

PAYFRONT TECHNOLOGIES INDIA PRIVATE LIMITED

Date: 04.11.2015

BSE Limited
Wholesale Debt Market Segment
P.J. Towers, Dalal Street
Mumbai - 400 001

Dear Sirs,

Sub.: Half yearly communication for Debt Securities in respect of half year ending September 30, 2015

We wish to inform the following -

1. Credit Rating = BWR BB+ effective from 22/04/2015 - Attached as Annexure A.
2. Asset cover available = 2.39 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, 2015. 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 31/05/2017.

This is for your information.

Thanking you,

Yours faithfully,

For Payfront Technologies India Private Limited


Company Secretary



Counter signatory:
For GDA Trusteeship Limited


Authorised Signatory



CIN: U74900KA2014FTC077632

Registered Office: Corporate Miller, 332/1, Thimmaiah Road, Vasantnagar, Bangalore-560052, Karnataka-560052

Tel: +91 80 66938000; Fax: +91 80 66938100

Email: corp.compliance@excelityglobal.com; Website: www.excelityglobal.com



CIN: U67190KA2007PTC043591

BWR/BNG/RL/2015-16/0021
April 22, 2015

Mr. Kazi Arif Uz Zaman
 Director
Payfront Technologies India Private Limited
 No. 5, 1st Floor, 13th Main Road
 Vasanth Nagar, Bangalore- 560052.

Dear Sir,

Sub: Rating of Proposed Issue of Listed, Unsecured Redeemable NCD's of ₹ 100.00 Crores (Rupees One Hundred Crores Only) of Payfront Technologies India Private Limited with a tenor upto 5 Years.

Thank you for giving us an opportunity to undertake Rating of the **Proposed NCD Issue of Payfront Technologies India Private Limited**. Based on information and clarifications provided by your Company, draft term sheet of the transaction shared with us as well as information available in public sources, Brickwork Ratings is pleased to inform you that **Payfront Technologies India Private Limited's** proposed NCD issue amounting to **₹100.00 Crores with a tenor of upto 5 years** has been assigned a rating of **BWR BB+ (Pronounced as BWR Double B Plus) with Outlook: Stable**. Instruments with this rating are considered to have **Moderate Risk of Default** regarding timely servicing of financial obligations.

The Rating is subject to completion and submission of the executed transaction documents that includes the terms in line with the indicative term sheet provided by the company to Brickwork Ratings.

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 April 07, 2015 and other correspondence, if any and Brickwork Ratings' standard disclaimer appended below. Brickwork Ratings would conduct surveillance every year till maturity/redemption of the instrument. Please note that Brickwork Ratings would need to be kept informed of any significant information/development that may affect your Company's finances/performance without any delay.



Page 1 of 2

Brickwork Ratings India Pvt. Ltd.

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

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CIN: U67190KA2007PTC043591

Payfront Technologies India Private Limited-NCD Issue ₹ 100Cr

Please let us have your acceptance for the above rating on or before April 23, 2015. Kindly note that unless acceptance is received by us by the said date, the rating is not valid and should not be used for any purpose whatsoever.

Best Regards,

Rajeev R
Deputy General Manager -Ratings



Note: In case of all accepted 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.

Alok Vasant & Associates
Chartered Accountants

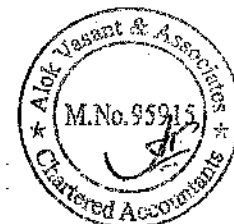
B-201, Manisha Towers
Plot 7B, Sector 23
Dwarka, New Delhi- 110077

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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, 2015 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, 2015.
 - 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 is 2.39 and 1.85 respectively;



Alok Vasant & Associates

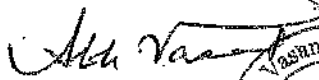
Chartered Accountants


- 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 03, 2015

Encl: Annexure

Alok Vasant & Associates
Chartered Accountants

ANNEXURE

Particulars		As on September 30, 2015 (INR)
Assets		
Net fixed assets (including CWIP and other assets under development)	(A)	18468,36,633
Other assets		5481,26,826
Total Assets	(B)	23949,63,459
Debt Outstanding		
Non-convertible debentures issued to ECP II FII Holdings at a coupon rate of 12%		10000,00,000
Total Debt	(C)	10000,00,000
Equity Share Capital		
Equity shares of Rs10 each with voting rights		11799,99,250
Total Equity Share Capital	(D)	11799,99,250
Assets Coverage Ratio (B/C)		2.39
Fixed Assets Coverage Ratio (A/C)		1.85
Debt Equity Ratio (C/D)		0.85

Note:

1. Net Fixed Assets (Including CWIP and other assets under development) includes Goodwill of Rs. 18124,75,784 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, 2015.



Deloitte Haskins & Sells LLP

Chartered Accountants
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DLF Cyber City Complex,
DLF City Phase - II
Gurgaon - 122 002, Haryana
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INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF PAYFRONT TECHNOLOGIES INDIA PRIVATE LIMITED

1. We have reviewed the accompanying "Statement of Unaudited Financial Results for the half year ended 30 September, 2015" (the Statement) of **PAYFRONT TECHNOLOGIES INDIA PRIVATE LIMITED** (the Company). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. 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 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India; has not disclosed the information required to be disclosed in terms of Clause 29 of the Listing Agreement for debt securities 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
Partner
(Membership No. 93474)

Gurgaon, 4 November, 2015

PAYFRONT TECHNOLOGIES INDIA PRIVATE LIMITED
Corporate Miller, 332/1, Thimmalah Road, Vasanthnagar, Bengaluru - 560082

Unaudited Financial Results for the half year ended 30 September, 2015

Particulars	(Amount in Rs. lacs)			
	Half year ended 30 September, 2015	Half year ended 30 September, 2014	Year to date ended 30 September, 2015	From 5 December, 2014 to 31 March, 2015
	Unaudited	Unaudited	Unaudited	Audited
1 Income from operations	3,864.61	-	3,864.61	-
2 Expenses				
(a) Employees benefits expense	1,715.48	-	1,715.48	-
(b) Depreciation and amortisation expense	1,071.54	-	1,071.54	-
(c) Other expenses	1,157.87	-	1,157.87	128.82
Total expenses (a to c)	3,944.69	-	3,944.69	128.82
3 Profit from operations before other income and finance costs	(80.08)	-	(80.08)	(128.82)
4 Other income	4.85	-	4.85	0.24
5 Profit before finance costs	(75.43)	-	(75.43)	(128.58)
6 Finance costs	600.89	-	600.89	100.63
7 Loss before tax	(676.32)	-	(676.32)	(229.21)
8 Tax expense	-	-	-	-
9 Net loss after tax	(676.32)	-	(676.32)	(229.21)
10 Paid-up equity share capital (Face value of Rs. 10 each)	11,799.99	-	11,799.99	11,480.99
11 Paid up debt capital	10,000.00	-	10,000.00	10,000.00
12 Reserves (excluding revaluation reserves)	(905.53)	-	(905.53)	(229.21)
13 Debenture redemption reserve	-	-	-	-
14 Earnings per share (EPS) - Basic and Diluted (Rs.) (not annualised)	(0.58)	-	(0.58)	(9.93)
16 Debt equity ratio	0.85	-	0.85	0.87
16 Debt service coverage ratio	(0.01)	-	(0.01)	(1.26)
17 Interest service coverage ratio	(0.13)	-	(0.13)	(1.28)

Notes to Unaudited Financial Results

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 4 November, 2015.
- The Company had entered into a Business Sale Agreement with AON Services India Private Limited on 27 March, 2015 for acquisition of the payroll business together with the related assets and liabilities as a going concern on a slump sales basis effective 1 April, 2015.
- 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.
- Debenture Redemption Reserve has not been created in the absence of profits during the current period.
- The Statutory Auditors have carried out a limited review of the Unaudited Financial results for the half year ended 30 September, 2015.
- 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

For and on behalf of the Board of Directors


Armit Garg
Whole time Director and CFO

Date: 4 November, 2015
Place: Gurgaon

