and equity share capital are in agreement with the books of account provided by the Company's management. We certify:
 - a) That the total assets coverage ratio and fixed assets coverage ratio of Payfront Technologies India Private Limited 2.20 is and 1.67 respectively;



Alok Vasant & Associates

Chartered Accountants

- b) That the debt equity ratio of Payfront Technologies India Private Limited is 0.85;
- c) That the Company has maintained 100% security cover in respect of its listed debt securities as mentioned in the annexure;
4. This certificate has been issued solely on the request of the management of the Company.

For Alok Vasant & Associates

Chartered Accountants

ICAI Firm Registration number: 023496N

Alok Vasant

Proprietor

Membership No. 095915



Place: New Delhi

Date: November 10, 2016

Encl: Annexure

Alok Vasant & Associates

Chartered Accountants

ANNEXURE

Particulars	As on September 30, 2016 (in Rs.)
Assets	
Net fixed assets (including CWIP and other assets under development) (A)	1,673,035,035
Other assets	529,522,802
Total Assets (B)	2,202,557,837
Debt Outstanding	
Non-convertible debentures issued to ECP II FII Holdings at a coupon rate of 12%	1,000,000,000
Total Debt (C)	1,000,000,000
Equity Share Capital	
Equity shares of Rs10 each with voting rights	1,179,999,250
Total Equity Share Capital (D)	1,179,999,250
Assets Coverage Ratio (B/C)	2.20
Fixed Assets Coverage Ratio (A/C)	1.67
Debt Equity Ratio (C/D)	0.85

Note:

1. Net Fixed Assets (Including CWIP and other assets under development) includes Goodwill of Rs. 1,632,680,542 recorded pursuant to acquisition of payroll processing business of Aon Hewitt.
2. The above Figures are based on the Unaudited Financial Results for the period ended September 30, 2016.



Chartered Accountants
7th Floor, Building 10, Tower B,
DLF Cyber City Complex,
DLF City Phase - II,
Gurgaon - 122 002,
Haryana, India

Tel: +91 124 679 2000
Fax: +91 124 679 2012

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

**TO THE BOARD OF DIRECTORS OF
PAYFRONT TECHNOLOGIES INDIA PRIVATE LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **PAYFRONT TECHNOLOGIES INDIA PRIVATE LIMITED** ("the Company") for the half year ended 30 September, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 Accounting Standard for Interim Financial Reporting ("AS 25"), 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.
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 Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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)

Alka Chadha



Gurgaon, 10 November, 2016

Alka Chadha
Partner
(Membership No. 93474)

PAYFRONT TECHNOLOGIES INDIA PRIVATE LIMITED
Registered office: Corporate Miller, 332/1, Thimmaiah Road, Vasanthnagar, Bengaluru - 560052
CIN: U74900KA2014FTC077632

Statement of Unaudited Financial Results for the half year ended 30 September, 2016

Particulars	Half year ended 30 September, 2016	Corresponding half year ended in the previous year 30 September, 2015	Year to date figures for current period ended 30 September, 2016	Previous accounting year ended 31 March, 2016
	Unaudited	Unaudited	Unaudited	Audited
1 Income from operations	4,117.90	3,864.61	4,117.90	7,673.37
2 Expenses				
(a) Employees benefits expense	1,826.52	1,715.48	1,826.52	3,262.67
(b) Depreciation and amortisation expense	1,045.05	1,071.54	1,045.05	2,127.80
(c) Legal and professional expense	292.42	155.99	292.42	877.41
(d) Other expenses	1,241.89	1,001.68	1,241.89	1,945.83
Total expenses (a to d)	4,405.88	3,944.69	4,405.88	8,213.71
3 Loss from operations before other income and finance costs	(287.98)	(80.08)	(287.98)	(540.34)
4 Other income	58.62	4.65	58.62	32.56
5 Loss before finance costs	(229.36)	(75.43)	(229.36)	(507.78)
6 Finance costs	601.65	600.89	601.65	1,202.46
7 Loss before tax	(831.01)	(676.32)	(831.01)	(1,710.24)
8 Tax expense	-	-	-	-
9 Net loss after tax	(831.01)	(676.32)	(831.01)	(1,710.24)
10 Paid-up equity share capital (Face value of Rs. 10 each)	11,799.99	11,799.99	11,799.99	11,799.99
11 Paid up debt	10,000.00	10,000.00	10,000.00	10,000.00
12 Reserves (excluding revaluation reserves) as per balance sheet of previous accounting year	-	-	-	(1,939.45)
13 Debenture redemption reserve	-	-	-	-
14 Earnings per share (EPS) - Basic and Diluted (Rs.) (not annualised)	(0.70)	(0.58)	(0.70)	(1.46)
15 Debt equity ratio	0.85	0.85	0.85	0.85
16 Debt service coverage ratio	(0.38)	(0.01)	(0.38)	(0.05)
17 Interest service coverage ratio	(0.38)	(0.13)	(0.38)	(0.45)
18 Net worth	9,029.53	10,894.46	9,029.53	9,860.54

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 November, 2016.
- The Company is primarily engaged in the business of providing end to end managed payroll solutions in India and the operations of the Company did not give rise to different reporting segments in accordance with Accounting Standard 17 - Segment reporting.
- Details of previous and next due date of Non Convertible Debentures (NCDs) are as follows:

Particulars	Previous due date (1 April, 2016 to 30 September, 2016)		Next due date (1 October, 2016 to 31 March, 2017)	
	Principal	Interest	Principal	Interest
Rs. 10,000 lacs of Non Convertible Debentures (NCDs) (Unsecured)	-	-	-	-

- Debenture Redemption Reserve has not been created in the absence of profits during the current period.
- Credit rating and change in credit rating (if any):
The Company has retained its credit rating of "BWR BB+ [Pronounced Double B Plus](Outlook: Stable)" by Brickwork Ratings India Private Limited for Non Convertible Debentures (NCDs).
- Previous period figures have been regrouped / reclassified wherever necessary, to conform with current period presentation.

Formula Used:

Earnings per share = Net Profit / (Loss) / No. of shares
Debt equity ratio = Total outstanding debt / Equity share capital
Debt service coverage ratio = Earnings before interest and tax / (Interest + Principal repayment)
Interest service coverage ratio = Earnings before interest and tax / Interest
Net worth = Share capital + Reserves and surplus

For and on behalf of the Board of Directors



Himanshu Bindlish
Whole time director

Date: 10 November, 2016
Place: Gurgaon

Q