



TEAMLEASE SERVICES LIMITED

Our Company was originally incorporated as a private limited company, under the Companies Act, 1956 on February 02, 2000 with Registrar of Companies, Mumbai, Maharashtra, India, under the name India Life Chakravarti Actuarial Services Private Limited in Mumbai, India. The name of our Company was changed to Team Lease Services Private Limited and a fresh certificate of incorporation consequent upon change of name was issued on January 24, 2002. Our Company was converted into a public limited company on May 15, 2015 and the name of our Company was changed to Team Lease Services Limited and a fresh certificate of incorporation was issued on May 15, 2015. Subsequently, the name of our Company was changed to TeamLease Services Limited and a fresh certificate of incorporation was issued on July 24, 2015. For details of change in the name and Registered Office of our Company please refer to "History and Certain Corporate Matters" on page 148.

Registered Office: Office No. 6, 3rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India; **Tel:** + 91 22 6641 9500; **Fax:** + 91 22 2656 6548

Corporate Office: 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bengaluru 560 095, Karnataka, India; **Tel:** + 91 80 3300 2345; **Fax:** + 91 80 3324 3001

Contact Person and Compliance Officer: Mruthunjaya Murthy C., Company Secretary and Compliance Officer; **Tel:** + 91 80 3324 3406; **Fax:** + 91 80 3324 3001

E-mail: corporateaffairs@teamlease.com **Website:** www.teamlease.com

Corporate Identity Number: U74140MH2000PLC124003

OUR PROMOTERS: MANISH MAHENDRA SABHARWAL, ASHOK KUMAR NEDURUMALLI, MOHITKARAN VIRENDRA GUPTA, HR OFFSHORING VENTURES PTE LTD., MKS MANAGEMENT CONSULTANCY SERVICES LLP, NED CONSULTANTS LLP AND DHANA MANAGEMENT CONSULTANCY LLP

PUBLIC ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF TEAMLEASE SERVICES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION COMPRISING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ 1,500 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 275,977 EQUITY SHARES BY GAJA CAPITAL INDIA FUND-I ("GCIF"), UP TO 76,660 EQUITY SHARES BY GAJA ADVISORS PRIVATE LIMITED ("GAPL"), UP TO 1,180,569 EQUITY SHARES BY GPE (INDIA) LTD. ("GIL"), UP TO 1,533,206 EQUITY SHARES BY INDIA ADVANTAGE FUND S3 I ("IAF") AND UP TO 153,321 EQUITY SHARES BY HR OFFSHORING VENTURES PTE LTD. ("HROV") (THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE") AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER". THE OFFER COMPRISES A NET OFFER TO THE PUBLIC OF [●] EQUITY SHARES (THE "NET OFFER") AND A RESERVATION OF UP TO 10,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) (THE "EMPLOYEE RESERVATION PORTION"). THE NET OFFER WILL CONSTITUTE AT LEAST 25% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMs AND WILL BE ADVERTISED IN ALL ENGLISH EDITIONS OF THE FINANCIAL EXPRESS, ALL HINDI EDITIONS OF THE JANSATTA AND THE MARATHI EDITION OF NAVSHAKTI (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND MARATHI NEWSPAPERS, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Self-Certified Syndicate Banks ("SCSBs"), Registrar to the Offer and Share Transfer Agent(s), Collecting Depository Participants and the Registered Brokers.

In terms of Rule 19(2)(b)(i) of the SCRR, this is a Net Offer for at least 25% of the post-offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process, in compliance with Regulation 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), wherein at least 75% of the Net Offer shall be Allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that our Company and the Selling Shareholders may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, then the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. For details in relation to allocation to Retail Individual Bidders, specific attention of the investors is invited to "Offer Procedure – Basis of Allotment" on page 430. All potential investors, other than Anchor Investors, shall participate in this Offer mandatorily through the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account which will be blocked by the Self-Certified Syndicate Banks ("SCSBs"). For details, please refer to "Offer Procedure" on page 396.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 and the Offer Price is [●] times the face value. The Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined by our Company and the Selling Shareholders, in consultation with the BRLMs as stated under the section "Basis for Offer Price" on page 98) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of the issuer or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" on page 15.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each Selling Shareholder accepts responsibilities severally and not jointly only for statements made expressly by it in this Red Herring Prospectus in relation to itself in connection with the Offer for Sale and the Equity Shares offered by it in the Offer for Sale. Each Selling Shareholder assumes no responsibility for any other statements, including, *inter alia*, any of the statements made by or relation to the Company, other Selling Shareholders or their respective businesses in this Red Herring Prospectus.

IPO GRADING

The Offer has been graded by CRISIL Research and has been assigned a CRISIL IPO grade of '4/5' indicating that the fundamentals of the Offer are above average relative to other listed equity shares in India. For details, please refer to "General Information" on page 60.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to the letters dated September 30, 2015 and September 29, 2015, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be NSE.

BOOK RUNNING LEAD MANAGERS

BOOK RUNNING LEAD MANAGERS	REGISTRAR TO THE OFFER
 IDFC SECURITIES IDFC Securities Limited Naman Chambers, C-32 G Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India Tel: +91 22 6622 2600 Fax: +91 22 6622 2501 Email: teamlease ipo@idfc.com Investor grievance email: investorgrievance@idfc.com Website: www.idfccapital.com Contact Person: Gaurav Goyal SEBI Registration No.: MB/INM000011336	 Credit Suisse Securities (India) Private Limited Creejay House, 9th Floor Plot F, Shivsagar Estate Dr. Annie Besant Road Worli, Mumbai 400 018 Maharashtra, India Tel: +91 22 6777 3885 Fax: +91 22 6777 3820 Email: list.teamleaseipo@credit-suisse.com Investor grievance email: list.igcellmer-bnkg@credit-suisse.com Website: www.credit-suisse.com Contact Person: Somwrita Biswas SEBI Registration No.: MB/INM000011161
 ICICI Securities Limited⁽²⁾ ICICI Center, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 E-mail: teamlease.ipo@icicisecurities.com Investor grievance email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Ayush Jain SEBI Registration No.: MB/INM000011719	 Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32 Gachibowli, Financial District Nanakramguda, Hyderabad 500 032 Telangana, India Tel: +91 40 6716 2222 Fax: +91 40 2300 1153 Email: einward.ris@karvy.com Investor grievance email: teamlease.ipo@karvy.com Website: www.karisma.karvy.com Contact Person: M Murali Krishna SEBI Registration No.: INR0000000221

BID/OFFER PROGRAMME

BID/OFFER OPENS ON	TUESDAY, FEBRUARY 02, 2016⁽¹⁾
BID/OFFER CLOSING ON	THURSDAY, FEBRUARY 04, 2016

⁽¹⁾ Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

⁽²⁾ ICICI Venture Funds Management Company Limited ("I-VEN") is the investment manager to IAF, one of the Selling Shareholders. I-VEN and I-Sec are wholly owned subsidiaries of ICICI Bank Limited and hence defined as 'associates' within the definition of SEBI Merchant Bankers Regulations. In compliance with proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and the proviso to Regulation 5(3) of the SEBI ICDR Regulations, I-Sec, as a BRLM, will only be involved in the marketing of the Offer. I-Sec has signed the due diligence certificate dated September 10, 2015, and has accordingly been disclosed as a BRLM.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, Act or regulation shall be to such legislation, Act or regulation, as amended from time to time.

Company Related Terms

Term	Description
Articles of Association	Articles of Association of our Company, as amended
Board/ Board of Directors	Board of Directors of our Company or a duly constituted committee thereof
Corporate Office	Corporate office of our Company located at 6 th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bengaluru 560 095, Karnataka, India
Corporate Promoters	HR Offshoring Ventures Pte Ltd., MKS Management Consultancy Services LLP, NED Consultants LLP and Dhana Management Consultants, LLP
Director(s)	Director(s) on the Board of Directors of our Company
Equity Shares	Equity shares of our Company of face value of ₹10 each, being fully paid-up
ESOP 2011	TeamLease Employees Stock Options Plan Scheme, 2011 adopted by the Board on June 27, 2011
ESOP 2015	TeamLease Employees Stock Options Scheme, 2015 adopted on July 09, 2015 by the Board and approved on July 10, 2015 by the Shareholders of our Company
Executive Directors	Executive Directors of our Company being Manish Mahendra Sabharwal and Ashok Kumar Nedurumalli
GAPL	Gaja Advisors Private Limited having its registered office at G-133, Sarita Vihar, New Delhi 110 044
GCIF	Gaja Capital India Fund-I, is a trust created under the Indian Trust Act, 1882 and registered under the Registration Act, 1908, having its registered office at G-133, Sarita Vihar, New Delhi 110 044 and registered with SEBI as a domestic venture capital fund, represented by its trustee, Gaja Trustee Company Private Limited, a company incorporated in India under the Companies Act, 1956, having its registered office at G-133, Sarita Vihar, New Delhi 110 044 (“ GTPL ”)
GIL	GPE (India) Ltd. having its principal office at 14, Poudriere Street, Office 905, 9 th Floor, Sterling Tower, Port Louis, Mauritius
IAF	India Advantage Fund S3 I, a trust registered under the Indian Trusts Act, 1882 and registered with SEBI as a domestic venture capital fund, represented by its trustee, IDBI Trusteeship Services Limited, a company registered under the provisions of the Companies Act, 1956, and having its registered office at Asian Building, 17, R. Kamani Marg, Ballard Estate, Mumbai 400 001 (“ IDBI ”), acting through its investment manager ICICI Venture Funds Management Company Limited, a public limited company incorporated under the Companies Act, 1956, and having its registered office at ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025
Independent Directors	Independent Directors of our Company being Latika Prakash Pradhan, Narayan Ramachandran and V. Raghunathan
Group Companies	Our group companies are as follows: • ICAP India Private Limited; • Neev Schools Private Limited; • India Life Capital Private Limited; • Lupin Ventures Private Limited; • Hansini Management Consultant Private Limited; • ICAP Institutional Stock Exchange of India Limited; and • Global Crossover Venture Pte. Ltd. For details, please refer to “Our Group Companies” on page 181
HROV	HR Offshoring Ventures Pte Ltd.
Hansini	Hansini Management Consultant Private Limited earlier known as India Life Credit Holdings Private Limited (“ ILCHPL ”)
ICICI Venture Funds Management Company Limited/ I-VEN	A public limited company incorporated under the Companies Act, 1956, and having its registered office at ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025
IDBI	IDBI Bank
IJT	IJT Education Private Limited
ITHS	Indian Tourism and Hospitality Skills Education Private Limited
Individual Promoters	Manish Mahendra Sabharwal, Ashok Kumar Nedurumalli and Mohitkaran Virendra Gupta
Key Management Personnel/ KMP	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and disclosed in the section “Our Management” on page 168

Term	Description
Memorandum of Association/ MO A	Memorandum of Association of our Company, as amended
NEAS	National Employability Apprenticeship Services
Our Company, the Company, the Issuer	TeamLease Services Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at No. 6, 3 rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
Promoters	Promoters of our Company being, Manish Mahendra Sabharwal, Ashok Kumar Nedurumalli, Mohitkaran Virendra Gupta, HR Offshoring Ventures Pte Ltd., MKS Management Consultancy Services LLP, NED Consultants LLP, and Dhana Management Consultancy LLP. For details, please refer to “Our Promoters” on page 171
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of regulation 2(1)(zb) of the SEBI ICDR Regulations and disclosed in the section “Our Promoters” on page 177
Registered Office	Registered office of our Company located at Office No. 6, 3 rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
Registrar of Companies/ RoC	Registrar of Companies, Mumbai, Maharashtra, India
Restated Consolidated Financial Information	The restated consolidated financial information of the Company, along with its subsidiaries, which comprises of the restated consolidated statement of assets and liabilities as at September 30, 2015, March 31, 2015, September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, the restated consolidated statement of profit and loss and the restated consolidated cash flow statement for the six months ended September 30, 2015 and 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and notes to the restated consolidated statements of assets and liabilities, profit and loss and cash flows as of and for the six months ended September 30, 2015 and 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011
Restated Financial Information	Collectively, the Restated Consolidated Financial Information and the Restated Standalone Financial Information
Restated Standalone Financial Information	The restated standalone financial information of the Company which comprises of the restated standalone statement of assets and liabilities as at September 30, 2015, March 31, 2015, September 30, 2014, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, the restated standalone statement of profit and loss and the restated standalone cash flow statement for the six months ended September 30, 2015 and 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and notes to the restated standalone statements of assets and liabilities, profit and loss and cash flows as of and for the six months ended September 30, 2015 and 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011.
SBI	State Bank of India
SSSA	The share subscription and shareholders agreement dated March 30, 2011, entered into amongst the Company, the Individual Promoters, HROV, certain members of the Promoter Group, namely India Life Credit Holdings Private Limited, Kavitha Sabharwal, and GTPL (<i>acting for and on behalf of GCIF</i>), GAPL, GIL and IAF
Shareholders	Shareholders of our Company from time to time
Statutory Auditors	Statutory auditors of our Company, namely, Price Waterhouse & Co Bangalore LLP, Chartered Accountants
Subsidiaries or individually known as Subsidiary	Subsidiaries of our Company namely: IIJT, TLEF, ITHS and NEAS
TCFSL	Tata Capital Financial Services Limited
TLEF	TeamLease Education Foundation
TLSU	TeamLease Skills University, a university established under the Gujarat Private Universities Act, 2009, as amended and sponsored by TLEF
we, us, our	Unless the context otherwise indicates or implies, refers to our Company, together with its Subsidiaries

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and Prospectus, which will be decided by our Company and the Selling Shareholders in consultation with the BRLMs
Anchor Investor Bid/ Offer Period	The day, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted
Anchor Investor Escrow Account	Account opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer the money through direct credit/ NEFT/ RTGS in respect of the Bid Amount while submitting a Bid
Anchor Investor	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus

Term		Description
Offer Price		and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs
Anchor Investor Portion		Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholders in consultation with the BRLMs to Anchor Investors on a discretionary basis One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price.
Application Supported by Blocked Amount or ASBA		An application, whether physical or electronic, used by ASBA Bidders to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account		An account maintained with an SCSB and specified in the Bid cum Application Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Bid		A Bid made by an ASBA Bidder
ASBA Bidder		Prospective investors (other than Anchor Investors) in the Offer who intend to submit Bids through the ASBA process
ASBA Form		An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker to the Offer/ Escrow Collection Bank		The Bank which is a clearing member and registered with SEBI as a banker to an issue and with whom the Anchor Investor Escrow Account will be opened, in this case being HDFC Bank Limited
Basis of Allotment		Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in the section "Offer Procedure" on page 430
Bid		An indication to make an offer during the Bid/ Offer Period by a Bidder pursuant to submission of the Bid cum Application Form, or during the Anchor Investor Bid/ Offer Period by the Anchor Investors, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations The term "Bidding" shall be construed accordingly
Bid Amount		The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder/ blocked in the ASBA Account upon submission of the Bid
Bid cum Application Form		The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment or transfer, as the case may be, in terms of the Red Herring Prospectus and the Prospectus
Bid Lot		[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/ Offer Closing Date		Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all English editions of the Financial Express, all Hindi editions of the Jansatta and the Marathi edition of the Navshakti, each with wide circulation. Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations
Bid/ Offer Opening Date		Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all English editions of the Financial Express, all Hindi editions of the Jansatta and the Marathi edition of the Navshakti, each with wide circulation
Bid/ Offer Period		Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bidder		Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and Anchor Investor
Book Building Process		Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLMs		The book running lead managers to the Offer namely, IDFC Securities Limited, Credit Suisse Securities (India) Private Limited and ICICI Securities Limited
Broker Centres		Broker centres notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective website of the Stock Exchanges at: http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipo/ipo_mem_terminal.htm .
CAN/ Confirmation of Allocation Note		Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price		The higher end of the Price Band, above which the Offer Price will not be finalised and above which no Bids will be accepted
Client ID		Client identification number of the Bidder's beneficiary account
Company Secretary and Compliance Officer		The Company Secretary and Compliance Officer of our Company i.e., Mruthunjaya Murthy C.
Credit Suisse		Credit Suisse Securities (India) Private Limited
Collecting		A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to

Term	Description
Depository Participant or CDP	procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by our Company and the Selling Shareholders in consultation with the BRLMs
	Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. No other category of Bidders is entitled to Bid at the Cut-off Price
Designated Branches	Such branches of the SCSBs which shall collect the Bid cum Application Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms.
	The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Designated Date	The date on which the Escrow Collection Bank transfers funds from the Anchor Investor Escrow Accounts to the Public Issue Account or the Refund Account, as appropriate, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or unblock such amounts, as appropriate, in terms of the Red Herring Prospectus, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Offer
Designated Intermediary(ies)	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.
	The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm
Designated Stock Exchange	NSE
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated September 10, 2015, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addendum or corrigendum thereto
Eligible employees	All or any of the following: (a) permanent and full time employee of our Company or its Subsidiaries (excluding such employees who are not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines and our Promoters and his immediate relatives) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be an employee of our Company or the Subsidiaries, until Allotment and is based, working and present in India as on the date of Allotment; and (b) director of our Company or Subsidiary, whether a whole time Director or otherwise (excluding such Directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines and our Promoter and his immediate relatives) as of the date of filing the Red Herring Prospectus with the RoC and who continues to be a Director of our Company or Subsidiary until Allotment and is based and present in India as on the date of Allotment
Eligible NRI(s)	The maximum bid under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 200,000 NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Employee Reservation Portion	Reservation of up to 10,000 Equity Shares aggregating to ₹ [●] million in favour of our Company's Eligible Employees.
Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, Karvy Computershare Private Limited
Escrow Agreement	Agreement entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank and the Refund Bank for collection of the Bid Amounts and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 1,500 million by our Company
Gaja Selling Shareholder(s)	GCIF, GAPL and GIL, together referred to as the Gaja Selling Shareholders
General Information Document / GID	General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and included in the section "Offer Procedure" on page 408
Gross Proceeds	Gross proceeds is proceeds of the Fresh Issue including Offer related expenses
IDFC	IDFC Securities Limited
I-Sec	ICICI Securities Limited
Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Term		Description
Maximum Allottees	RIB	Maximum number of Retail Individual Bidders who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot
Mutual Fund Portion		5% of the QIB Portion (excluding the Anchor Investor Portion) or [●] Equity Shares which shall be available for allocation to Mutual Funds only
Mutual Funds		Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer		The Offer less Employee Reservation Portion
Net Proceeds		Proceeds of the Fresh Issue less our Company's share of the Offer expenses
		For further information about use of the Offer Proceeds and the Offer expenses, please refer to "Objects of the Offer" on page 90
Non-Institutional Bidders		All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion		The portion of the Offer being not more than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident Offer/ Issue		A person resident outside India, as defined under FEMA and includes a non resident Indian, FIIs, FPIs and FVCIs
Offer Agreement		The public offer of up to [●] Equity Shares for cash at a price of ₹ [●] each, aggregating ₹ 1,500 million comprising the Fresh Issue and up to 275,977 Equity Shares by GCIF, up to 76,660 Equity Shares by GAPL, up to 1,180,569 Equity Shares by GIL, up to 1,533,206 Equity Shares by IAF and up to 153,321 Equity Shares by HROV aggregating up to ₹ [●] million, comprising the Offer for Sale
Offer for Sale		The agreement dated September 10, 2015 between our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price		The offer for sale of up to 275,977 Equity Shares by GCIF, up to 76,660 Equity Shares by GAPL, up to 1,180,569 Equity Shares by GIL, up to 1,533,206 Equity Shares by IAF and up to 153,321 Equity Shares by HROV aggregating up to ₹ [●] million
		The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus
		The Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs on the Pricing Date
Offer Proceeds		The proceeds of the Offer that is available to our Company and the Selling Shareholders
Price Band		Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of [●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and will be advertised, at least five Working Days prior to the Bid/ Offer Opening Date, in all English editions of the Financial Express, all Hindi editions of the Jansatta and the Marathi edition of the Navshakti, each with wide circulation
Pricing Date		The date on which our Company and the Selling Shareholders, in consultation with the BRLMs, will finalise the Offer Price
Prospectus		The Prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, containing, <i>inter alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Issue Account		Account opened with the Banker to the Offer by our Company and the Selling Shareholders under the Companies Act to receive monies from the Anchor Investor Escrow Account(s) and the ASBA Accounts
QIB Category/ QIB Portion		The portion of the Offer (including the Anchor Investor Portion) being at least 75% of the Net Offer consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors)
Qualified Institutional Buyers or QIBs		Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP		This Red Herring Prospectus issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)		The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to ASBA Bidders) shall be made
Refund Bank		HDFC Bank Limited
Registered Brokers		Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and the Syndicate Member and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by the SEBI
Registrar to the Offer and Share Transfer Agents/RTAs		Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Offer or Registrar		Karvy Computershare Private Limited
Retail Bidder(s)/ Individual Investor /RII(s)		Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion		The portion of the Offer being not more than 10% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidder(s) in accordance with the SEBI ICDR Regulations

Term	Description
Revision Form	Form used by the Bidders, including ASBA Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
Self Certified Syndicate Banks or SCsBs	QIB Bidders and Non-Institutional Bidders are not allowed to lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Selling Shareholders	GCIF, GAPL, GIL, IAF and HROV, and together referred to as the Selling Shareholders
Share Escrow Agreement	Agreement entered into between the Selling Shareholders, our Company and the Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders
Syndicate Agreement	Agreement entered into among the BRLMs, the Syndicate Member, our Company and the Selling Shareholders in relation to the procurement of Bids in the Offer
Syndicate Member	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, in this case being, Sharekhan Limited
Syndicate Members of the Syndicate	The BRLMs and the Syndicate Member
Underwriters	The BRLMs and the Syndicate Member
Underwriting Agreement	The agreement among the Underwriters, our Company and the Selling Shareholders to be entered into on or after the Pricing Date
Working Day	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays.

Technical/Industry Related Terms/ Abbreviations

Term	Description
ALCS	Associate Lifecycle System
Associate Employees	Qualified job seekers who are employed by our Company to fulfil the temporary staffing requirements of our clients
CABE	Central Advisory Board of Education
CLCS	Candidate Lifecycle System
COMS	Center Operation Management System
CRISIL Report	Market Assessment for Temporary Staffing in India dated April, 30, 2015 prepared by CRISIL Research
Enterprise learning solutions	Technical training and training materials provided by us to corporate clients
Institutional learning solutions	Skill development services provided by us under various Government schemes/ programme
Formal sector	The formal sector comprises government entities, public/private limited companies and other registered organisations
Informal sector	Informal sector comprises all unincorporated proprietary, partnership enterprises and enterprises whose activities or collection of data is not regulated under any legal provision and/or which do not maintain any regular accounts
NETAP	National Employability through Apprenticeship Program
NSDC	National Skill Development Corporation
NSDP	National Skill Development Policy
Recruitment process outsourcing	Employer outsources its entire or partial recruitment activities to a third-party.
Retail learning solutions	Training programs offered by us in IT, Finance and Retail
Recruitment process outsourcing	Employer outsources its entire or partial recruitment activities to a third-party.
RLCS	Regulatory Lifecycle System
Staffing	Staffing or flexi-staffing refers to payroll or temporary staffing services

Conventional and General Terms or Abbreviations

Term	Description
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
Apprentices Act	The Apprentices Act, 1961, as amended
AS/ Accounting	Accounting Standards issued by the Institute of Chartered Accountants of India

Term		Description
Standards		
BSE		BSE Limited
CAGR		Compounded Annual Growth Rate, being the annualised average year-over-year growth rate over a specified period of time
Category I Foreign Portfolio Investors		FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Foreign Portfolio Investors		FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III Foreign Portfolio Investors		FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL		Central Depository Services (India) Limited
CENVAT		Central Value Added Tax
CESTAT		Customs, Excise and Service Tax Appellate Tribunal
CIN		Corporate Identity Number
CIT(A)		Commissioner of Income Tax (Appeals)
CLRA Act		The Contract Labour (Regulation and Abolition) Act, 1970, as amended
CLPRA Act		Child Labour (Prohibition and Regulation) Act, 1986, as amended
CST		Commissioner of Service Tax
Companies Act, 1956		Companies Act, 1956, as amended and Companies Act, 2013, as applicable
Companies Act, 2013		Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder, as amended
Depositories		NSDL and CDSL
Depositories Act		The Depositories Act, 1996, as amended
DIN		Director Identification Number
DIPP		Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP ID		Depository Participant’s Identification
DP/ Depository Participant		A depository participant as defined under the Depositories Act
EC Act		The Employees Compensation Act, 1923, as amended
EGM		Extraordinary General Meeting
EPF Act		The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952, as amended
EPS		Earnings Per Share
Equity Listing Agreement		Listing Agreement to be entered into with the Stock Exchanges on which the Equity Shares of our Company are to be listed pursuant to Listing Regulations
ER Act		The Equal Remuneration Act, 1976, as amended
ESI Act		Employees State Insurance Act, 1948, as amended
ESIC		Employees’ State Insurance Corporation
FAQ		Frequently Asked Questions
FCNR		Foreign Currency Non-Resident
FD		Fixed Deposit
FDI		Foreign Direct Investment
FEMA		Foreign Exchange Management Act, 1999, as amended and read with rules and regulations thereunder
FEMA Regulations		FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)		Foreign Institutional Investors as defined under the SEBI FPI Regulations
FPI(s)		A Foreign Portfolio Investor as defined under the SEBI FPI Regulations
Financial Year/ Fiscal/ FY		Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIPB		Foreign Investment Promotion Board
FVCI		Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
GDP		Gross Domestic Product
GoI or Government		Government of India
Gujarat Private Universities Act		Gujarat Private Universities Act, 2009, as amended
HUF		Hindu Undivided Family
ICAI		The Institute of Chartered Accountants of India
ID Act		The Industrial Disputes Act, 1947, as amended
IESO Act		The Industrial Employment (Standing Orders) Act, 1946, as amended
IFRS		International Financial Reporting Standards
Income Tax Act India		The Income Tax Act, 1961, as amended
Indian GAAP		Generally Accepted Accounting Principles in India
Insurance Broker Regulations		Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2013
Ind AS		Indian Accounting Standards
IPO		Initial public offering

Term	Description
IRDA	Insurance Regulatory and Development Authority
ISMW Act	Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979, as amended
IST	Indian Standard Time
IT	Information Technology
MRTUPULP Act	The Maharashtra Recognition of Trade Unions And Prevention Of Unfair Labour Practices Act, 1971, as amended
MWMHRA Act	The Maharashtra Workmen's Minimum House Rent Allowance Act, 1983
LIBOR	London Interbank Offered Rate
Maternity Benefit Act	The Maternity Benefit Act, 1961
Minimum Wages Act	The Minimum Wages Act, 1948
N.A./ NA	Not Applicable
NAV	Net Asset Value
NBFC	Non-banking financial company registered with the RBI
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRE Account	Non Resident External Account
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
Payment of Bonus Act	The Payment of Bonus Act, 1965, as amended
Payment of Gratuity Act	The Payment of Gratuity Act, 1972, as amended
Payment of Wages Act	The Payment of Wages Act, 1936, as amended
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
Registration Act	Registration Act, 1908, as amended
₹/ Rs./ Rupees/ INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended
SEBI Regulations AIF	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
SEBI Regulations FII	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
SEBI Regulations FPI	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI Regulations FVCI	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI Regulations ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992
SEBI Regulations VCF	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
U.S. Securities Act	U.S. Securities Act, 1933, as amended
SGD	Singapore Dollar

Term	Description
SHWPPR Act	Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended
S.No.	Serial Number
STT	Securities Transaction Tax
State Government	The government of a state in India
Stock Exchanges	The BSE and the NSE
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Trademarks Act	The Trademarks Act, 1999, as amended
UGC Regulations	UGC (Establishment Of and Maintenance Of Standards In Private Universities) Regulations 2003
UK	United Kingdom
U.S./ USA/ United States	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD/ US\$	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
WBHRA Act	The West Bengal Workmen's House Rent Allowance Act, 1974, as amended

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in the sections “Statement of Tax Benefits”, “Industry Overview”, “Financial Statements”, “Outstanding Litigation and Material Developments” and “Main Provisions of Articles of Association” on pages 102, 110, 189, 360 and 443, respectively, shall have the meaning given to such terms in such sections. Page numbers refer to page number of this Red Herring Prospectus, unless otherwise specified.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Red Herring Prospectus to “India” are to the Republic of India, all references to the “USA” or “United States” are to the United States of America and all references to “Singapore” are to the Republic of Singapore.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

Financial Data

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from the Restated Standalone Financial Information or the Restated Consolidated Financial Information prepared in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals (including percentages) have been rounded off to one or two decimals.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year.

There are significant differences between Indian GAAP, US GAAP and IFRS. Our Company follows Indian GAAP and therefore does not provide reconciliation of its Restated Financial Information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the Restated Financial Information included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s Restated Financial Information. For details in connection with risks involving differences between Indian GAAP and IFRS, see *“Risk Factors - Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors’ assessments of our financial condition”* contained in this Red Herring Prospectus on page 31. Accordingly, the degree to which the Restated Financial Information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in the sections “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 15, 131 and 346 respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company prepared in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “SGD” to the Singapore Dollar, the official currency of Republic of Singapore; and
- “USD” or “US\$” are to United States Dollar, the official currency of the United States

Our Company has presented certain numerical information in this Red Herring Prospectus in “million” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

This Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the dates indicated, information with respect to the exchange rate between the Rupee and (i) the SGD (in Rupees per SGD) and (ii) US\$ (in Rupees per US\$):

Currency	As on March 31, 2012 (₹)	As on March 31, 2013 (₹)	As on March 31, 2014 (₹)	As on March 31, 2015 (₹)	As on September 30, 2015 (₹)
SGD	41.24	43.81	47.45	45.40	46.06
US\$	51.85	54.35	59.75	62.42	65.63

Source of exchange rate: www.oanda.com

In case March 31 of any of the respective years is a public holiday, rate as on the previous calendar day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications have been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section “Risk Factors” on page 15. Accordingly, investment decisions should not be based solely on such information.

The information in the section "Industry Overview" has been extracted from data and statistics derived from reports prepared by third party consultants, CRISIL Report prepared by CRISIL that was commissioned by us for the purposes of this Red Herring Prospectus. We have not commissioned any other report other than CRISIL Report for the purposes of this Red Herring Prospectus. Except for CRISIL Report, market and industry related data used in this Red Herring Prospectus have been obtained or derived from publicly available documents and other industry sources which have not been prepared or independently verified by the Company, the BRLMs or any of their respective affiliates or advisors. Such information, data and statistics may be approximations or may use rounded numbers. Certain data has been reclassified for the purpose of presentation and much of the available information is based on best estimates and should therefore be regarded as indicative only and treated with appropriate caution. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information.

Certain information in the “Summary of Industry”, “Summary of Our Business”, “Industry Overview” and “Our Business” on pages 38 , 41, 110 and 131 has been obtained from various industry sources identified in these sections.

In accordance with the SEBI ICDR Regulations, the section “Basis for the Offer Price” on page 100 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, the Selling Shareholders nor the BRLMs have independently verified such information.

Further, in accordance with Regulation 51A of the SEBI ICDR Regulations, our Company may be required to undertake an annual update of the disclosures made in the Red Herring Prospectus and make it publicly available in the manner specified by SEBI. The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry

in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely”, “objective”, “plan”, “project”, “seek to”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the sectors in India in which our Company has businesses and its ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, technological changes, its exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Our ability to control our business and operations against the current criminal and regulatory proceedings against our Directors and Individual Promoters;
- Our ability to compete successfully against existing or new competitors, particularly in the unorganized segment;
- Our ability to control our business due to fluctuations in general economic activities;
- Our ability to control extensive government regulations and balance our other costs reducing our revenues and earnings;
- Our ability to control loss of major clients, deterioration of their financial condition and prospects;
- Our ability to realise anticipated benefits from future acquisitions;
- Our ability to attract and retain qualified temporary personnel;
- Our ability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business;
- Our ability to identify expansion opportunities or experience delays or other problems in implementing such projects; and
- Our ability to utilize Net Proceeds to undertake acquisitions for which targets have not been identified.

For further discussion of factors that could cause the actual results to differ from the expectations, please refer to “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 15, 131 and 346, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and BRLMs will ensure that investors in India

are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer. Each Selling Shareholder will ensure that investors are informed of material developments solely in relation to statements and undertakings specifically confirmed or made severally and not jointly by such Selling Shareholder in this Red Herring Prospectus and the Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

The prospective financial information included in this Red Herring Prospectus has been prepared by, and is the responsibility of, the Company's management. Price Waterhouse & Co Bangalore LLP, Chartered Accountants, has neither examined, compiled, nor performed any procedures with respect to the prospective financial information included in this Red Herring Prospectus and, accordingly, Price Waterhouse & Co Bangalore LLP, Chartered Accountants does not express an opinion or any other form of assurance with respect thereto. Price Waterhouse & Co Bangalore LLP, Chartered Accountants, reports included in this Red Herring Prospectus relates only to the Company's Restated Standalone Financial Information and Restated Consolidated Financial Information and statement of tax benefits. It does not extend to the prospective financial information and should not be read to do so.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate in or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the section titled “**Our Business**” and “**Management’s Discussions and Analysis of Financial Condition and Results of Operations**” on pages 131 and 346, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. See “**Forward-Looking Statements**” on page 13.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless otherwise stated, the financial information of our Company used in this section has been derived from our Restated Consolidated Financial Statements.

Risks relating to our business

1. *We are involved in certain legal proceedings, any adverse developments related to which could materially and adversely affect our business, reputation and cash flows.*

There are outstanding legal proceedings against our Company, certain of our Subsidiaries, Individual Promoters and Directors, that are incidental to our business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals and appellate tribunals. For further details, see “Outstanding Litigation and Material Developments” on page 360. We cannot assure you that these proceedings will be decided in our favour. Brief details of outstanding litigation that have been initiated by and against our Company, our Promoters, our Directors, our Subsidiaries and our Group Companies (as applicable) are set forth below:

Litigation against our Promoters

Nature of the Case / Claims	No. of Cases Outstanding	Amount Involved (In ₹ Million)
Statutory notices	1	3.06

Litigation against our Company

Nature of the Case / Claims	No. of Cases Outstanding	Amount Involved (In. ₹ Million)
Criminal	2	-
Labour	1	-
Statutory notices	3	3.06
Tax (direct and indirect)	2	15.71
Total	7	18.77*

**The amounts indicated are approximate amounts, wherever quantifiable.*

Litigation against our Subsidiaries

Nature of the Case / Claims	No. of Cases Outstanding	Amount Involved (In ₹ Million)
Labour	1	-
Tax	3	78.55
Total	4	78.55**

**The amounts indicated are approximate amounts, wherever quantifiable.

Litigation against our Group Companies

Nature of the Case / Claims	No. of Cases Outstanding	Amount Involved (In ₹ Million)
Civil	1	335.15

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities. For further details of legal proceedings involving our Company, our Subsidiaries, our Promoters and our Group Companies, please refer to “Outstanding Litigation and Material Developments” on page 360.

2. *We operate in a highly competitive and fragmented industry with low barriers to entry and may be unable to compete successfully against existing or new competitors, particularly in the unorganized segment.*

The staffing services market is highly fragmented and competitive. We compete in national and regional markets with both full-service and specialized temporary staffing companies. While a majority of our competitors are smaller than us in terms of revenues and number of Associate Employees, several competitors, including the Indian affiliates or India-based operations of global players such as Adecco S.A., Manpower Inc., Randstad Holding N.V. and Kelly Services, Inc. and Indian human resources companies such as Quess Corp Limited, have substantial marketing and financial resources at their disposal. We also face competition from various regional players. Price competition in the staffing industry is intense, particularly for qualified industrial personnel. We expect that the level of competition will remain high, which could directly impact the size of our workforce and therefore potentially limit our ability to maintain or increase our market share or profitability. We also face the risk of our current or prospective clients deciding to utilize their internal workforce or use independent contractors or service providers in the unorganized segment. Our continued success depends on our ability to compete effectively against our existing and future competitors. With the potential influx of new competitors, our ability to retain our existing clients and to attract new clients is critical to our continued success. As a result, there can be no assurance that we will not encounter increased competition in the future. Nor can there be any assurance that our Company will, in light of competitive pressures, be able to remain profitable or, if profitable, maintain its current profit margins. Further, our global competitors might be able to realign themselves with change in global macro-economic environment more effectively than us.

3. *Our business is significantly affected by fluctuations in general economic activity.*

Demand for staffing services is significantly affected by the general level of commercial activity and economic conditions in the regions and sectors in which we operate. An economic downturn in a region or sector in which we operate may adversely affect our operations in that region or sector, as the use of temporary employees may decrease or fewer permanent employees may be hired. Many of our Company's top clients are multi-national corporations, and a downturn in the global markets may adversely affect their operations, thereby affecting our business, financial conditions or results of operations. When economic activity increases, temporary employees or contract workers are often added before full-time employees are hired. During period of economic downturn, however, many companies reduce their use of temporary employees before laying off full-time employees. We may also experience more competitive pricing pressure during periods of economic downturn. Also, declining unemployment levels can make it harder for us to identify Associate Employees to place with our clients. Any significant economic downturns, such as those in 2008 and 2009, in India or in the global markets could have a material adverse effect on our business, financial condition and results of operations.

4. *Our business is subject to extensive government regulation, which may restrict the types of services we are permitted to offer or result in additional tax or other costs that reduce our revenues and earnings.*

The staffing services sector is subject to complex laws and regulations. These laws and regulations cover the following such as Minimum Wages Act, ESI Act, CLRA Act, EPF Act and ID Act, which vary from state to state in India and are subject to change. These laws and regulations sometimes limit the size and growth of staffing services markets. Changes in laws or government regulations may result in prohibition or restriction of certain types of employment services we are permitted to offer, or the imposition of new or additional licensing or tax requirements that could reduce our revenues and earnings. There can be no assurance that we will be able to increase the fees charged to our clients in a timely manner and by a sufficient amount to cover increased costs as a result of any changes in laws or government regulations. Any future changes in laws or government regulations, including changes in tax laws and rates of taxation, may make it more onerous for us to provide staffing services and could have a material adverse effect on our business, financial condition and results of operations. Further, labour laws in India are complex and subject to sporadic change, and non-compliance with any requirements thereunder may result in penalties, loss of business and damage to our reputation. In particular, a large portion of our Associate Employee base is unskilled or semi-skilled workers whose wages are at or slightly above the prescribed minimum wage levels. In the event that regional minimum wage levels are increased by relevant Governmental authorities and we are not immediately made aware of these changes, there could be short periods of time when we could be technically non-compliant with minimum wage rules and regulations, until our clients absorb the increase in wages.

For further details on the laws and regulations applicable to us, please refer to the section “Regulations and Policies” on page 371. These effects may occur notwithstanding the assurance over key risks that our internal processes to identify risks, allocate risk owners and monitor actions provide.

5. *Loss of major clients or the deterioration of their financial condition or prospects could have a material adverse effect on our business.*

The business contribution of our top five clients for the years ended March 31, 2013, 2014 and 2015 are 13.20%, 13.86% and 17.64% respectively of our Revenue from Operations (Gross). While our strategy is intended to enable us to increase our revenues and earnings from our major corporate clients, the strategy also exposes us to increased risks arising from the possible loss of major clients accounts. In addition, some of our clients are in industries that have experienced adverse business and financial conditions during economic downturn. The deterioration of the financial condition or business prospects of these clients could reduce their need for temporary employment services, and result in a significant decrease in the revenues and earnings we derive from these clients. Since receipts from clients generally are made after we pay salaries to Associate Employees, the bankruptcy of a major client could have a material adverse impact on our ability to meet our working capital requirements. Further, as a result of alleged contractual noncompliance, we could be excluded from participating in government contracts.

6. *We may be unable to fully realize the anticipated benefits of any future acquisitions successfully or within our intended timeframe.*

Our Company may in the future undertake acquisitions consistent in line with our future growth strategy. The successful implementation of acquisitions depends on a range of factors, including funding arrangements, cultural compatibility and integration. To the extent that we fail to successfully integrate acquisitions with our existing business or should the acquisitions not deliver the intended results as was the case with the acquisition of IIJT, our financial performance could be negatively affected.

Potential difficulties that we may encounter as part of the integration process could *inter-alia* include the following:

- underestimated costs associated with the acquisition;
- increased costs of integration;

- the possibility that the full benefits anticipated to result from the acquisition will not be realized;
- over-valuation by us of acquired companies;
- delays in the integration of strategies, operations and services;
- diversion of the attention of our management as a result of the acquisition;
- attrition, differences in business backgrounds, corporate cultures and management philosophies that may delay successful integration;
- retaining key executives and other employees;
- challenges associated with creating and enforcing uniform standards, controls, procedures and policies;
- insufficient indemnification from the selling parties for legal liabilities incurred by the acquired company prior to the acquisition;
- potential unknown liabilities and unforeseen increased expenses or delays associated with the acquisition;
- the disruption of, or the loss of momentum in, our ongoing businesses; and
- changes in regulatory environment.

If we are unable to successfully overcome the potential difficulties associated with the integration process and achieve our objectives following an acquisition, the anticipated benefits and synergies of any future acquisitions may not be realized fully, or at all, or may take longer to realize than expected. Any failure to timely realize these anticipated benefits could have a material adverse effect on our business, financial condition, results of operations or cash flows. Possible impairment losses on goodwill and intangible assets with an indefinite life, or restructuring charges could also occur.

7. *We depend on our ability to attract and retain qualified temporary personnel.*

We depend on our ability to attract qualified temporary personnel who possess the skills and experience necessary to meet the staffing requirements of our clients. We must continually evaluate our base of available qualified personnel to keep pace with changing client needs. Competition for individuals with proven professional skills is intense, and demand for these individuals is expected to remain strong for the foreseeable future. Intense competition may limit our ability to attract and retain the qualified personnel necessary for us to meet our clients' staffing needs. There can be no assurance that qualified personnel will continue to be available in sufficient numbers and on terms of employment acceptable to us. Our success is substantially dependent on our ability to recruit and retain qualified temporary personnel.

8. *Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.*

We will be required to renew such permits and approvals in relation to our existing operations and obtain new permits and approvals for any proposed operations as may be required under the applicable laws of the sector or region that we are operating in. There can be no assurance that the relevant authorities will renew or issue any of such permits or approvals in the time-frame anticipated by us or at all. Our failure to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations.

Compliance with many of the regulations applicable to our operations may involve incurring significant costs and otherwise may impose restrictions on our operations. We cannot assure you that we will not be subject to any adverse regulatory action in the future. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of our Company could be adversely affected. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of the terms and conditions stipulated under any of our licenses or permits, one or several of our licenses and certificates may be suspended or cancelled and we shall not be able to carry on the activities permitted thereunder.

9. *We propose to utilize the Net Proceeds to undertake an acquisition for which the target has not been identified.*

We propose to utilize ₹ 250 million from our Net Proceeds towards undertaking an acquisition. However, as the date of filing this Red Herring Prospectus, we have not entered into any definitive agreements towards such acquisitions or strategic initiatives. The estimates are based solely on management estimates of the amounts to be utilised towards an acquisition, considering our discussions and negotiations with potential targets and partners and other relevant considerations. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of strategic initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. In the interim, the Net Proceeds proposed to be utilized towards this object shall be deposited only in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. While we believe that the acquisition will be undertaken during Fiscal 2016, we cannot assure you that the acquisition will be undertaken in a timely manner. For further details in relation to this object, please refer to “Objects of the Offer” on page 93.

10. *If we are unable to identify expansion opportunities or experience delays or other problems in implementing such projects, our growth, business, financial condition, results of operations and prospects may be adversely affected.*

Our growth strategy depends on our ability to acquire and manage new human resource businesses, particularly in the areas of IT staffing, healthcare and hospitality staffing services etc. We have identified a few such opportunities, and are continuously evaluating other projects, including acquisition opportunities, some of which we may realize in the imminent future and which may be material to our business, financial condition or results of operations. Such acquisitions and expansions are capital expenditure intensive. We may not be able to identify suitable acquisition candidates or opportunities, negotiate attractive terms for such projects, or expand, improve and augment our existing businesses. The number of attractive expansion opportunities may be limited, and attractive opportunities may command high valuations for which we may be unable to secure the necessary financing. If we are not able to successfully identify opportunities to build, acquire or expand our additional and existing human resource businesses or if we face difficulties in the process of developing, acquiring or expanding such operations, our business, financial condition, results of operations and prospects may be materially and adversely affected.

11. *Inability to effectively manage our growth and related issues could materially and adversely affect our business and impact our future financial performance.*

During the past few years, we have experienced consistent growth in our staffing business operations. This has occurred primarily through organic growth. Our rapid growth exposes us to a wide range of risks within India, including business risks, operational risks, fraud risks and regulatory and legal risks.

If we are not successful in executing our growth strategy, we may not achieve our planned revenues, therefore negatively impacting future profitability. Our growth strategy may involve significant risks which may have a material adverse effect on our business due to unexpected or underestimated costs. The Company’s ability to continue to grow consistently will depend on a number of factors beyond its control, including the level of competition for opportunities for inorganic growth and our ability to successfully manage our organic growth.

12. *Due to the nature of the staffing services business, we may be exposed to employment-related claims and losses that could have a material adverse effect on our business and reputation.*

We employ and assign our Associate Employees in the workplaces of our clients. Our ability to control the workplace environment in such circumstances is limited, and the risks associated with these activities, *inter-alia*, include possible claims relating to:

- actions or inactions of our Associate Employees, including matters for which we may have to indemnify our client;
- discrimination and harassment (including claims relating to actions of our clients);
- wrongful termination or retaliation;
- violations of employment rights related to employment screening or privacy issues;
- failure to verify candidates’ and temporary employees’ backgrounds and qualifications;

- apportionment between us and our client of legal obligations as an employer of temporary employees;
- violation of health and safety regulations;
- retroactive entitlement to employee benefits and other similar employment claims; and
- failure to comply with leave policy requirements.

As on September 30, 2015, our Associate Employee related claims and losses, including claims of the nature described above, aggregate to ₹ 8.16 million.

We are also subject to potential risks relating to misuse of client proprietary information, misappropriation of funds, death or injury to our Associate Employees, damage to the client's facilities due to negligence of Associate Employees, criminal activity or torts and other similar claims. We may incur fines and other losses or negative publicity with respect to these claims. In addition, these claims may give rise to litigation, which could be time-consuming and may incur significant costs. While such claims have not historically had a material adverse effect upon our Company, there can be no assurance that the corporate policies we have in place to help reduce our exposure to these risks will be effective or that we will not experience losses as a result of these risks. There can also be no assurance that the insurance policies we have purchased to insure against certain risks will be adequate or that insurance coverage will remain available on reasonable terms or be sufficient in amount or scope of coverage.

13. *Our training business agreements generally have minimum requirements which could be breached.*

The agreements we have with the Central and State Governments and various government agencies generally require us to ensure that a certain number of students are provided employment pursuant to the skills training services we provide. In the event that we fail to ensure placement or employment of students enrolled in our vocational training programs, the relevant government agencies may be entitled to not pay us the balance amount payable to us under such contracts and also enforce underlying bank guarantees, if applicable. Further, poor placement ratios of students on our vocational training programs may have an adverse impact on our reputation, which, in turn, may hinder us in our efforts to increase the number of partnerships with Central and State Governments in order to expand our vocational training business.

In the past, we have at no time encountered any instances of failure to ensure the minimum threshold of placements or employment of students enrolled in vocational training programs. As per our agreements with government agencies, we receive payment either on a pro-rata basis or 100% on achieving a minimum threshold level of placements/employment. In cases where the placement percentage is below the minimum threshold levels, as stipulated in the agreements, our Company shall not be entitled to receive any payment.

14. *We derive a significant portion of our revenues from some of our clients; factors that adversely affect our ability to do business with them may adversely affect our business.*

We have in the past derived, and we believe that we will continue to derive, a significant portion of our revenues from companies such as Godrej Industries Limited and PNB Housing Finance Limited. During the financial year ended at March 31, 2015, we derived 17.64% of our revenues from our top five clients and 24.56% of our total revenues from our top ten clients. Any downsizing by these clients may reduce their spending on the services provided by us. This, along with the loss of any one or more of these clients, could have a material adverse effect on our business, profits and results of operations.

15. *Our retail training business is operated through a franchise model and hence we may not be able to have complete control over the costs or quality of all the franchisee activities.*

Our retail training business operates through a franchise model. As of November 30, 2015 we had 75 franchisees. While we have a tracking mechanism to monitor this business closely, it may not be possible for us to have complete control over some of the franchisee activities which may result in cost and quality issues. Moreover, the retail training business also faces possible claims by students which can adversely affect our reputation and may result in contingent liabilities. As on September 30, 2015, the claims made by students aggregate to ₹ 1.50 million.

16. *Our use of multiple external consultants in our institutional training and regulatory compliance businesses may result in inconsistent delivery and potential client dissatisfaction*

The business model of our institutional training and regulatory compliance businesses require us to work with a number of third party service providers in locations where we do not have a presence. We currently do not have a mechanism to measure the quality standards of these service providers. This could result in inconsistent delivery of contracted service obligations leading to client dissatisfaction.

17. *If we fail to successfully develop new service offerings and adapt to client needs we may be unable to retain current clients and gain new clients and our revenues would decline.*

The process of developing new service offerings requires accurate anticipation of clients' changing needs and emerging technological trends. This may require that we make long-term investments and commit significant resources before knowing whether these investments will eventually result in service offerings that achieve client acceptance and generate the revenues required to provide desired returns. If we fail to accurately anticipate and meet our clients' needs through the development of new service offerings, our competitive position could be weakened and that could materially adversely affect our results of operations and financial condition.

18. *Our ability to operate our business, maintain our competitive position and implement our business strategy is dependent to a significant extent on our senior management team and other key personnel.*

We are highly dependent on the continued efforts of our officers and our senior management and the performance and productivity of our local managers and field personnel. Our core management team oversees the day-to-day operations, implementation of strategy and growth of our business. If one or more members of our core management team were unable or unwilling to continue in their present positions, such persons may be difficult to replace, and our business and results of operation could be adversely affected.

In addition, if any member of our senior management team or any of our other key personnel joins a competitor or forms a competing company, we may consequently lose our proprietary know-how for the benefit of our competitors. Our key management personnel have entered into confidentiality and/or non-competition agreements with us. However, if any disputes arise between any of our key management personnel and us, it may be difficult for us to enforce these agreements.

Our ability to attract and retain business is also significantly affected by local relationships and the quality of service rendered. Our success depends to a significant extent upon the quality of the decisions of the business heads, the senior management and the members of the Board of Directors of our Company, whose performance is largely supported by their experience in the human resource services sector. Competition for experienced management personnel in the business sectors we operate in is intense, the pool of qualified candidates is limited, and we may not be able to retain our senior executives or key personnel or attract and retain skilled senior executives or key personnel in the future. Consequently, there can be no assurance that these individuals will continue to make their services available to us in the future.

Our success depends heavily upon the continuing services of our Individual Promoters Manish Mahendra Sabharwal and Ashok Kumar Nedurumalli who have been our leaders since our inception. Manish Mahendra Sabharwal and Ashok Kumar Nedurumalli currently serve as our Directors and their experience and vision have played a key role in obtaining our current market position. Mohitkaran Virendra Gupta (previous co heading our staffing business) has now stepped down from direct executive responsibilities and is currently engaged with our Company in an advisory capacity. If all or any of our Individual Promoters are unable or unwilling to continue to serve in their present positions, we may not be able to replace them with an executive of similar calibre and experience or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

We are also highly dependent on the performance and productivity of our business development team and client managers. The loss of any of key personnel may cause a significant disruption in our

business. In addition, the loss of any of our local managers or field personnel may jeopardize existing client relationships with businesses that use our services based on relationships with these individuals.

19. *Client contracts are generally of a short duration and contain termination provisions that could decrease our revenues and earnings.*

Most of our client contracts can be terminated by the client on short notice without penalty. Majority of our client contracts are for a period of one year or less. Our clients, therefore, are not contractually obligated to continue to do business with us in the future. This creates uncertainty with respect of revenues and earnings from our client contracts.

20. *Clients may delay or default in making payments for services which could affect the cash-flows and liquidity of the Company.*

Cash collection trends measured by days outstanding have a material impact on the cash receipts and, consequently, on our cash flows. In general, an increase in bad debts or aged debtors leads to greater usage of operating working capital and increased interest costs. Trade receivables constitute a significant portion of our assets and are, therefore, a major business investment. Successful control of the trade receivables process demands development of appropriate contracting, invoicing, credit, collection and financing policies. Our failure to maintain such policies could have a negative effect on its business, financial condition and results.

The Company has an accounting policy with respect to provision for delayed and doubtful debts wherein, any receivable outstanding for a period more than 180 days is considered as 'delayed and doubtful' and provided for in the Financial Statements.

Delayed and doubtful payments for the financial year ended at March 31, 2013, 2014 and 2015 and for the six months ended September 30, 2015 amounted to ₹ 62.05 million, ₹ 60.65 million, ₹ 65.48 million and ₹ 70.46 million respectively. It may be noted that while the Company has provided for the same, a substantial portion of the amounts provided for have been subsequently received. The irrecoverable portion of the receivables or default payments has been written off as bad debts.

Defaults written off as bad debts for the Financial Year ended at March 31, 2013, 2014 and 2015 and for the six months ended September 30, 2015 amounted to ₹ 19.02 million, ₹ 16.35 million, ₹ 12.36 million and ₹ 11.19 million respectively.

21. *The schedule of our estimated deployment of Net Proceeds is subject to inherent uncertainties and you should not place undue reliance on it.*

In accordance with regulatory requirements for public offerings in India, we have prepared a schedule of the estimated implementation and deployment of Net Proceeds, including funding our working capital requirements, for the years ending March 31, 2016, 2017 and 2018. These estimates are set forth under "Objects of the Offer" in this RHP. We did not prepare this information with a view towards compliance with published guidelines of the U.S. Securities and Exchange Commission and the American Institute of Certified Public Accountants ("AICPA") for the preparation and presentation of projected or forecasted financial information. Accordingly, this information does not include disclosures of all information required by the AICPA guidelines on projected or forecasted financial information. We prepared this information in accordance with local regulatory requirements in India. This information necessarily is based upon a number of assumptions and forecasts that, while presented with numerical specificity and considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control, and upon assumptions with respect to future business decisions which are subject to change. The forecast deployment of Net Proceeds presented in this RHP may vary materially from actual deployment. We make no representation that this deployment will be achieved. You should not place undue reliance on this information. For further details refer to "Forward-Looking Statements" on page 13.

22. *We have not paid any dividends in the past. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and investments or acquisitions.*

As with any business, our ability to generate returns for shareholders is dependent on a host of factors that impact our business and financial condition. Our Company has not paid any dividend on its Equity Shares during the last five Financial Years. The amount of future dividend payments, if any, will depend upon a number of factors, such as our future earnings, financial condition, cash flows, working capital requirements, contractual obligations, applicable Indian legal restrictions, capital expenditures and cost of indebtedness. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing agreements our Company may enter into. Even in years in which we may have profits, we may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We may also require the consent of our lenders to be able to declare dividend, which consent may be withheld by our lenders in their absolute discretion. There can therefore be no assurance that we will be able to pay dividends in the future. For further details, please refer to "Dividend Policy" on page 188.

23. *Some of our Group Companies have incurred losses in the last three financial years.*

The following Group Companies have incurred losses in the last three financial years:

		(in ₹ million)		
Group Companies		For the Financial Year		
		2015	2014	2013
ICAP Institutional Stock Exchange		(0.19)	(1.90)	(2.15)
Hansini		(3.29)	(4.58)	-

We cannot assure you that our Group Companies will not incur losses in the future. For further details of our Group Companies, please refer to "Our Group Companies" on page 181.

24. *Excess pay-outs to associates could result in irrecoverable loss.*

In our business, from time to time we receive stop pay instructions during the closure of the payroll cycle at a time when some of the corresponding payments may have been already made. Also, excess payments may happen on account of a change of instructions, or system or human errors. It is possible that the amounts released in excess may not be recoverable from clients or Associate Employees, resulting in the incurrence of losses.

25. *We may be unable to perform background verification procedures on our Associate Employees prior to placing them with our clients.*

Our internal policies require us to perform background verification procedures on all our Associate Employees prior to employing them. However, given the high volume of Associate Employees that we employ each month, and the quality of sufficiently reliable information being unavailable in some cases, we may be unable to fully perform background verification procedures on each of our Associate Employees. Our inability to perform these procedures fully could result in insufficient vetting of our Associate Employees, which could in turn result in an adverse effect on our reputation, results of operations and business prospects if such Associate Employees engaged in illegal or fraudulent activities during the course of their employment.

26. *Our training business could experience cost overruns and payment delays.*

Our institutional training business, including our placement-linked vocational training business, could incur cost overruns and payment delays from our partnerships with the Central and State Governments, which may adversely affect our business, financial condition and results of operations. Payments from the Central and State Governments may be, and have been, subject to several delays, and have at times been received after a period of between nine and 12 months due to regulatory scrutiny and long procedural formalities. Our institutional training business accounts for 0.43% of our total revenue. Payments from Central and State Governments account for all of our revenue from our institutional training business.

If payments under our contracts with Central and State Governments in the vocational training segment are delayed, our working capital requirements would be adversely affected, resulting in additional finance costs and an increase in our realization cycle. Further, any change in Central or State Governments may result in a change in policy and reassessment of existing contracts. Any change in the terms of conditions of existing or future contracts may result in rendering all or some projects unviable, which may, in turn, result in a reduction of our revenues from this segment.

27. *Our investment in technology may not yield the intended results.*

The success of our businesses depends in part upon the ability to store, retrieve, process and manage substantial amounts of information. We have developed in-house software tools such as Associate Life Cycle System (“ALCS”), Candidate Life Cycle System (“CLCS”) and Regulatory Life Cycle System (“RLCS”) platforms to manage activities and processes relating to staffing business, permanent recruiting business and our regulatory consulting business respectively. Although this technology initiative is intended to increase productivity and operating efficiencies, the project may not yield its intended results. Any delays in completing or an inability to successfully complete this technology initiative, or an inability to achieve the anticipated efficiencies, could affect our operations, liquidity and financial condition.

We are also investing in other technological upgrades to achieve our strategic objectives and to remain competitive. In this regard, we intend to continue to develop and enhance our localized information systems, which might require the acquisition of equipment and software and the development, either internally or through independent consultants, of new proprietary software. Our new systems, infrastructure and technologies may not perform satisfactorily, or be used effectively, and we may also fail to adapt our service platforms to reflect our increased size and scale, user requirements or emerging trends and industry standards. If we do not effectively manage our growth and appropriately expand and upgrade or downsize and scale back our systems and platforms, as appropriate, in a timely manner and at a reasonable cost, we may lose market opportunities, which may adversely affect our business, financial condition and results of operations.

28. *Improper disclosure of sensitive or private information could result in liability and damage to our reputation.*

Our business involves the processing, storage and transmission of large amounts of data including personnel and payment information, about our Associate Employees, clients, associates and candidates, a portion of which is confidential and/ or potentially sensitive. In doing so, we rely on our own technology and systems, and those of third party vendors for a variety of processes. Additionally, our Associate Employees may have access or exposure to client data and systems, the misuse of which could result in legal liability. Cyber-attacks, including attacks against our industry, and against us in particular, may disable or damage our systems. We are dependent on, and are ultimately responsible for, the security provisions of vendors who have custodial control of our data.

We have established policies and procedures to help protect the security and privacy of this information. However, it is possible that our security controls over personal and other data and the other practices we follow may not prevent the improper access to, or disclosure of, personally identifiable or otherwise confidential information. Such disclosure or damage to our systems could harm our reputation and subject us to liability under our contracts and laws that protect personal data and confidential information, resulting in increased costs or loss of revenue.

Data privacy is also subject to frequently evolving rules and regulations. Any failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability, additional compliance costs, missed business opportunities or impair our reputation in the marketplace.

29. *We have certain contingent liabilities that may adversely affect our financial condition.*

As of September 30, 2015, we had the following contingent liabilities and not provided for in the books of accounts on a consolidated basis:

- With respect to an Employee State Insurance demand raised in 2006, we have furnished documents to justify no Employee State Insurance liability for the balance amount of ₹ 0.50 million, which is pending for approval from the Employee State Insurance Corporation.
- We have received a Demand Order under section 201(1) and 201(1A) of the Income Tax Act for tax deducted at source of ₹ 0.77 million for the Assessment Year 2010-11. We have filed an appeal against the aforesaid demand with the CIT(A).
- We have received a demand of ₹ 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax and the said demand was disposed of in our favour by Central Excise and Service Tax Appellate Tribunal (CESTAT). The Commissioner of Service Tax Department filed the case against this CESTAT order with the High Court of Karnataka, Bengaluru. This petition was disposed of by the High Court on April 02, 2014 in our favour. In May 2015, the Commissioner of Service Tax Department filed a case with the Supreme Court of India for condonation of delay in filing the special leave to appeal. Against this petition, condonation is granted by Supreme Court of India and hearing is scheduled in the month of March 2016.

If the aforementioned contingent liabilities materialise, our profitability and cash flows may be adversely affected. For further details of contingent liabilities, see "Financial Statements" on page 189.

30. *Impairment charges relating to our goodwill and long-lived assets may affect our results of operations.*

We regularly monitor our long-lived assets for impairment indicators. Changes in economic or operating conditions impacting our estimates and assumptions could result in the impairment of our long-lived assets. In the event that we determine that our goodwill or long-lived assets are impaired, we may be required to record a significant non-cash charge to earnings that could adversely affect our results of operations.

31. *We have experienced negative cash flows in the past. Any operating loose or negative cash flows in the future could affect our financial condition and results of operations.*

We have in the past, and may in the future, experience negative cash flows. For example, as per our Restated Consolidated Financial Information, our net cash used in operating activities, after working capital adjustments, for the years ended at March 31, 2011, 2012 and 2013 was ₹ 53.91 million, ₹ 300.73 million and ₹ 7.24 million respectively, primarily on account of higher operating expenses incurred towards running of own training centres which have been subsequently closed and converted into franchise model; net cash used in financing activities for the years ended at March 31, 2015 and 2014 was ₹ 9.61 million and ₹ 114.84 million respectively, primarily on account of repayment of short term and long term borrowing. Negative cash flows over extended periods or significant negative cash flows in the short term, could materially impact our financial condition and results of operations. For details, please refer to "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 189 and 346, respectively of this Red Herring Prospectus.

32. *Our insurance coverage may be inadequate, as a result of which the loss or destruction of our assets could have a material adverse effect on our financial condition and results of operations.*

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including insurance against damage, loss of profit and business interruption and third party liability, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation. For the year ended March 31, 2015 and in the six months ended September 30, 2015, we incurred employee insurance expenses of ₹ 71.52 million and ₹ 46.99 million, respectively. We determine the amounts, coverage limits and deductibility provisions of insurance, with a view to maintaining appropriate insurance coverage on our assets at a commercially reasonable cost and on suitable terms. This may result in insurance coverage that, in the event of a substantial loss, would not be sufficient to pay the full current market value or current replacement cost of its assets. Any large uninsured loss or insured

loss which significantly exceeds the insurance coverage could adversely affect our business, financial condition, results of operations and prospects.

Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption.

The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our business, reputation, results of operations, financial condition and cash flows.

33. *Our ability to raise capital for our future growth and expansion may be limited.*

We may need to raise additional capital in the future, depending on business conditions, and our acquisition strategy. The factors that would require us to raise additional capital could be business growth beyond what our current balance sheet can sustain; additional capital requirements imposed due to changes in the regulatory regime or new guidelines; or significant depletion in our existing capital base due to unusual operating losses.

There can be no assurance that we will be able to raise adequate additional capital in the future on terms favorable to us or at all and this may adversely affect the growth of our business. Indian laws constrain our ability to raise capital outside India through the issuance of equity or convertible debt securities and restrict the ability of non-Indian companies to invest in us. Foreign investment in, or an acquisition of, an Indian company may be subject to approval from the relevant government authorities in India, including the Reserve Bank of India and the Foreign Investment Promotion Board. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be adversely affected if we delay or are unable to implement our expansion strategy.

34. *We may not have sufficient documentary evidence for past cases where penalties were imposed by the relevant authorities on our Company, Subsidiaries, Directors, Promoters or Group Companies.*

We may not have sufficient documentary evidence for past cases where penalties were imposed by the relevant authorities on our Company, Subsidiaries, Directors, Promoters or Group Companies included in “Outstanding Litigation and Material Developments” on page 360. The details included in this section are based on the certifications provided by our Company, Subsidiaries, Directors, Promoters or Group Companies (as the case may be). We cannot assure you that all the details in relation to past penalties as contained in this Red Herring Prospectus are complete or accurate.

35. *Security breaches and any disruption to our information technology could adversely impact our business.*

We seek to protect our computer systems and network infrastructure from security breaches and other disruptive problems caused by our increased internet connectivity. We employ security systems, including firewalls and password encryption, designed to minimize the risk of security breaches but there can be no assurance that these security measures will be successful. Breaches of our security measures could affect the security of information stored in and transmitted through these computer systems and network infrastructure. A failure in security measures could have a material adverse effect on our business and our future financial performance.

Our business relies on information technology to operate on a daily basis. The success of our businesses depends in part upon the ability to store, retrieve, process and manage substantial amounts

of information. Any disruption in our information technology systems could render us unable to operate our business. This could adversely affect our business, reputation and revenues.

- 36. *Certain of our existing shareholders together may be able to exert substantial voting control over us after the Offer, which may limit your ability to influence corporate matters and may cause us to take actions that are not in our best interest.***

Certain of our existing shareholders representing our five largest shareholders beneficially own, in the aggregate, approximately 91.37% of our Company's Equity Share capital. Upon completion of this Offer, such shareholders may continue to own substantial shareholding in our Company. This concentration of ownership could limit your ability to influence corporate matters requiring shareholders' approval. These existing shareholders will be able to exercise considerable influence over all matters requiring shareholders' approval, including the election of directors, approval of lending and investment policies and the approval of corporate transactions, such as a merger or other sale of our Company or its assets. In addition, if our shareholders do not act together, such matters requiring shareholders' approval may be delayed or not occur at all, which could adversely affect our business. Moreover, except for the Promoters, these shareholders are not obligated to provide any business opportunities to us. If such other shareholders invest in another company in competition with us, we may lose the support provided to us by them, which could materially and adversely affect our business, financial condition and results of operations.

- 37. *Failure to recover loans from TeamLease Education Foundation on a timely manner might affect our financial condition***

As of March 31, 2015, we have given unsecured loans and / or advances of ₹155.25 million and ₹9.19 million to TeamLease Education Foundation ("TLEF") and TeamLease Skills University ("TLSU"), respectively. TLEF, has in turn utilised this loan and/or advance for setting up of the university. TLSU is a private university established under the aegis of the Gujarat Private Universities Act. Currently, TLSU does not generate or earn any profits and there can be no guarantee that these loans, or any other loans that we may extend to TLEF or TLSU in the future, will be recovered, in part or at all. Failure to recover these loans, or any future loans, in a timely manner might affect our financial condition.

- 38. *One of our Directors, Gopal Jain, is a director in a company which is in the same line of business as that of our Company.***

One of our Directors, Gopal Jain, is also a director on the board of a company which is engaged in vocational training. Vocational training is also one of our business segments, which contributed 0.75% of our consolidated revenues for the year ended March 31, 2015. For further details in relation to Gopal Jain's directorships, please refer to "Our Management" on page 157.

- 39. *Failure to maintain adequate financial and management processes and controls could lead to material misstatements in our financial reporting.***

During the year ended March 31 2015, we have not had any discrepancies in our financial reporting. However, during the year ended March 31, 2014, our fixed assets were physically verified by our management and certain discrepancies were noticed on such verification, the total impact of which was ₹ 7.49 million on 'loss of sale of Fixed Assets', were properly dealt with in the books of account by charging the loss of ₹ 7.49 million to the profit and loss account for the Financial Year ended March 31, 2014. In the future, similar inability to maintain adequate financial and management personnel, processes and controls, may result in an inaccurate reporting of our financial performance and financial position, which could have a negative effect on our stock price. inability to maintain adequate financial and management personnel, processes and controls, may result in an inaccurate reporting of our financial performance and financial position, which could have a negative effect on our stock price.

- 40. *We have entered into, and will continue to enter into, related party transactions.***

We have entered into transactions with several related parties, including our Promoters, Directors and Group Companies. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest. For more information regarding

our related party transactions, please refer to the statement of related party transactions contained in Annexure V in the “Financial Statements” on page 213. These transactions may involve conflicts of interests which may be detrimental to our Company. We cannot assure you that such transactions could not have been made on more favorable terms with unrelated parties.

41. *Our intellectual property rights may be infringed upon or we may infringe the intellectual property rights of third parties*

We have been using our trademark “TeamLease” to conduct our business. However, there is no assurance that our trademark will not be infringed upon. Depending on whether we are able to discover any such infringement of our trademark or successfully enforce our legal rights in the jurisdictions where such infringements may occur, our business and branding may suffer as a result of any misuse of our trademark. In such circumstances, our reputation and business may be adversely affected. Further, if we decide to pursue action against such infringements to protect our reputation, it could result in diversion of our resources and our financial results may be adversely affected.

Similarly, we may also infringe the intellectual property rights of third parties in the use of our various trademarks in our operations. Although we are not aware of any such infringement by us, there is no assurance that we will not infringe or have not infringed the intellectual property rights of any third party. In the event of any such infringement, we may be subject to our claims or actions and our business, reputation, financial condition and results of operations may be adversely affected.

42. *We do not own any immovable property and failure to renew, any revocation or adverse changes in the terms of our leases may have an adverse effect on our business, prospects, results of operations and financial condition.*

We have entered into lease agreements in respect of all our immovable properties including our Registered Office, Corporate Office and regional branch offices. There is no assurance that we will be able to renew any or all of these leases. Failure to renew any of these leases, or early termination may force us to relocate the affected operations. We cannot be certain that we will be able to renew our leases on commercially acceptable terms or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot be certain that the new arrangements would be on commercially acceptable terms. If any of the owners of these premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavourable to us, we may suffer a disruption in our operations or may have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

43. *We will be controlled by our Promoters so long as they control a majority of the Equity Shares.*

After the completion of this Offer, our Promoters will control, directly or indirectly, approximately 50.99% of our Company’s outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and members of our Promoter Group will act in our interest while excising their rights in such entities.

44. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.*

Our funding requirements and the proposed deployment of the Net Proceeds are based on management estimates, current quotations from suppliers and our current business plan, and have not been appraised by an independent entity. Furthermore, in the absence of such independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the SEBI ICDR Regulations, the deployment of the net proceeds is at our discretion. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which

may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board. Further, current quotations from suppliers are only valid for limited periods and there can be no assurance that we will be able to obtain new quotations from these or other suppliers on the same terms.

Further we intend to utilise ₹ [●] million from the Net Proceeds for general corporate purposes. The Net Proceeds of the Offer earmarked for general corporate purposes based on the Cap Price and Floor Price constitute [●]% and [●]% of the Net Proceeds of the Offer, respectively. The management has not made any specific commitments with respect to utilization of the Net Proceeds that will be raised for general corporate purposes and therefore, will not be able to make adequate disclosures with regard to such utilization. See also, the segment on ‘General Corporate Purpose’ in the section “Objects of the Offer” on page 95 of this Red Herring Prospectus.

45. *India has stringent labor legislations that protect the interests of workers, and if our Associate Employees unionize, we may be subject to industrial unrest, slowdowns and increased wage costs.*

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Although our Associate Employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our Associate Employees unionize, it may become difficult for us to maintain flexible labor policies, and our business may be adversely affected. For details of labor proceedings involving a trade union, please refer to “Outstanding Litigation and Material Developments” on pages 361 and 362.

Further, most of our businesses operate in a labor-intensive industry. If we are unable to negotiate with the workmen or the contractors, it could result in work stoppages or increased operating costs as a result of higher than anticipated wages or benefits. In addition, we may not be able to procure required casual labor for our existing or future businesses. Additionally, a large number of labourers we employ come from different parts of India. There is a trend among these labourers to return to their home states after a short period of time. If we are unable to substitute these labourers when required, our business, financial conditions, results of operations and cash flow could be adversely affected.

Risks relating to investments in an Indian company

46. *Our ability to raise foreign capital may be constrained by Indian law.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

47. *Any downgrading of India’s debt rating by a domestic or international rating agency could adversely affect our business.*

India’s sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India’s foreign exchange reserves, which are outside our control. Any adverse revisions to India’s credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

48. *If the rate of Indian price inflation increases, our results of operations and financial condition may be adversely affected.*

In recent years, India’s wholesale price inflation index has indicated an increasing inflation trend compared to prior periods. An increase in inflation in India could cause a rise in the cost of transportation, wages, raw materials or any other expenses. If this trend continues, we may be unable to

reduce our costs or pass our increased costs on to our clients and our results of operations and financial condition may be adversely affected.

49. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.*

The Competition Act, 2002, as amended (the “**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and results in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of clients in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise.

On March 4, 2011, the Government issued and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the “**CCI**”). Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation.

50. *Fluctuations in the exchange rate of the Rupee and other currencies could have a material adverse effect on the value of the Equity Shares, independent of our financial results.*

The Equity Shares will be quoted in ₹ on the BSE and the NSE. Any dividends in respect of the Equity Shares will be paid in ₹ and subsequently converted into appropriate foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders.

51. *A slowdown in economic growth in India could cause our businesses to suffer.*

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. As a result, a slowdown in the Indian economy could adversely affect our business. India’s economy could be adversely affected by a general rise in interest rates, inflation, natural calamities, increases in commodity prices, and protectionist efforts in other countries or various other factors. In addition, the Indian economy is in a state of transition. It is difficult to gauge the impact of these fundamental economic changes on our business. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business.

52. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. Please refer to the section “Regulations and Policies” on page 371 for details of the laws currently applicable to us.

There can be no assurance that the Central or the State Governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the State Governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

For instance, the Government has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain State Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the Government has proposed various amendments to the labour law regime in India in the shape of the Factories (Amendment) Bill, 2014, the Child Labour (Prevention and Regulation) (Amendment) Bill, 2014, the Apprentices (Amendment) Bill, 2014, the Small Factories (Regulation of Employment and Conditions of Services) Bill, 2014 and the Labour Laws (Exemption from Furnishing Returns and Maintaining Registers) Bill, 2011. While some of these amendments have been passed by the Parliament and the Union Cabinet, the subsequent implementation of these amendments may create uncertainty in the extant labour law regime in India, and may have an adverse impact on our business operations.

53. *Insufficiently stamped agreements may have an adverse impact on the agreements executed by us and our Subsidiaries.*

Our Company and our Subsidiaries may have entered into agreements which are inadequately stamped. Failure to stamp a document does not affect the validity of the transaction embodied therein, but renders the document inadmissible in evidence in India (unless stamped prior to enforcement with payment of requisite penalties, which may be up to ten times the stamp duty payable, and other such fees that may be levied by the authorities). Further, documents which are insufficiently stamped are capable of being impounded by a public officer. We cannot assure you that such agreements which are inadequately stamped can be enforced by us or our Subsidiaries. In addition imposition of penalties by the authorities on us or our Subsidiaries for inadequate stamping of such agreements may have a material adverse effect on our business, financial condition and results of operations.

54. *The preparation requirement and presentation format of financial statements of our Company subsequent to the listing of its Equity Shares will not be in the same manner and same format as being prepared and presented for this Red Herring Prospectus*

Our audited financial statements, are prepared in accordance with Indian GAAP & the applicable provisions of the Companies Act and the Restated Financial Information included in this Red Herring Prospectus are restated in accordance with the applicable provisions of Companies Act and relevant SEBI ICDR Regulations, as amended from time to time. In order to comply with the requirements applicable to public companies in India, subsequent to our Equity Shares getting successfully listed on the Stock Exchanges, we will be required to prepare our annual and interim financial statements in terms of the Companies Act and Indian GAAP or Ind AS, as applicable. The preparation requirement and the presentation format prescribed under the SEBI ICDR Regulations for Restated Financial Information differs in certain respects from Indian GAAP and Ind AS. Therefore, the preparation and presentation of our financial statements post-listing may be not be comparable with, or may be substantially different from, the manner in which the Restated Financial Information is being disclosed in this Red Herring Prospectus.

55. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.*

Our Restated Financial Information included in this Red Herring Prospectus is prepared in accordance with Companies Act and the SEBI ICDR Regulations. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the Restated Financial Information included in this Red Herring Prospectus, nor do we provide a reconciliation of our Restated Financial Information to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and SEBI ICDR Regulations on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

56. *Companies in India, including our Company, may be required to prepare financial statements under the new Indian Accounting Standards in the future*

Our Company currently prepares its annual and interim financial statements under Indian GAAP. The Ministry of Corporate Affairs ("MCA"), government of India, has through notification dated February 20, 2015 set out the Indian Accounting Standards ("Ind AS") and the timeliness for their implementation post listing. In accordance therewith, our Company may have to prepare its financial statements in accordance with Ind AS in future, depending upon its listing or network.

Ind AS is different in many respects from Indian GAAP under which our financial statements are currently prepared. Moreover, Ind AS also differs materially in certain respects from IFRS. There can be no assurance that our financial statements in future will not appear materially different under Ind AS from that under Indian GAAP or IFRS. Further, as our Company adopts Ind AS reporting, it may encounter difficulties in the process of implementing and enhancing our Company's management information systems for such implementation. Our management may also have to divert its time and other resources for successful and timely implementation of Ind AS. Our Company cannot, therefore, assure you that the adoption of Ind AS will not adversely affect its reported results of operations or financial condition. Further, our inability to successfully implement Ind AS in accordance with the prescribed timelines will subject us to regulatory action and other legal consequences.

57. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.*

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business is also impacted by regulation and conditions in the various states in India where we operate. Our businesses and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in GoI policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The GoI has in recent years sought to implement economic reforms and the current government has implemented policies and undertaken initiatives that continue the economic liberalization policies pursued by previous governments. There can be no assurance that liberalization policies will continue in the future. The rate of economic liberalization could change, and specific laws and policies affecting sectors such as food & beverages, logistics, real estate, hospitality, financial services, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

58. *GoI regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.*

Foreign ownership of Indian securities is subject to government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet the requirements of the RBI Circular dated October 04, 2004, as amended by the RBI Circular dated May 04, 2010 and the RBI Circular dated July 15, 2014. The RBI must approve the

conversion of the Rupee proceeds from any such sale into foreign currency and repatriation of that foreign currency from India unless the sale is made on a stock exchange in India through a stock broker at the market price. There are also restrictions on sales between two non-residents if the acquirer is impacted by the prior joint venture or technical collaboration. The approval from the RBI or any other government agency may not be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

59. *Terrorist attacks, civil unrests and other acts of violence or war in India and around the world could adversely affect the financial markets, result in a loss of business confidence and adversely affect our business, results of operations, financial condition and cash flows.*

Terrorist attacks, civil unrests and other acts of violence or war in India and around the world may adversely affect worldwide financial markets and result in a loss of business confidence and ultimately adversely affect our business, results of operations, financial condition and cash flows. India has, from time to time, experienced instances of civil unrest and political tensions and hostilities in some parts of the country and among neighbouring countries. Such political and social tensions could create a perception that investment in Indian companies involves higher degrees of risk could have a possible adverse effect on the Indian economy, future financial performance and the trading prices of our Equity Shares.

60. *Foreign investors may have difficulty enforcing foreign judgments against us or our management.*

Our company is incorporated under the laws of India. All our Directors and executive officers are residents of India and a substantial portion of our assets and those of such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons in jurisdictions outside India, or to enforce against us or such parties judgments obtained in courts outside India based upon the liability provisions of foreign countries, including the civil liability provisions of the federal securities laws of the United States.

The recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of The Code of Civil Procedure, 1908 of India (as amended) (the “**Civil Code**”). Section 13 of the Civil Code provides that a foreign judgment shall be conclusive as to any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty.

The United States has not been declared by the Central Government to be a reciprocating territory for the purpose of Section 44A of the Civil Code. However, the UK, Singapore and Hong Kong have been declared by the Central Government to be reciprocating territories. Accordingly, a judgment of a court in the United States or another jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amount recovered.

Risks related to this Offer

61. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (“STT”) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

62. *We cannot assure you that our Equity Shares will be listed on the Stock Exchanges, which may restrict your ability to dispose of the Equity Shares.*

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted by the Stock Exchanges until after the Equity Shares offered in the Offer have been Allotted. In addition, we are required to deliver the Red Herring Prospectus and the Prospectus to the RoC for registration under the applicable provisions of the Companies Act and the SEBI ICDR Regulations. Such approval will require all other relevant documents authorizing the issuance of the Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining such approval would restrict your ability to dispose of your Equity Shares.

63. *Our Company's Equity Shares have never been publicly traded and the Offer may not result in an active or liquid market for our Equity Shares. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.*

Prior to the Offer, there has been no public market for our Company's Equity Shares. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after the Offer. The Offer Price of the Equity Shares is proposed to be determined by the Company and the Selling Shareholders in consultation with the BRLMs through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the stock exchanges and securities markets elsewhere in the world.

64. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

65. *Any future issuance of Equity Shares may dilute your shareholdings, and sale of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.*

Any future equity issuances by us may lead to dilution of investors' shareholdings in the Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Offer, including by our Promoter or other major shareholders, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could materially impair our future ability to raise capital through offerings of our Equity Shares. Our Promoter currently holds an aggregate of 50.97% of our outstanding Equity Shares. After the completion of the Offer, our Promoter and members of our Promoter Group will continue to hold [●]% of our outstanding Equity Shares. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoter or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

66. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in the Company may be reduced.

67. *You will be able to achieve liquidity with respect to the Equity Shares Allotted as part of the Offer only upon completion of a number of listing and depository related actions. There is no assurance that we will be able to complete these in a timely manner.*

Under the SEBI ICDR Regulations, we are permitted to list the Equity Shares within six working days of the Bid/Offer Closing Date. Consequently, the Equity Shares you purchase in the Offer may not be credited to your dematerialised electronic account with Depository Participants until approximately six working days after the Bid/Offer Closing Date. You can start trading in the Equity Shares only after they have been credited to your dematerialised electronic account and final listing and trading approvals are received from the Stock Exchanges. There can be no assurance that final listing and trading approvals will be obtained from the Stock Exchanges on time or at all. Further, there can be no assurance that the Equity Shares allocated to you will be credited to your dematerialised electronic account, or that trading in the Equity Shares will commence within the specified time periods. In addition, pursuant to India regulations, certain actions are required to be completed before the Equity Shares can be listed and trading may commence. Investors' book entry or dematerialised electronic accounts with depository participants in India are expected to be credited only after the date on which the offer and allotment is approved by our Board of Directors. There can be no assurance that the Equity Shares allocated to prospective Investors will be credited to their dematerialised electronic accounts, or that trading will commence on time after allotment has been approved by our Board of Directors, or at all.

68. *We cannot guarantee the accuracy of statistical, financial and other data or information in this Red Herring Prospectus which may be incomplete or unreliable.*

Certain data relating to our business, matters relating to India, its economy or the industries in which we operate as contained in this Red Herring Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable which have been assessed and quantified internally by our Company as no other credible third party sources are available for such data. We have not independently verified data from industry publications and other sources and therefore cannot assure that they are complete or reliable. The assessment of the data is based on our understanding, experience and internal estimates of our business. Although we believe

that the data can be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. Statistical and other information in this Red Herring Prospectus relating to our business, matters relating to India, the Indian economy or the industries in which we operate have been derived from various government and other publications that we believe to be reliable. While our Directors have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, each of the BRLMs or any of our or their respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics, which may not be consistent with other information compiled within or outside India. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus.

Prominent Notes:

1. The public issue of up to [●] Equity Shares having a face value of ₹10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ 1,500 million, through the Fresh Issue and an offer for sale by the Selling Shareholders, of up to 275,977 Equity Shares by GCIF, up to 76,660 Equity Shares by GAPL, up to 1,180,569 Equity Shares by GIL, up to 1,533,206 Equity Shares by IAF and up to 153,321 Equity Shares by HROV aggregating up to ₹ [●] million are being offered for sale by GCIF, GAPL, GIL, IAF and HROV. The Net Offer shall constitute at least 25% of the fully diluted post-Offer paid-up capital of our Company.
2. We were incorporated as ‘India Life Chakravarti Actuarial Services Private Limited’ under the provisions of the Companies Act, 1956 pursuant to a certificate of incorporation dated February 02, 2000 issued by the Registrar of Companies, Mumbai. The name of our Company was changed to Team Lease Services Private Limited and a fresh certificate of incorporation consequent upon change of name was issued on January 24, 2002. Our Company was converted into a public limited company and the name of our Company was changed to Team Lease Services Limited on May 15, 2015. Subsequently, the name of our Company was changed to TeamLease Services Limited and a fresh certificate of incorporation was issued on July 24, 2015. For further details in relation to the changes to our name please refer to “History and Certain Corporate Matters” on page 148 of this Red Herring Prospectus.
3. Our Net Worth (“**Net Worth**”, for purposes of the foregoing paragraph means the aggregate of share capital and reserves and surplus of our Company), as at March 31, 2015 was ₹ 1,485.29 million, and as at September 30, 2015 was ₹ 1,595.00 million as per our Restated Consolidated Financial Information, and as at March 31, 2015, our Net Worth was ₹ 1,473.82 million, and as at September 30, 2015 was ₹ 1,581.83 million, as per our Restated Standalone Financial Information.
4. The Net Asset Value per Equity Share (“**Net Asset Value per Equity Share**”, for purposes of the foregoing paragraph means total shareholders’ funds of our Company divided by the issued and outstanding number of equity shares (post bonus and consolidation of equity shares) of our Company, as on a particular date) was ₹ 96.87 as at March 31, 2015, and as at September 30, 2015 was ₹ 104.03 as per our Restated Consolidated Financial Information and the Net Asset Value per Equity Share was ₹ 96.13 as at March 31, 2015, and as at September 30, 2015 was ₹ 103.17 as per our Restated Standalone Financial Information.
5. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	No. of Equity Shares held	Average price per share (in ₹.)
HROV	6,434,700	0.42
Dhana Management Consultancy LLP	1,379,886	Gift
NED Consultants LLP	300	Gift
MKS Management Consultancy Services LLP	300	Gift

6. For details in relation to interests of Group Companies in our Company, including business interests please refer to “Our Promoters” and “Group Companies – Related business transactions and business interest of Group Companies in our Company” on page 174 and 186 of this Red Herring Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors, the directors of our corporate Promoters or their relatives may have financed the purchase of our Equity Shares by any other person other than in the normal course of business of the financing entity in the six months immediately preceding the date of filing of this Red Herring Prospectus.
8. Bidders may contact any of the merchant bankers who have submitted the due diligence certificate to SEBI, for any complaint in relation to the Offer. For further details of the Managers, including contact details, please refer to “General Information” on page 64 of this Red Herring Prospectus.
9. The details of transactions entered in to by our Company with our Subsidiaries and Group Companies in the year ended March 31, 2015 and in the six months ended September 30, 2015, the nature of transactions and the cumulative value of such transactions are as follows:

(in ₹ Million)

S.No.	Particulars	September 30 2015	March 31 2015
Transactions during the period/year:			
1.	Issue of bonus shares	79.02	-
2.	Loans given to related parties	35.50	80.56
3.	Repayment of loans/advances by related parties	4.39	5.04
4.	Interest accrued on loans to related parties	4.41	3.14
5.	Service Charges / Rent Income	1.10	2.15
6.	Consideration of slump sale	-	0.17
7.	Employee Benefit expenses paid	-	7.06
8.	Other Expenses paid	0.49	4.08
9.	Consultancy Fee	0.27	0.54
10.	Remuneration to Key Management Personnel	12.03	19.93
11.	Rent Paid	0.30	0.60
Cumulative Outstanding balances:			
12.	Total-Loans and advances Receivables	219.32	183.79
13.	Trade Receivables	10.42	-
14.	Investments in Subsidiaries	23.72	23.72

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

"The information in this section is extracted from various publicly available documents and industry sources including CRISIL, etc. Neither we nor any other person connected with the Offer has independently verified the information provided in this section. The industry sources and publications referred to in this section generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and that their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. The information in this section should be read in conjunction with the sections "Risk Factors" and "Our Business" on page 15 and 131 respectively."

Indian Economy and Employment Scenario

India's GDP growth is experiencing an upswing following a slump between 2010 and 2013. Estimates from various agencies suggest that the country's economy is gradually on the road to recovery. The Central Statistical Office placed the country's GDP growth for 2013-2014 at 4.9%, which was higher than the 4.5% estimated.

In 2015-2016, GDP is estimated to grow by around 7.9%. As the economy recovers and grows, flexi-staffing is expected to become an integral part of the expansion plans of companies.

Staffing industry transformation

India is the world's second largest labor market. Only around 10% of India's labour force works in formal employment. Redefining the nature of employment and having a greater amount of workers in formal employment will be critical if India's economic development is to become more broad-based, not only in terms of regions, but also in terms of social inclusion.

There should be a move from informal to formal employment which will lead to an increasing play thereon of the formal sector.

Indian labour market transformation

India's poverty is about low productivity. India is on the cusp of a transformation of its five geographies of work-

- Physical geography of work;
- Enterprise geography of work;
- Sectoral geography of work;
- Education geography of work; and
- Legislative geography of work.

Flexi Staffing Industry Overview

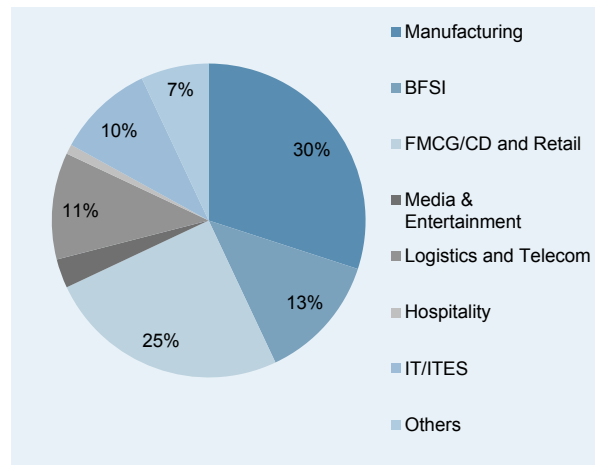
Globally, the staffing industry has grown considerably over the past few years. According to the CIETT Economic Report 2014, the industry size had reached 11.5 million workers by the end of 2012. Thus, despite the slump in the aftermath of the financial crisis, and the resultant economic slowdown, the industry still had a 7% growth rate over the last decade.

Indian flexi-staffing industry overview

A gradual movement towards a more formal set up to employment is anticipated to occur due to various factors such as the increasing number of enterprises turning formal, skills development and regulatory amends in favour of formal and flexi-staffing industries.

Overall current industry size

- **Employment numbers:** In 2013-2014, it is estimated that the employees in the flexi-industry was between 1.6-1.8 million.
- **Penetration levels:** Based on the total workforce, penetration levels for 2013-2014 are estimated to be 0.4%.
- **Segmental mix:** The segmental mix in the flexi-staffing industry for the years 2011-2012 was as follows:
Segmental Mix (2011-2012)



Source: CRISIL Research

- **Industry size:** The flexi-staffing industry in India as of 2013-2014 in value terms is around ₹ 180-220 billion. The average wages of flexi-staffing worker is assumed to be around ₹ 8,000-10,000 (which reflects weighted average wages for organised and unorganised players).

The flexi-staffing industry is marked by the presence of many large multinationals (such as Adecco and Randstad) and Indian players (such as TeamLease, Quesscorp and Innovsource). However, the industry in India remains largely unorganised, with small and medium players accounting for nearly 70-80% of the overall industry

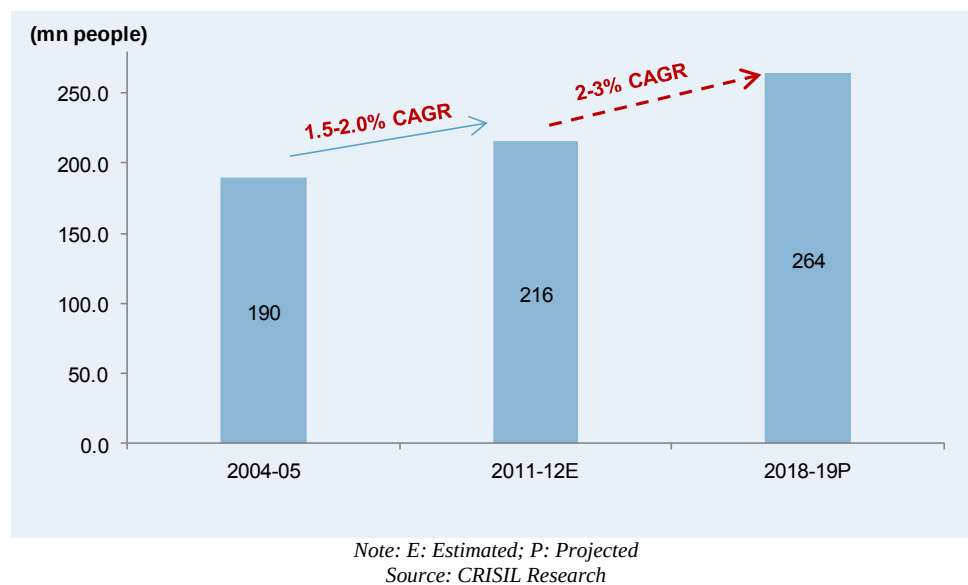
Market Outlook

Overall current industry growth

Employment

The overall workforce is expected to grow at a CAGR of 2-3% during 2011-2012 to 2018-2019. Sectors such as manufacturing, financial, real estate, business services and retail will continue to have a relatively higher proportion of the workforce. Sectors such as IT enabled services and banking, financial services and insurance are expected to have relatively higher growth in overall employment as compared to other sectors.

Total Industry Employment (Data excludes employment in Agriculture)



The formal workplace is expected to grow at a CAGR of 9-10% during 2011-12 to 2018-2019. This increase will be across sectors as newer labour laws come into force, and the general overall workforce grows. Apart from manufacturing, which is expected to constitute a large amount of the overall formal employee base, sectors such as fast moving consumer goods and logistics are expected to account for a significant proportion of the formal workforce.

Finally, flexi-staffing is expected to grow at a CAGR of around 20-25% between 2013-2014 and 2018-2019. Although there are new upcoming sectors such as e-commerce that will create fresh demand for flexi-staffing in India, the dominance of manufacturing (which has large proportion of unorganised players) in the industry will increase. Amendments to labour laws will increase the occurrence of flexi-staffing being used.

SUMMARY OF OUR BUSINESS

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read the following information to be read together with the more detailed financial and other information included in the Red Herring Prospectus, including the information contained in the sections titled "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 15, 346 and 189 of this Red Herring Prospectus, respectively.

Overview

We are one of India's leading providers of human resource services in the organized segment delivering a broad range of human resource services to various industries with a vision of putting India to work. We deliver a broad range of human resource services to various industries and diverse functional roles across India to meet the needs of small and large business clients as well as those of qualified job seekers or "Associate Employees". Our services span the entire supply chain of human resources in India, covering aspects of employment, employability and education. Our employment services include temporary staffing solutions, permanent recruitment services and regulatory consultancy for labor law compliance; our employability offerings include different types of learning and training solutions, including retail learning solutions, institutional learning solutions and enterprise learning solutions. We had 104,946 Associate Employees as of November 30, 2015, making us one of India's leading people supply chain companies. All of our businesses operate on an asset-light model with low capital expenditure requirements.

Our core business is providing staffing solutions across industry sectors and diverse functional areas. The majority of our Associate Employees are engaged in sales, logistics and customer service functions. We focus on people, processes and technology to enhance business productivity by enabling our clients to outsource their staffing requirements and allowing them to focus on operating and growing their core businesses. As on March 31, 2015 we have provided employment to approximately 1.12 million Associate Employees since 2002. As of November 30, 2015, we served 1,252 clients with a network of nine offices and 1,218 full-time employees across India. We are managed professionally by a high quality management team with deep extensive market and industry expertise, exhibiting thought leadership on matters of public policy. We had 979, 1,057 and 1,218 full-time employees as of March 31, 2014, March 31, 2015 and November 30, 2015, respectively.

We have provided services under the TeamLease brand for more than ten years and IIJT brand for more than five years. We have grown largely organically, driven by our strong operational and technological excellence. From time to time we also identify and complete acquisitions to improve operational synergies, acquire new clients or enter new sectors. While we traditionally have not been focused on any particular industry sector in providing human resource services, we are currently exploring opportunities to enter the growing information technology ("IT") and healthcare and hospitality services sectors.

Our IT department, comprising 77 employees as of November 30, 2015, has been at the forefront of our business development by continuously producing upgrades to our various software applications and platforms. We believe that our technology infrastructure is robust and offers high levels of utility and functionality that can manage the demands of a rapidly scaling business. Our focus now is on improving the scale and reach of our technology platforms, with plans to improve the front-end user interface.

Staffing is a critical function for businesses. Customer demand is dependent upon the state of the economy, overall strength of the labor market as well as an established trend towards greater workforce flexibility. Demand is generally immediate and short term, and so our ability to service this demand gives us a competitive advantage. More liberal labor market laws, particularly for temporary staffing, are beneficial for the industry and have been a driver for greater workforce flexibility. We have championed the cause for labor reforms in India, particularly with regard to labor laws and public policy, for many years and have helped create and expand the market for our services in India. Manish Mahendra Sabharwal, our Chairman, was selected to be a member of the Planning Commission Committee for labor reforms. As a member of the said committee and the Prime Minister's Skill Council, he chaired the sub-committee on remodeling of apprenticeship training. Our strong focus on regulatory compliance has enabled us establish a regulatory consulting business, whereby we provide regulatory services to clients with respect to maintenance of registers and compliance with various labor laws.

Our business is also strongly influenced by the macroeconomic cycle, which typically results in growing demand for employment services during periods of economic expansion and, conversely, contraction of demand during periods of economic downturn. Due to the sensitivity to the economic cycle and the low visibility in the temporary staffing sector, forecasting demand for staffing and human resource services is difficult. Typically, clients are not able to provide much advance notice of changes in their staffing needs. Responding swiftly to the customer's fluctuating staffing requirements in a flexible way is a key element of our strategy.

Our consolidated total revenues were ₹ 12,157.93 million, ₹20,184.60 million and ₹15,375.25 million and our profit after taxation as restated was ₹ 109.72 million, ₹296.90 million and ₹178.57 million, respectively, in the six months ended September 30, 2015, and in the years ended March 31, 2015 and 2014.

Competitive Strengths

Market leading position with scale

According to CRISIL, we are one of India's leading organized staffing companies with a market share of approximately 5% in terms of Associate Employees in 2014. According to CRISIL, we have a larger market share than our competitors, both Indian companies as well as the Indian operations of global staffing, in terms of revenues. We have grown our revenues and the number of our Associate Employees significantly over the years. Our growth has been largely organic, and as of November 30, 2015, we had 1,252 clients, and as of November 30, 2015, we had 104,946 Associate Employees, making us one of the leading organized temporary staffing services companies in India with a significant brand value, which enables us to grow our business by attracting new customers as well as Associate Employees.

We use our presence across India, our well trained, diverse and large Associate Employee base and our scale of operations to leverage our centralized operations to provide comprehensive and cost-effective solutions to a diversified client base across sectors with a short turn-around time. Our Associate Employees are spread across India with our offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune. Our large geographical presence enables us to offer services to clients who have operations at multiple locations across India. Our scale also allows for workforce specialization by industry vertical markets and helps us to deliver staffing services that are most relevant to the needs of our clients.

Strong compliance practices that enable us to build longstanding relationships with clients

We place tremendous emphasis on compliance with applicable labor laws and regulations in an industry that is for the most part highly unorganized and fragmented. We believe that our focus on regulatory compliance gives us a significant competitive advantage, particularly in light of the evolving policy environment in India concerning labor laws with most of the larger clients shifting to organized service providers to comply with applicable regulations. Our strict adherence to labor laws and regulations sets us apart from our competitors, particularly those operating in the unorganized market, by providing us credibility and enabling us to build and maintain longstanding relationships with our clients. Our robust internal compliance mechanism has enabled us to set up a regulatory compliance vertical to service third parties. We had a team of 116 persons as of November 30, 2015 which focuses on staffing and labor compliance issues as well as on corporate and legal compliance issues. We believe that we are a trusted and preferred partner to our clients and are therefore able to attract, and provide temporary staffing services to, large Indian and multi-national companies such as Vodafone, E.I.Dupont India Private Limited and ATC Telecom Tower Corporation Private Limited. We also experience high levels of repeat customers. Repeat customers are clients on-boarded in the previous financial years representing 95.81% and 93.21% of our total revenues in the years ended March 31, 2014 and March 31, 2015, respectively. We define repeat customers as those customers who are not billed for the first time during the relevant year. Five of our top ten clients by revenue in the year ended March 31, 2015 have been with TeamLease for a term exceeding six years.

Technological and operational excellence

We have implemented processes and systems that have resulted in us achieving operational excellence, particularly in our ability to identify the right human resources to suit the customer requirements and to provide our clients consistently high levels of quality and reliability. We have undertaken a series of actions that have streamlined our operations. We have centralized our operations, finance, IT and regulatory compliance teams in Bengaluru. This enables us to remove branch level accountability for operations which can result in inconsistent

and inefficient client service delivery. We have also standardized processes for client, by choosing broad templates that can be applied uniformly to all our clients. We believe that standardizing our processes has enabled us to offer consistently high levels of service to our clients and reduce the turn-around time. Most importantly, we have made significant investments in our proprietary technological platforms that have contributed significantly to operational efficiencies and the scale of our operations. Using our technology platform, we have implemented a steady migration of our operations from manual to automation in phases over the last five years. Our technology infrastructure has been designed in a manner that it can be configured according to specific requirements of our clients. For further details on our technology infrastructure, please refer "Technology" below.

We have been recognized for our operational and technological excellence on various forums and our Promoters have won various awards, including the FICCI Leapvault Skills Champion award, 2012 and the Forbes Leadership award, 2011. Our operational excellence is also reflected in our track record of making on-time payments in line with the agreed upon payroll due calendar (PDC) with our clients. Our Company also has been showcased in a case study published by the London Business School and the Harvard Business School. We believe that our technological and operational excellence gives us a key competitive advantage in the markets that we operate in.

Strong functional knowledge and expertise across industry sectors

We deliver our staffing services across various industries including the consumer durables, chemicals, manufacturing, media and telecom, retail, Banking, Financial Services and Insurance ("BFSI"), e-commerce, pharmaceuticals and healthcare sectors. Owing to our scale of operations and diverse client base, we have developed deep expertise around the human resources functions across sectors for our staffing services. Sales, customer service and logistics functions are segments where we deploy the majority of our Associate Employees. Our direct sales force and go-to-market strategy is aligned with our broad sector-neutral reach, which enhances our client value proposition and allows us to leverage our strong institutional knowledge to further expand our presence in the market. We believe that our ability to handle complexity allows us to target clients across a range of industries with varying levels of service requirements based on their human resource environment and required employee experience while we look forward to extend target our services to sectors such as IT, healthcare and hospitality services. Our company publishes the following reports regularly that demonstrates the depth of knowledge, thought leadership and expertise in the sector: (i) India Labour report, which covers various aspects of the Indian labour market; and (ii) Salary Primer, which gives an indicative range of salaries for different trades and professions across the country.

Strong management and thought leadership in public policy initiatives and backing by marquee private equity investors

We are a professionally managed company, and our high quality senior management team provides the right balance of experience, expertise and strategic vision, contributing significantly to our growth. Our management team is backed by our individual Promoters, who have a extensive experience in the human resources services industry in general and staffing industry in particular, with distinct, specific and defined roles in nurturing our Company. Our Chairman, Manish Mahendra Sabharwal, provides leadership at the Board level and sets our strategy and direction. He is also our official spokesperson. He was selected to be a member of the Planning Commission Committee for labor reforms. As a member of the said committee and the Prime Minister's Skill Council, he chaired the sub-committee on remodeling of apprenticeship training that has led to reforms in Apprenticeship regime. He is also on the Niti Aayog committee and received the CAGE nomination. He serves on the executive committee of the chief minister's advisory council, planning department of the Government of Rajasthan. Our Managing Director, Ashok Kumar Nedurumalli, oversees our operations and represents us in forums with major clients. Mohitkaran Virendra Gupta, in his capacity as a whole-time Director was primarily responsible for the operational performance of our staffing business. Going forward Mohitkaran Virendra Gupta will continue to be engaged with the staffing business in an advisory capacity. Our management team also benefits from inputs from our key investors, GCIF, GAPL, GIL and IAF. Our senior management team, Promoters and investors share a strategic vision for our Company and play an important role in the success of our growth and market-leading position. Our Promoters are also champions of labor reforms in India, helping to create a market for our services in an otherwise unorganized sector and building the TeamLease brand. We believe that the thought leadership demonstrated by our Promoters to reform India's labor laws, together with our focus on regulatory compliance and technology, provides us with significant competitive advantages in any resulting market size expansion.

Business Strategy

Our business strategy is to grow our business by increasing the scale and reliability of our business, and building trust with our Associate Employees and clients. The individual components of our business strategy are set forth below.

Develop new areas of growth by diversifying service offerings across the human resources value chain

Our track record and deep experience in providing staffing solutions across industry sectors has given us deep and substantive knowledge of the staffing needs of a diverse range of clients in different industries. This enables us to provide a bundled solution of services to each client that is tailored to its specific needs and to attract sales professionals with industry expertise. We have commenced expanding our services to span the entire chain of human resources in India, covering aspects of employment, employability and education. In this regard, in our employment services we intend to grow (a) our permanent recruitment services by adding newer forms of recruitment like Recruitment Process Outsourcing (“RPO”) and (b) our regulatory consultancy for labor law compliance businesses by having dedicated personnel for business development/marketing activities; in our employability offerings we intend to improve our (a) retail learning solutions by expanding our foot print of franchise network and converting our franchise network into employment centers, (b) institutional learning solutions.

We intend to expand the breadth of human resource services in order to be a one-stop provider of human resources services from temporary staffing to payroll processing, recruitment, compliance and training services. To achieve this, we have adopted a “match, repair and prepare” strategy that will enable us to match the requirements of our clients with the right human resource, assist in repairing for any skill deficits of our Associate Employees’ training and prepare people to enter the workforce by equipping them with vocational skills. We believe that our “match, repair and prepare” strategy will enable us to access a better quality workforce, help us expand our service offerings and evolve from a staffing solutions provider to a training and learning based human resource service provider. Furthermore, while we have traditionally been sector agnostic and focused on providing temporary staffing solutions for sales, logistics and customer service functions, which are relatively low margin services, we intend to offer higher margin services by providing specialized service offerings in service sectors such as IT, hospitality and healthcare. We also intend to strengthen our operations by hiring operations staff to support the growth in new verticals and service offerings.

Achieving scale in staffing through five key elements

We intend to achieve scale as a means to increase our revenues without incurring corresponding increases in operating expenditure. The following five elements are aimed to achieve scale in our staffing business:

1. Technology

Technology is at the forefront of our business, and is the key enabler of core staffing business, as well as for our non-staffing businesses. As of November 30, 2015, we employed a team of 77 software engineers, who continually develop various applications that enable us to grow our business while achieving efficiency and economies of scale. Set forth below are some of the key software applications developed by our in-house technology team.

- ***Associate Lifecycle System (ALCS)***

ALCS is a Microsoft systems based technology platform that drives our staffing business. Our ALCS platform provides automation to the entire associate lifecycle process from onboarding Associate Employees, to requesting relevant monthly information from clients, such as incentives payable and leave of absences, to raising invoices, billing clients and making collections to releasing monthly salary payments to our Associate Employees. Our technology team rolls out annual versions that reflect significant upgrades to our system towards achieving increasing levels of automation of our business processes. We are currently on version 9.0, and are working on version 10.0. The primary business objective of version 10.0 is to reduce the time taken to process our approximately 100,000 payroll records across 1,252 clients as of November 30, 2015. We currently take 117 hours to process these payrolls and processes through a system of sequential processing; version 10.0 will reduce this to approximately four hours using a parallel processing system. This parallel processing system will have the capacity to process a million Associate Employee payrolls, thereby helping us to scale up our operations significantly. Future versions will focus

on improving the usability of the system, making the user interface more easily accessible internally as well as by our clients. The ALCS system is modular, which helps us in implementing monthly and quarterly upgrades that enable us to improve functionality without having to wait for new versions. Our ALCS platform also helps us to manage an associate count of as low as one to as high as couple of thousands within a particular system.

- *Candidate Lifecycle System (CLCS)*

CLCS was developed principally for our permanent recruiting business but is also used in the sourcing side of our staffing business. CLCS is a Microsoft systems based platform that automates the candidate lifecycle from processing job requirements provided by clients, to registering mandates, searching for matching candidates in our database using artificial intelligence, to sending profiles to clients, processing client shortlists of candidates, tracking interviews and raising invoices in the case of permanent recruitment candidates or migrating them to the ALCS system in the case of temporary staffing candidates. We are currently on version 3.1. The business objective of version 4.0 is to create market place for job seekers. We believe that this will help us reduce hiring costs for our sourcing and permanent recruitment businesses.

- *Regulatory Lifecycle System (RLCS)*

RLCS is a Microsoft systems based technology platform designed for our regulatory consulting business. RLCS manages the entire consulting process. The system has an embedded store of all relevant labor laws in India and is designed to accept inputs of client data, perform automatic audits of our clients' regulatory compliance status and generate reports, which we can send to clients as part of our consulting services. We are currently on version 7.0. Our technology team is working on developing version 8.0, which will have improved usability that will make work flows self-guided and user friendly.

- *Center Operation Management System (COMS)*

COMS is a Microsoft systems based technology platform that manages our retail learning solutions business operating under the IIJT brand. COMS manages the franchisee operations from candidate registration to tracking courses and classes to collecting royalties from franchisees.

2. **Operations**

The back end operations for staffing consists of the following teams: operations, customer relations, operational finance, legal / compliance, quality management, information technology and management information systems. We moved from a distributed operational model to a centralised model during the year 2009-2010. Centralising all the operational teams has helped us maintain consistency in delivery and improved performance. Our constant endeavor has been to improve our staffing operations systematically through people, process and technology. While focused training of the employees and constant improvement in processes help us on the quality front, interventions on the technology front has helped us with scale. All of the above functions constantly strive towards improving key metrics around associates paid on time and client satisfaction.

3. **Compliance**

We intend to continue to improve our regulatory compliance processes. We believe that the adoption of labor reforms in India which will enforce minimum wage compliance, provide options to low-wage employees to determine their portion of statutory contribution to PF, ESIC etc., will significantly expand the market for organized temporary staffing service providers by curbing the dominance of the unorganized temporary staffing market. Our individual Promoters will continue to demonstrate their thought leadership in advocating labor reforms at the highest levels of public discourse in India. Our objective in focusing on regulatory compliance is to be well prepared to capitalize on market opportunities that present themselves as a consequence of labor reforms being adopted in India.

4. **Business development and brand promotion**

Given the unique nature of the industry we operate in whereby the organized staffing companies have only a 1% share of the total staffing market, we intend to aggressively expand our reach and service offerings by increasing the size of our business development teams and brand building activities. Our brand building

activities would largely be centered around undertaking advertising campaigns on (i) television (heavy seasonal bursts supported by thin presence across the period); (ii) radio (this will be in addition to the television advertising in select cities); (iii) digital (continuous presence throughout the campaign period on Google, Facebook and Youtube); and (iv) print media (promotional supplement in English daily newspapers that are targeted at our metro city audiences).

5. *Associate Employee hiring*

Hiring of Associate Employees is a key element of the staffing business and leads to enhanced customer satisfaction. This activity is being carried out by our sourcing department through a dedicated team of 158 full-time employees, as of November 30, 2015, in addition to certain vendors at locations where we do not have a physical presence. In the years ended March 31, 2014 and 2015, approximately 6% and 10%, respectively, of Associate Employee applicants were successfully matched to temporary staffing roles with our clients. We believe that we can improve the rate at which we can match Associate Employee applicants to jobs by further improving our already strong technology platforms. We also intend to increase the total number of associates hired for the staffing business through the following means: (i) establishing a portal whereby job-seekers across the country are able to submit their information for jobs that are currently posted or for other opportunities that may arise in the future; and (ii) converting all of our retail training centers into private employment exchanges.

Continue to grow through strategic acquisitions.

We intend to pursue strategic acquisitions that will enable us to leverage our existing assets and offer our clients more comprehensive and attractive services. We intend to enhance and expand our presence in both existing and new segments and target industries, as well as expand our solution and technology platform. Strategic acquisitions could also enable us to establish our presence in newer sectors such as IT and healthcare and hospitality given the specialized human resources requirements.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from the Restated Financial Information of our Company.

This Restated Financial Information have been prepared in accordance with the Companies Act, 2013 read with the SEBI ICDR Regulations and presented under the section “Financial Statements” on page 189. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 189 and 346 respectively.

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Restated Consolidated Statement of Assets and Liabilities of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Equity and Liabilities							
Shareholder's Funds							
Share capital	153.32	5.11	5.11	5.11	5.11	5.11	3.97
Reserves and surplus	1,441.68	1,355.41	1,480.18	1,183.27	1,004.70	1,041.70	214.58
Non-current liabilities							
Long-term borrowings	-	-	-	-	0.35	0.75	0.15
Other long term liabilities	51.10	56.47	52.34	58.07	53.91	47.07	46.34
Long-term provisions	252.15	135.51	175.67	129.73	91.06	64.28	53.94
Current liabilities							
Short-term borrowings	-	-	-	8.22	120.41	79.84	28.36
Other current liabilities	2,582.68	1,680.84	1,701.88	989.71	927.70	702.59	607.82
Short-term provisions	102.90	77.42	90.01	58.72	39.05	27.65	10.29
Total	4,583.83	3,310.76	3,505.18	2,432.83	2,242.29	1,968.99	965.45
Assets							
Non Current Assets							
Fixed Assets							
Tangible assets	18.36	39.81	14.94	52.01	65.82	141.91	155.35
Intangible assets	36.15	37.81	37.78	38.68	41.62	37.92	46.81
Intangible assets under development	70.52	25.80	41.87	16.38	-	14.98	9.12
Non Current Investments	0.20	0.20	0.20	0.20	0.20	0.10	-
Deferred Tax Asset	69.61	63.04	56.12	-	-	-	-
Long term loans and advances	542.27	406.31	435.90	254.62	308.69	209.68	97.77
Other Non Current Assets	277.93	125.64	167.17	146.05	94.29	66.13	64.17
Current assets							
Current Investments	-	40.00	-	-	-	-	-
Inventories	2.11	2.53	2.15	2.45	5.31	8.92	15.01
Trade receivables	1,185.49	816.05	804.83	594.50	617.86	543.24	344.70
Cash and bank balances	1,216.68	1,194.91	1,147.00	847.25	779.88	822.10	180.16
Short-term loans and advances	119.13	47.47	77.92	260.02	83.10	76.09	40.91
Other current assets	1,045.38	511.19	719.30	220.67	245.52	47.92	11.45
Total	4,583.83	3,310.76	3,505.18	2,432.83	2,242.29	1,968.99	965.45

Restated Consolidated Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Revenue							
Revenue from Operations	13,696.25	10,579.52	22,504.09	17,168.85	14,034.50	10,205.14	7,556.64
Less: Service Tax	1,599.79	1,143.78	2,433.39	1,872.36	1,527.18	946.86	688.26
Revenue from Operations	12,096.46	9,435.74	20,070.70	15,296.49	12,507.32	9,258.28	6,868.38
Other Income	61.47	63.20	113.90	78.76	109.60	82.61	114.86
Total Revenue (A)	12,157.93	9,498.95	20,184.60	15,375.25	12,616.91	9,340.89	6,983.24
Expenses							
Employee Benefits Expense	11,791.90	9,148.17	19,444.80	14,838.99	12,164.82	9,031.17	6,583.50
Finance Costs	1.76	0.81	1.39	2.31	5.13	3.39	1.59
Depreciation and Amortization Expense	9.05	17.11	27.15	19.20	36.30	37.54	66.29
Other Expenses	191.66	198.24	385.37	337.07	453.38	434.27	674.53
Total Expenses (B)	11,994.37	9,364.33	19,858.71	15,197.57	12,659.63	9,506.37	7,325.91
Profit / (Loss) before Taxation (A-B) (C)	163.56	134.61	325.89	177.68	(42.71)	(165.48)	(342.67)
Exceptional items (D)	-	-	-	-	-	-	(35.48)
Profit / (Loss) before Taxation (C-D) (E)	163.56	134.61	325.89	177.68	(42.71)	(165.48)	(378.15)
Tax Expenses (F)							
Current Tax	69.15	23.27	75.24	-	-	-	-
Current Tax under MAT	-	-	-	20.88	-	-	-
MAT Credit Entitlement	-	-	-	(20.88)	-	-	-
Deferred Tax charge/(benefit)	(12.41)	(63.48)	(57.20)	-	-	-	-
Total (F)	56.75	(40.21)	18.04	-	-	-	-
Net Profit/(Loss) after taxation and before Restatement Adjustments (E-F) (G)	106.81	174.82	307.85	177.68	(42.71)	(165.48)	(378.15)
Material Restatement Adjustments (H)	(1.81)	2.24	9.86	(0.89)	(5.71)	(0.51)	(0.54)
(ii) Deferred Tax adjustments (I)	(1.08)	0.44	1.08	-	-	-	-
Net Profit/(Loss) before the adjustments on account of changes in accounting policies (G-H-I) (J)	109.72	172.14	296.90	178.57	(37.00)	(164.97)	(377.61)
Adjustments on account of changes in accounting policies (K)	-	-	-	-	-	-	(17.26)
Net Profit/(Loss) before Minority Interest (I-K)(L)	109.72	172.14	296.90	178.57	(37.00)	(164.97)	(394.87)

Restated Consolidated Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Available to Minority Shareholders	-	-	-	-	-	-	(8.47)
Transfer from Minority shareholders	-	-	-	-	-	-	8.47
Net balance available to Minority Interest (K)	-	-	-	-	-	-	-
Net Profit/(Loss) as Restated (L-M)(N)	109.72	172.14	296.90	178.57	(37.00)	(164.97)	(394.87)

Restated Consolidated Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
A. Cash Flow from Operating Activities:							
Restated Net Profit/(loss) before tax, after restatement adjustments	165.38	132.37	316.02	178.57	(37.00)	(164.97)	(394.87)
Adjustments for:							
Depreciation and amortisation	9.05	17.11	27.15	19.20	36.30	37.54	66.29
Interest on Bank Loans and others	1.76	0.81	1.39	2.31	5.13	3.39	1.59
Dividend Income on Mutual Fund Investments	(1.49)	(1.99)	(3.30)	(2.03)	(1.22)	(2.43)	(3.26)
Interest Income on Fixed Deposits	(41.88)	(38.99)	(79.80)	(66.14)	(68.89)	(73.23)	(8.57)
Interest Income on loans to Related Parties	(4.41)	(0.80)	(3.14)	(0.35)	-	(0.48)	(0.35)
Interest Income on Tax Refunds	-	(15.56)	(15.56)	(4.76)	-	(2.88)	(1.25)
Loss on sale of Fixed Assets (Net)	-	0.34	0.34	7.49	62.02	21.88	0.01
Loss on Demerger	-	-	-	-	-	-	35.48
Profit on slump sale	-	(0.60)	(0.60)	-	-	-	-
Sundry balances written back (net)	(5.02)	1.18	-	0.01	(34.57)	0.18	(74.05)
Provision for doubtful debts no longer required written back	(7.53)	-	-	-	-	-	-
Bad Debts written off (net of related provision for doubtful debt written back)	6.61	0.12	0.61	6.49	6.96	9.87	79.90
Sundry Balances Written off	0.62	0.51	0.36	0.03	1.90	3.00	-
Provision for Bad and Doubtful Debts	14.73	6.07	20.95	26.43	27.94	13.39	37.71
Service Tax Written off	-	-	-	-	-	-	3.40
Provision for Gratuity	4.73	2.88	5.36	4.76	3.96	6.23	4.35
Provision for Leave Encashment	5.20	4.06	8.49	10.20	6.02	10.43	0.44
Write off of Course ware Materials	-	-	0.12	1.91	1.02	1.48	-
Impairment of Goodwill	-	-	-	-	-	-	181.21
Operating Profit/ (Loss) before Working Capital Changes	147.76	107.51	278.40	184.12	9.57	(136.58)	(71.98)
Adjusted for:							
Increase in other current/non-current liabilities	884.58	697.11	706.44	66.16	266.52	95.32	281.85
Increase in Short term and Long term provisions	79.43	17.54	63.38	43.38	28.20	11.04	55.49
(Increase) in Other Non-Current assets	(73.21)	(5.77)	(43.95)	(39.84)	(21.07)	(0.52)	(47.66)
(Increase) / Decrease in Other Current assets	(349.20)	(274.54)	(443.60)	24.42	(204.72)	(16.18)	(5.96)
(Increase) in Trade Receivable	(394.47)	(235.90)	(231.89)	(9.57)	(109.51)	(221.81)	(224.84)
(Increase) / Decrease in Inventories	0.05	(0.08)	0.17	0.95	2.59	4.61	(15.01)
(Increase)/ Decrease in Short term loans and advances	(50.42)	(13.58)	(6.27)	(5.25)	36.20	(25.55)	(17.20)
(Increase)/ Decrease in long term loans and advances	(1.72)	0.77	3.61	(22.52)	(15.01)	(11.05)	(8.61)
	95.04	185.55	47.88	57.74	(16.80)	(164.14)	18.07
Cash generated from/ (used in) operations	242.80	293.06	326.28	241.85	(7.24)	(300.73)	(53.91)

Restated Consolidated Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Direct Taxes paid (net of refund)	(129.87)	88.29	16.52	(78.12)	(85.89)	(103.86)	(23.29)
Net cash generated from/ (used in) Operating Activities (A)	112.93	381.34	342.80	163.74	(93.13)	(404.59)	(77.20)
B. Cash Flow from Investing Activities:							
Purchase of Tangible, Intangible and Intangible assets under development	(39.52)	(14.39)	(37.76)	(28.86)	(16.85)	(46.24)	(158.26)
Proceeds from sale of tangible and intangible fixed assets	-	0.57	0.58	2.54	5.90	3.30	0.08
Proceeds from sale of Mutual fund units	721.49	786.99	1,378.30	932.03	811.22	1,092.43	1,233.26
Purchase of Mutual fund units	(720.00)	(825.00)	(1,375.00)	(930.00)	(810.00)	(1,090.00)	(1,230.00)
Investment in Subsidiaries	-	-	-	-	(0.10)	(0.10)	-
Proceeds /(Investment) in Fixed Deposits (Net)	33.92	(176.21)	(189.44)	(377.12)	47.38	(310.91)	(109.13)
Loans and Advances given to Related Parties (Net)	(35.31)	(38.37)	(88.03)	(16.99)	(43.21)	(9.64)	(0.47)
Interest received on loans to Related Parties	-	-	0.48	0.35	-	0.48	0.35
Interest received on income tax refunds	-	15.56	15.56	4.76	-	2.88	1.25
Interest received on Deposits/ loans	64.59	27.86	51.81	64.85	74.47	51.69	7.04
Net Cash generated from/ (used in) Investing Activities (B)	25.17	(222.99)	(243.50)	(348.44)	68.81	(306.11)	(255.88)
C. Cash Flow from Financing Activities:							
Proceeds from fresh issue of equity	-	-	-	-	-	993.22	100.00
Proceeds/(Repayment) from/of Short term and long term Borrowings (Net)	-	(8.22)	(8.22)	(112.53)	40.17	52.08	(20.16)
Interest paid on Bank Loans and others	(1.76)	(0.81)	(1.39)	(2.31)	(5.13)	(3.39)	(1.59)
Net Cash generated from/ (used in) in Financing Activities (C)	(1.76)	(9.03)	(9.61)	(114.84)	35.04	1,041.91	78.26

Restated Consolidated Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	136.34	149.32	89.69	(299.55)	10.72	331.20	(254.83)
Cash and cash equivalents (Opening Balance)	218.49	128.80	128.80	428.35	417.64	86.43	341.26
Cash and cash equivalents (Closing Balance)	354.83	278.12	218.49	128.80	428.35	417.64	86.43
Cash and cash equivalents comprise of:							
Cash on hand	0.21	0.17	-	-	0.08	0.28	0.82
Cheques on Hand	-	-	-	0.38	-	-	4.07
In Fixed Deposit Accounts	-	-	-	-	370.00	350.45	21.07
In Current Accounts	354.62	277.95	218.49	128.42	58.27	66.91	60.47
Total	354.83	278.12	218.49	128.80	428.35	417.64	86.43

Restated Standalone Statement of Assets and Liabilities of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Equity and Liabilities							
Shareholder's Funds							
Share capital	153.32	5.11	5.11	5.11	5.11	5.11	3.97
Reserves and surplus	1,428.51	1,333.12	1,468.71	1,172.44	993.12	1,035.51	194.29
Non-current liabilities							
Long-term borrowings	-	-	-	-	0.35	0.75	0.15
Other long term liabilities	51.10	54.38	52.34	55.97	53.91	47.07	46.35
Long-term provisions	252.14	135.51	175.67	129.71	91.06	64.04	53.94
Current liabilities							
Short-term borrowings	-	-	-	8.22	120.41	74.67	28.36
Other current liabilities	2,579.97	1,682.08	1,699.21	989.00	926.23	689.82	606.69
Short-term provisions	102.88	77.38	89.99	58.72	39.04	27.41	10.29
Total	4,567.92	3,287.59	3,491.04	2,419.17	2,229.22	1,944.38	944.04
Assets							
Non Current Assets							
Fixed Assets							
Tangible assets	18.35	17.42	14.90	29.40	42.81	118.50	131.53
Intangible assets	12.63	14.29	14.26	15.16	18.10	14.40	23.29
Intangible assets under development	70.52	25.80	41.87	16.38	-	14.98	9.12
Non Current Investments	23.71	23.71	23.71	23.71	23.71	23.61	23.51
Deferred Tax Asset	69.61	63.04	56.12	-	-	-	-
Long term loans and advances	538.29	408.72	432.32	250.30	304.91	208.67	97.77
Other Non Current Assets	277.74	125.64	167.17	145.74	93.62	66.03	63.96
Current assets							
Current Investments	-	40.00	-	-	-	-	-
Inventories	2.08	2.56	2.22	2.50	5.34	8.96	15.03
Trade receivables	1,185.47	796.53	802.12	591.64	613.37	540.25	346.27
Cash and bank balances	1,212.28	1,192.32	1,142.81	843.33	776.77	810.76	180.17
Short-term loans and advances	134.16	66.51	96.54	280.42	105.08	91.16	41.95
Other current assets	1,023.09	511.04	697.00	220.59	245.51	47.06	11.44
Total	4,567.92	3,287.59	3,491.04	2,419.17	2,229.22	1,944.38	944.04

Restated Standalone Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the Period/Year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Revenue							
Revenue from Operations (Gross)	13,717.26	10,579.52	22,504.09	17,165.69	14,016.19	10,188.32	7,547.61
<u>Less: Service Tax</u>	1,620.80	1,143.78	2,433.39	1,872.36	1,527.19	946.86	688.26
Revenue from Operations (Net)	12,096.46	9,435.74	20,070.70	15,293.33	12,489.00	9,241.46	6,859.34
Other Income	56.64	93.21	148.15	101.47	159.77	92.87	119.05
Total Revenue (A)	12,153.10	9,528.95	20,218.85	15,394.80	12,648.78	9,334.33	6,978.39
Expenses							
Employee Benefits Expense	11,791.68	9,147.92	19,444.38	14,843.50	12,161.58	9,048.51	6,595.89
Finance Costs	1.76	0.81	1.39	2.31	5.03	3.03	1.58
Depreciation and Amortization Expense	9.04	16.91	26.75	18.79	35.88	37.12	39.56
Other Expenses	191.11	217.67	405.75	334.18	443.58	429.98	460.52
Total Expenses (B)	11,993.59	9,383.30	19,878.27	15,198.78	12,646.07	9,518.64	7,097.55
Profit/(Loss) Before Exceptional Items and Taxation (A-B) (C)	159.51	145.65	340.58	196.02	2.70	(184.31)	(119.16)
Exceptional items (D)	-	-	-	-	-	-	255.32
Profit / (Loss) before Taxation (C-D) (E)	159.51	145.65	340.58	196.02	2.70	(184.31)	(374.48)
Tax Expenses (F)							
Current Tax	69.15	23.27	75.24	-	-	-	-
Current Tax under MAT	-	-	-	20.88	-	-	-
MAT Credit Entitlement	-	-	-	(20.88)	-	-	-
Deferred Tax charge/(benefit)	(12.40)	(63.48)	(57.20)	-	-	-	-
Total (F)	56.75	(40.21)	18.04	-	-	-	-
Net Profit/(Loss) after taxation (E-F) (G)	102.76	185.86	322.54	196.02	2.70	(184.31)	(374.48)

Restated Standalone Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the Period/Year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Net Profit / (Loss) Before Restatement Adjustments	102.76	185.86	322.54	196.02	2.70	(184.31)	(374.48)
(i) Material Restatement Adjustments (H)	(4.17)	14.90	25.19	16.69	45.10	(33.45)	15.83
(ii) Deferred Tax adjustments (I)	(1.08)	0.44	1.08	-	-	-	-
Net Profit/(Loss) before the adjustments on account of changes in accounting policies (G-H-I) (J)	108.01	170.52	296.27	179.33	(42.40)	(150.86)	(390.30)
Adjustments on account of changes in accounting policies (K)	-	-	-	-	-	-	14.85
Net Profit/(Loss) as Restated (J-K)(L)	108.01	170.52	296.27	179.33	(42.40)	(150.86)	(405.16)

Restated Standalone Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Cash Flow from Operating Activities:							
Restated Net Profit/(loss) before tax, after restatement adjustments	163.68	130.75	315.39	179.33	(42.40)	(150.86)	(405.16)
Adjustments for:							
Depreciation and amortisation	9.04	16.91	26.75	18.79	35.88	37.12	39.55
Interest on Bank Loan and others	1.76	0.81	1.39	2.31	5.03	3.03	1.58
Dividend Income from Mutual Fund Investments	(1.49)	(1.99)	(3.30)	(2.03)	(1.22)	(1.84)	(3.26)
Interest Income on Fixed Deposits	(41.85)	(38.95)	(79.71)	(66.05)	(68.66)	(72.39)	(8.55)
Interest Income on loans to Related Parties	(4.41)	(0.80)	(3.14)	(0.35)	(0.52)	(0.48)	(0.35)
Interest Income on Tax Refunds	-	(15.56)	(15.56)	(4.76)	-	(2.88)	(1.25)
Loss on sale on Fixed Assets (Net)	-	0.34	0.34	7.49	62.02	21.88	0.01
Loss on Business Acquisition/ Demerger	-	-	-	-	4.14	-	35.48
Profit on slump sale	-	(0.61)	(0.60)	-	-	-	-
Sundry balances written back	-	(0.85)	0.34	(4.95)	(16.06)	(32.82)	(88.68)
Provision for doubtful Debts No Longer Required Written Back	-	(1.58)	(4.25)	(10.25)	(4.45)	(0.67)	1.56
Bad Debts written off (net of related provision for doubtful debt written back)	2.65	0.77	6.71	6.25	(11.04)	8.99	78.34
Sundry Balances Written off	-	0.51	0.62	0.01	1.88	3.77	(0.61)
Provision for Bad and Doubtful Debts	3.50	12.80	32.30	35.86	29.64	13.91	35.87
Service Tax Written off	-	-	-	-	-	-	3.40
Provision for Gratuity	4.73	2.88	5.36	4.76	3.96	6.22	4.35
Provision for Leave Encashment	5.20	4.06	8.49	10.19	6.00	9.93	0.43
Write off of Course Ware Materials	-	-	0.12	1.91	1.02	1.48	-
Excess depreciation written back	-	-	-	-	-	-	(14.85)
Provision for diminution in the value of long-term investments and							
Provision for doubtful advances	0.02	2.29	0.04	0.07	0.40	1.82	219.84
Operating Profit/ (Loss) before Working Capital Changes	142.83	111.78	291.29	178.58	5.62	(153.79)	(102.29)

Restated Standalone Statement of Cash Flow of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30,2015	September 30,2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Adjusted for:							
Increase in other current/non-current liabilities	879.52	690.89	706.25	64.83	259.31	116.67	295.36
Increase in Short term and Long term provisions	79.43	17.54	63.38	43.38	28.68	11.07	21.02
(Increase) in Other Non-Current assets	(73.21)	(2.03)	(43.95)	(39.84)	(21.07)	(0.52)	(17.37)
(Increase) / Decrease in Other Current assets	(349.21)	(278.28)	(443.58)	24.41	(204.72)	(16.19)	(1.76)
(Increase) in Trade Receivable	(389.48)	(233.64)	(245.23)	(10.14)	(91.72)	(216.21)	(179.16)
(Increase) / Decrease in Inventories	0.14	(0.10)	0.15	0.94	2.60	4.59	(15.06)
(Increase)/ Decrease in Short term loans and advances	(51.02)	0.01	(5.77)	(5.64)	32.69	(21.55)	(17.22)
(Increase) in long term loans and advances	(0.84)	(12.45)	(18.54)	(22.48)	(11.20)	(7.88)	(8.60)
	95.33	181.94	12.70	55.46	(5.43)	(130.02)	77.21
Cash generated from/ (used in) operations	238.17	293.72	303.98	234.03	0.19	(283.81)	(25.08)
Taxes (paid) / refunded (net)	(129.80)	88.44	37.68	(72.27)	(85.84)	(106.82)	(23.22)
Net cash generated from/ (used in) Operating Activities (A)	108.37	382.16	341.66	161.76	(85.65)	(390.63)	(48.30)
Cash Flow from Investing Activities:							
Purchase of Tangible, Intangible and Intangible assets under development	(39.52)	(14.39)	(37.76)	(28.86)	(16.85)	(46.24)	(158.26)
Proceeds from sale of tangible and intangible fixed assets	-	0.57	0.58	2.54	5.90	3.30	0.08
Proceeds from sale of Mutual Fund units	721.49	786.99	1,378.30	932.03	811.22	996.84	1,233.26
Purchase of Mutual Fund units	(720.00)	(825.00)	(1,375.00)	(930.00)	(810.00)	(995.00)	(1,230.00)
Investment in Subsidiaries	-	-	-	-	(0.10)	(0.20)	(21.51)
Proceeds/(Investment) in Fixed Deposits (Net)	33.82	(176.21)	(189.70)	(377.04)	47.80	(310.80)	(109.13)
Repayment of loans/advances by Related Parties	4.39	0.81	5.04	-	-	-	-
Loans/advances given to Related Parties (Net)	(35.52)	(38.38)	(91.83)	(15.09)	(47.41)	(29.39)	(1.50)
Interest received on loans to Related Parties	-	-	0.48	-	0.17	0.19	0.79
Interest received on income tax refund	-	15.56	15.56	4.76	-	2.88	-
Interest received on Deposits/ loans	64.56	27.86	51.74	64.81	73.44	51.70	7.04
Net Cash generated from/ (used in) Investing Activities (B)	29.22	(222.20)	(242.59)	(346.85)	64.17	(326.72)	(279.23)

Restated Standalone Statement of Cash Flow of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Cash Flow from Financing Activities:							
Proceeds from fresh issue of equity	-	-	-	-	-	993.22	100.00
Proceeds/(Repayment) from Short term and long term Borrowings (Net)	-	(8.22)	(8.22)	(112.53)	45.34	47.25	(20.33)
Interest paid on Bank Loan and others	(1.76)	(0.81)	(1.39)	(2.31)	(5.03)	(3.03)	(1.58)
Net Cash generated from/ (used in) in Financing Activities (C)	(1.76)	(9.03)	(9.61)	(114.84)	40.31	1,037.44	78.09
Net increase/(decrease) in Cash and Cash equivalents (A)+(B)+(C)	135.83	150.93	89.46	(299.93)	18.83	320.07	(249.45)
Cash and cash equivalents (Opening Balance)	214.86	125.41	125.41	425.34	406.51	86.43	335.88
Cash and cash equivalents (Closing Balance)	350.69	276.34	214.87	125.41	425.34	406.51	86.43
Cash and cash equivalents comprise of: (Refer Note - 9)							
Cash on hand	0.21	0.17	-	-	0.08	0.28	0.83
Cheques on Hand	-	-	-	0.38	-	-	4.07
In Fixed Deposit Accounts	-	-	-	-	370.00	340.25	21.07
In Current Accounts	350.48	276.17	214.86	125.03	55.26	65.98	60.46
Total	350.69	276.34	214.86	125.41	425.34	406.51	86.43

THE OFFER

The following table summarises the Offer details:

Equity Shares Offered	
Offer of Equity Shares	Up to [●] Equity Shares, aggregating up to ₹ [●] million
<i>of which</i>	
Fresh Issue ⁽¹⁾	Up to [●] Equity Shares, aggregating up to ₹ 1,500 million
Offer for Sale ⁽²⁾	Up to 3,219,733 Equity Shares, aggregating up to ₹ [●] million
The Offer comprises:	
(I) Employee Reservation Portion	Up to 10,000 Equity Shares, reserved for the Eligible Employees
(II) Net Offer	[●] Equity Shares
<i>which comprises</i>	
A) QIB portion ⁽³⁾⁽⁴⁾	At least [●] Equity Shares
<i>of which:</i>	
Anchor Investor Portion	Up to [●] Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which:</i>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance for all QIBs (including Mutual Funds)	[●] Equity Shares
B) Non-Institutional Portion ⁽⁴⁾	Not more than [●] Equity Shares
C) Retail Portion ⁽⁴⁾	Not more than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	15,332,064 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Use of Net Proceeds	
	Please refer to “Objects of the Offer” on page 90 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to Retail Individual Bidders shall not be less than the minimum Bid Lot, subject to availability of shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. For further details, see “Offer Procedure - Basis of Allotment” on page 430.

- (1) This Fresh Issue has been authorised by a resolution of our Board of Directors dated July 09, 2015 and a resolution of our shareholders in their EGM dated July 10, 2015.
- (2) The Selling Shareholders have each consented to participate in the Offer for Sale in the following manner: (i) GTPL (acting for and on behalf of GCIF) has consented to the offer up to 275,977 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015; (ii) GAPL has consented to the offer up to 76,660 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015; (iii) GIL has consented to offer up to 1,180,569 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015; (iv) I-VEN (investment manager of IAF) has authorised the offer up to 1,533,206 Equity Shares in the Offer by way of a management committee resolution dated July 13, 2015 and (v) HROV has authorised the offer up to 153,321 Equity Shares in the Offer by way of board resolution dated September 09, 2015. The Equity Shares offered by each of the Selling Shareholders, have been held by such Selling Shareholder for a period of more than one year or were issued under a bonus issue (out of the free reserves and/or share premium existing at the end of previous Financial Year and were not issued by utilization of revaluation reserves or unrealized profits of our Company) on Equity Shares as on the date of filing of this Red Herring Prospectus with the SEBI and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the SEBI ICDR Regulations.
- (3) Our Company and the Selling Shareholders may, in consultation with the BRLMs allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be

available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, please refer to “Offer Procedure” on page 396. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

- (4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories (including the Employee Reservation Portion) at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange.*

GENERAL INFORMATION

Registered Office of our Company

Office No. 6, 3rd Floor
C Wing, Laxmi Towers
Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India
Tel: + 91 22 6641 9500
Fax: + 91 22 2656 6548
E-mail: corporateaffairs@teamlease.com
Website: www.teamlease.com

Corporate Identity Number: U74140MH2000PLC124003
Registration Number: 124003

Corporate Office of our Company

6th Floor, BMTC Commercial Complex
80 feet road, Kormangala
Bengaluru 560 095
Karnataka, India
Tel: + 91 80 3300 2345
Fax: + 91 80 3324 3001
E-mail: corporateaffairs@teamlease.com

Address of the RoC

Our Company is registered with the Registrar of Companies, Mumbai situated at the following address:

100, Everest
Marine Drive
Mumbai, 400 002
Maharashtra, India

Board of Directors

The Board of our Company comprises the following:

Name	Designation	DIN	Address
Manish Mahendra Sabharwal	Chairman	00969601	48, Hatkesh Society, N/S Road no. 7, Juhu, Mumbai, 400 049, Maharashtra, India
Ashok Kumar Nedurumalli	Managing Director	00151814	11A, Sky Gardens, 12/1 Rhenius Street, Richmond Town, Bengaluru 560 001, Karnataka, India
Gopal Jain	Non Executive Nominee Director	00032308	Flat no. 01, 1 st Floor, Ramalayam, 46 Peddar Road, Mumbai, 400 026, Maharashtra, India
Latika Prakash Pradhan	Independent Director	07118801	B 1102, Chaitanya Towers, Appasaheb Marathe Marg Prabhadevi, Mumbai, 400 025, Maharashtra, India
Narayan Ramachandran	Independent Director	01873080	D-51, Sobha Ivory 2, 7, St. John's Road, Ulsoor, Bengaluru, 560 042, Karnataka, India.
V Raghunathan	Independent Director	00254091	# 25, Wisper Valley, Jubilee Hills, Hyderabad, 500 008, Telangana, India

For further details of our Directors, please refer to “Our Management” on page 156.

Company Secretary and Compliance Officer

Mruthunjaya Murthy C

6th Floor
BMTC Commercial Complex
80 feet road, Kormangala
Bengaluru 560 095
Karnataka, India
Tel: +91 80 3324 3406
Fax: +91 80 3324 3001
E-mail: mruthunjaya.m@teamlease.com

Chief Financial Officer

N. Ravi Vishwanath

6th Floor
BMTC Commercial Complex
80 feet road, Kormangala
Bengaluru 560 095
Karnataka, India
Tel: +91 80 3324 3330
Fax: +91 80 3324 3001
E-mail: ravi.vishwanath@teamlease.com

Investors can contact the Compliance Officer or the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non credit of Allotted Equity Shares in the respective beneficiary account, non receipt of refund orders and non-receipt of funds by electronic mode.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA Form number, Bidder DP ID, Client ID, PAN, date of the ASBA Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Bidder.

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Bidder, Anchor Investor Application Form number, Bidders DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Selling Shareholders

The details of our Selling Shareholders are set forth below:

1. GCIF

Gaja Capital India Fund-I is a trust created under the Indian Trust Act, 1882 and registered under the Registration Act, 1908, having its office at G-133, Sarita Vihar, New Delhi 110 044 and registered with Securities and Exchange Board of India as a domestic venture capital fund, represented by its trustee, Gaja Trustee Company Private Limited, a company incorporated in India under the Companies Act, 1956 and existing under the Companies Act, 2013, having its registered office at G-133, Sarita Vihar, New Delhi 110 044.

2. GAPL

GAPL is a company incorporated in India under the Companies Act, 1956 and existing under the Companies Act, 2013, and having its registered office at G-133, Sarita Vihar, New Delhi 110 044.

3. **GIL**

GIL is a Mauritius limited life company limited by shares incorporated under the Companies Act, No. 15 of 2001 of Mauritius, whose principal office is situated at 14, Poudriere Street, Office 905, 9th Floor, Sterling Tower, Port Louis, Mauritius.

4. **IAF**

IDBI Trusteeship Services Limited, a company registered under the provisions of the Companies Act, 1956, and having its registered office at Asian Building, 17, R Kamani Marg, Ballard Estate, Mumbai 400 001, in the capacity as trustee of India Advantage Fund S3 I, a trust registered under the Indian Trusts Act, 1882, (hereinafter referred to as “**IAF**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns), acting through its investment manager I-VEN, a company incorporated pursuant to the Companies Act, 1956, and having its registered office at Ground Floor, ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 and branch office at X Floor, Prestige Obelisk, Kasturba Road, Bengaluru 560 001 (hereinafter referred to as “**I-VEN**”, which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns).

For details on HROV, our Promoter and a Selling Shareholder, please refer to “Our Promoters” on page 172.

For further details relating to the Selling Shareholders, please refer to “History and Certain Corporate Matters” on page 153.

Book Running Lead Managers

IDFC Securities Limited

Naman Chambers, C – 32, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India
Tel: +91 22 6622 2600
Fax: +91 22 6622 2501
Email: teamlease.ipo@idfc.com
Investor grievance email: investorgrievance@idfc.com
Website: www.idfccapital.com
Contact Person: Gaurav Goyal
SEBI Registration No.: MB/INM000011336

Credit Suisse Securities (India) Private Limited

Ceejay House, 9th Floor
Plot F, Shivsagar Estate
Dr. Annie Besant Road, Worli
Mumbai 400 018
Maharashtra, India
Tel: +91 22 6777 3885
Fax: +91 22 6777 3820
Email: list.teamleaseipo@credit-suisse.com
Investor grievance email: list.igcellmer-bnkg@credit-suisse.com
Website: www.credit-suisse.com
Contact Person: Somwrita Biswas
SEBI Registration No.: MB/INM000011161

ICICI Securities Limited*

ICICI Centre, H. T. Parekh Marg
Churchgate
Mumbai 400 020
Maharashtra, India
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
E-mail: teamlease.ipo@icicisecurities.com
Investor grievance e-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Ayush Jain
SEBI Registration No.: MB/INM000011179

**I-VEN is the investment manager to IAF, one of the Selling Shareholders. I-VEN and I-Sec are wholly owned subsidiaries of ICICI Bank Limited and hence defined as ‘associates’ within the definition of SEBI Merchant Bankers Regulations. In compliance with proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and the proviso to Regulation 5(3) of the SEBI ICDR Regulations, I-Sec, as a BRLM, will only be involved in the marketing of the Offer. I-Sec has signed the due diligence certificate dated September 10, 2015, and has accordingly been disclosed as a BRLM.*

Syndicate Member

Sharekhan Limited

10th Floor, Beta Building,
Lodha iThink Techno Campus,
Off Jogeshwari-Vikhroli Link Road,
Opposite Kanjurmarg Railway Station,

Kanjurmarg (E), Mumbai 400 042
Maharashtra, India
Tel: +91 22 6115 0000
Fax : +91 22 6748 1891
Email: ipo@sharekhan.com
Website: www.sharekhan.com
Contact Person: Pravin Darji/ Mehul Koradia/Pankaj Patel
SEBI Registration number: INB011073351 (BSE);
INB231073330 (NSE)

Domestic Legal Counsel to the Company

AZB & Partners

AZB House,
67/4, 4th Cross, Lavelle Road
Bengaluru 560 001
Karnataka, India
Tel.: +91 80 4240 0500
Fax: +91 80 2221 3947

Domestic Legal Counsel to the BRLMs

Cyril Amarchand Mangaldas

201, Midford House, Midford Garden
Off M.G. Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 2558 4870
Fax: +91 80 2558 4266

International Legal Counsel to the Offer

DLA Piper Singapore Pte. Ltd

80 Raffles Place
#48-01, UOB Plaza I
Singapore 048624
Tel: +65 6512 9595 Fax: +65 6512 9500

Statutory Auditors to the Company

Price Waterhouse & Co Bangalore LLP, Chartered Accountants

252, Veer Savarkar Marg
Shivaji Park
Dadar, Mumbai 400 028
Maharashtra, India
Email: teamlease.ps@in.pwc.com
Tel: +91 22 6669 1000
Fax: +91 22 6654 7800
Firm Registration No.: 007567S/S-200012
Peer Review No.: PU02054403(S1/3/C3)

Registrar to the Offer

Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District
Nanakramguda,
Hyderabad 500 032
Telangana, India
Tel: +91 40 6716 2222
Fax: +91 40 2300 1153
Email: einward.ris@karvy.com
Investor grievance email: teamlease.ipo@karvy.com
Website: www.karisma.karvy.com
Contact Person: Mr. M Murali Krishna
SEBI Registration No: INR000000221

Bankers to the Offer, Escrow Collection Bank and Refund Bank

HDFC Bank Limited

FIG-OPS Department, Lodha,
I Think Techno Campus, O-3 level
Next to Kanjurmarg Railway Station
Kanjurmarg (East)

Mumbai 400 042
Maharashtra, India
Tel: +91 22 3075 2928
Fax: +91 22 2579 9809
Email: uday.dixit@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Uday Dixit
SEBI Registration No: INBI00000063

Bankers to our Company

Axis Bank
Bangalore Main, No.9, M.G. Road
Block A
Bengaluru 560 001
Karnataka, India
Tel: +91 80 2513 7702
Fax: +91 80 2555 9444
Email: Lalan.Kumar@axisbank.com
Website: www.axisbank.com
Contact Person: Lalan Kumar

Bank of India
Jyothi Mahal
49, St. Marks Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 2295 9472
Fax: +91 80 2295 2477
Email: kinshuk.singh@bankofindia.co.in
Website: www.bankofindia.com
Contact Person: Kinshuk Singh

Citi Bank
3rd Floor, Canberra Block, UB City, No.24
Vittal Mallya Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 4144 6468
Fax: +91 80 2211 3823
Email: pratheesh.p@citi.com
Website: www.citibank.com
Contact Person: Pratheesh P

Federal Bank
No 820, Golden House, 20th Main, 8th Block
80 feet Road, Kormangala
Bengaluru 560 095
Karnataka, India
Tel: +91 80 2570 2162
Fax: +91 80 2579 2162
Email: pradeepk@federalbank.co.in
Website: www.federalbank.co.in
Contact Person: Pradeep K

HDFC Bank
#8/24, Salco Centre
Richmond Road
Bengaluru 560 025
Karnataka, India
Tel: +91 80 6663 3056
Fax: +91 80 6663 3126
Email: Manju.Kumar@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Manju Kumar

IDBI Bank
Anand Nilaya, No.6, 100 Feet Road 5th Block
Kormangala
Bengaluru 560 095
Karnataka, India
Tel: +91 80 6455 4600
Fax: +91 80 2553 2986
Email: sharath.nayak@idbi.co.in
Website: www.idbibank.com
Contact Person: Sharath N Nayak

ICICI Bank
#1, Commissariat Road, First Floor
Bengaluru 560 025
Karnataka, India
Tel: +91 80 4129 6240
Fax: +91 80 4112 4604
Email: deepak.tikoo@icicibank.com
Website: www.icicibank.com
Contact Person: Praveen Gupta

IndusInd Bank
5th Floor, # 28, Centenary Building
M.G Road
Bengaluru 560 001
Karnataka, India
Tel: +91 3028 7028
Fax: +91 80 3028 7018
Website: www.indusind.com
Contact Person: Kester Joseph

Kotak Mahindra Bank
10/7, 3rd Floor Umiya Land Mark
Lavelle Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 6612 3345
Fax: +91 80 6612 3425
Email: karthik.venkatesh@kotak.com
Website: www.kotak.com
Contact Person: Karthik S Venkatesh

State Bank of India
9/1, Mahalakshmi Chambers
M.G. Road
Bengaluru 560 001
Karnataka, India
Tel: +91 80 2558 4039/25
Fax: +91 80 2555 0854
Email: k.arunachalam@sbi.co.in
Website: www.onlinesbi.com
Contact Person: Arunchal K

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers,

including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of SEBI (www.sebi.gov.in) and updated from time to time.

Registrar to the Offer and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum Applications forms at the Collection Centres, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the DPs eligible to accept Bid cum Application Forms at the Collection Centres, including details such as name and contact details, are provided on the websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors, namely, Price Waterhouse & Co Bangalore LLP, Chartered Accountants to include its name as an expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the reports of the Statutory Auditors dated January 17, 2016 on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company and the statement of tax benefits, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Red Herring Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as “experts” in this Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Monitoring Agency

In terms of Regulation 16(1) of the SEBI ICDR Regulations, we are not required to appoint a monitoring agency for the purposes of this Offer as the Fresh Issue size shall not exceed ₹ 5,000 million. As required under the Listing Regulations and Section 177 of the Companies Act, 2013, the Audit Committee constituted by the Board of our Company will monitor the utilisation of the proceeds of the Fresh Issue. We will disclose the utilisation of the proceeds of the Fresh Issue, including interim use, under a separate head in the Company’s quarterly financial disclosures and annual Restated Financial Information until the proceeds of the Offer remain unutilised, to the extent required under applicable laws and regulations.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As this is an issue of Equity Shares, there is no credit rating for the Offer.

Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required.

IPO Grading

The Company has appointed CRISIL Research for grading this IPO. This Offer has been assigned a CRISIL IPO grade of '4/5' (pronounced 'four on five') through press release dated December 10, 2015, indicating that the fundamentals of the IPO are above average relative to other listed equity securities in India. A CRISIL IPO Grade 5/5 indicates strong fundamentals and a CRISIL IPO Grade 1/5 indicates poor fundamentals. CRISIL IPO Grading reflects its assessment of the graded company's equity fundamentals as distinct from an assessment of debt fundamentals.

Inter-se Allocation of Responsibilities

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Offer:

S.No	Activity	Responsibility	Co-ordinator
1.	Capital structuring, positioning strategy and due diligence of the Company including its operations/ management/business plans/legal etc.	IDFC, Credit Suisse	IDFC
2.	Due Diligence on the Company, Drafting of the Draft Red Herring Prospectus, compliance and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI; co-ordination of all agreements namely Offer agreement, Registrar agreement, Syndicate agreement, Escrow agreement and Underwriting agreement. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with Stock Exchanges, SEBI including finalization of the Prospectus	I-Sec, IDFC, Credit Suisse	IDFC
3.	Drafting and approval of all statutory advertisements	IDFC, Credit Suisse	IDFC
4.	Drafting and approving of all publicity material other than statutory advertisements as mentioned above, including corporate advertisements, brochures etc.	I-Sec, IDFC, Credit Suisse	I-Sec
5.	Appointment of advertising agency and Bankers to the Offer and coordinating their respective Agreements	IDFC, Credit Suisse	IDFC
6.	Appointment of intermediaries including Bankers to the Offer, Printers, Public Relations Agency, Registrar, Grading and Monitoring Agency as applicable and coordinating their respective Agreements	IDFC, Credit Suisse	IDFC
7.	International institutional marketing strategy, including - finalising the list and allocation of investors for one to one meetings, - finalizing the International road show schedule and investor meeting schedules, - preparation of road show presentation and FAQs	I-Sec, IDFC, Credit Suisse	Credit Suisse
8.	Domestic institutional marketing strategy including, - finalization of the list and division of investors for one to one meetings, - institutional allocation - finalizing the list and division of investors for one to one meetings, and finalizing investor meeting schedules	I-Sec, IDFC, Credit Suisse	I-Sec
9.	Retail and Non-institutional marketing which will cover, <i>inter alia</i> , - formulating marketing strategies, - preparation of publicity budget, - finalizing media and public relations strategy, - finalizing centre for holding conferences for press and brokers, - distribution of publicity and Offer material - deciding on the quantum of Offer material including forms, the Prospectus and, and finalizing collection centres.	I-Sec, IDFC, Credit Suisse	I-Sec
10.	Preparation of road show presentation and FAQs	I-Sec, IDFC, Credit Suisse	Credit Suisse
11.	Finalization of pricing in consultation with the Company and the Selling Shareholders and managing the book	IDFC, Credit Suisse	Credit Suisse
12.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading	IDFC, Credit Suisse	IDFC
13.	The post Bidding & post Offer activities, including management of escrow accounts, co-ordination of non-institutional allocation (including Anchor Investor Portion), intimation of allocation and dispatch of refunds to Bidders etc. The post Offer activities	IDFC, Credit Suisse	IDFC

S.No	Activity	Responsibility	Co-ordinator
	for the Offer involving essential follow up steps, which include follow-up with bankers to the Offer and Self Certified Syndicate Banks to get quick estimates of collection and advising the Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, the finalization of trading and dealing of instruments and demat delivery of Equity Shares, with the various agencies connected with the work such as the Registrar to the Offer, Escrow Collection Banks and the bank(s) handling refund business. The merchant banker shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company		
14.	Payment of the applicable Securities Transaction Tax (STT) to the Government on sale of unlisted equity shares by the Selling Shareholders under the offer for sale included in the Offer and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004	IDFC, Credit Suisse	IDFC

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus, the Bid cum Application Form and the Revision Form within the Price Band, which will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and advertised in all English editions of the Financial Express, all Hindi editions of the Jansatta and the Marathi edition of the Navshakti (which are widely circulated English, Hindi and Marathi newspapers, Marathi being the regional language of Maharashtra, where our Registered Office is located) at least five Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of upload on its website. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLMs after the Bid/ Offer Closing Date. The principal parties involved in the Book Building Process are:

- our Company;
- the Selling Shareholders;
- the BRLMs;
- the Syndicate Member;
- the SCSBs;
- the Registered Brokers;
- the Registrar to the Offer;
- the Escrow Collection Bank;
- The RTAs; and
- the Collecting Depository Participants.

In terms of Rule 19(2)(b)(i) of the SCRR, this is a Net Offer for at least 25% of the post-Offer paid-up Equity Share capital of our Company. In the event the post-Offer Equity Share capital of our Company calculated at the Offer Price is greater than ₹ 16,000 million but less than or equal to ₹ 40,000 million, then the Offer will be deemed to be undertaken in terms of Rule 19(2)(b)(ii) of the SCRR where the minimum Net Offer to public will be at least such percentage which will be equivalent to ₹ 4,000 million calculated at the Offer Price. The Offer is being made through the Book Building Process, in compliance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Offer shall be Allotted on a proportionate basis to QIBs, provided that our Company may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in consultation with each Selling Shareholder and the BRLMs. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, then

the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. For details in relation to allocation to Retail Individual Bidders, specific attention of the investors is invited to “Offer Procedure – Basis of Allotment” on page 430. All potential investors, other than Anchor Investors, shall participate in this Offer only through an Application Supported by Blocked Amount (“ASBA”) process providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”). Anchor Investors are not permitted to participate in the Offer through ASBA process. For details, please refer to “Offer Procedure” on page 396.

Under subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB category will not be allowed to be met with spill-over from other categories or a combination of categories.

In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until closing of the Offer. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/ Offer Period. Allocation to the Anchor Investors will be on a discretionary basis. For further details, please refer to “Offer Structure” and “Offer Procedure” on pages 391 and 396.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Offer. Each Selling Shareholder (on its own behalf and not on behalf of any other Selling Shareholder), severally and not jointly, specifically confirms that it will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI, as applicable to it in relation to the Equity Shares offered by it in the Offer for Sale. Our Company and the Selling Shareholders have appointed the BRLMs to manage the Offer and procure purchases for the Offer.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Offer.

Illustration of Book Building Process and Price Discovery Process

Investors should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes bidding by Anchor Investors.

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, Offer size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at bidding centres during the bidding period. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.7%
1,000	23	1,500	50.0%
1,500	22	3,000	100.0%
2,000	21	5,000	166.7%
2,500	20	7,500	250.0%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers and each Selling Shareholder, will finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by Bidders for Bidding:

1. Check eligibility for making a Bid (please refer to “Offer Procedure – Who Can Bid?” on page 397);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the State of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, for Bids of all values, ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction (please refer to “Offer Procedure” on page 414);
4. Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the Bid cum Application Form;
5. Bids (except by Anchor Investors), shall be submitted only through the ASBA process;
6. Ensure the correctness of your PAN, DP ID and Client ID given in the Bid cum Application Form. Based on these parameters, the Stock Exchanges will validate the electronic Bid details with the Depositories records for PAN, DP ID and Client; and
7. Bids by ASBA Bidders will have to be submitted to the Designated Intermediaries in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that the ASBA accounts have adequate credit balance at the time of submission to the Designated Intermediary, as the case may be, to ensure that the Bid cum Application Form submitted by the ASBA Bidders is not rejected.

For further details for the method and procedure for Bidding, please refer to “Offer Procedure” on page 396.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Member do not fulfil their underwriting obligations. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in millions)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after pricing and actual allocation and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board of Directors (based on certificates provided by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The Board of Directors/ Committee of Directors, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and will be executed after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Red Herring Prospectus is set forth below:

		(In ₹, except share data)	
	Aggregate value at face value	Aggregate value at Issue Price	
1. AUTHORIZED SHARE CAPITAL⁽¹⁾			
23,300,000 Equity Shares of ₹ 10 each	233,000,000		
170,000 Preference Shares of ₹ 100 each	17,000,000		
Total	250,000,000		
2. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER			
15,332,064 Equity Shares of ₹ 10 each	153,320,640		
Total	153,320,640		
3. PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS			
Fresh Issue of up to [●] Equity Shares aggregating to ₹ 1,500 million ⁽²⁾	[●]	1,500,000,000	
Offer for Sale of up to 3,219,733 Equity Shares ⁽²⁾ which includes	3,219,733	[●]	
Employee Reservation Portion of up to 10,000 Equity Shares of the Offer	10,000	[●]	
4. SECURITIES PREMIUM ACCOUNT			
Before the Offer	1,385,479,650		
After the Offer	[●]		
5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER			
[●] Equity Shares	[●]		

- (1) For details in relation to the changes in the authorised share capital of our Company, please refer to “History and certain corporate matters” on page 149.
- (2) The Fresh Issue has been authorised by the Board of Directors and the Shareholders, pursuant to their resolutions dated July 09, 2015 and July 10, 2015, respectively. The Selling Shareholders have each consented to participate in the Offer for Sale in the following manner: (i) GTPL (acting for and on behalf of GCIF) has consented to offer up to 275,977 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015; and (ii) GAPL has consented to offer up to 76,660 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015 (iii) GIL has consented to offer up to 1,180,569 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015; (iv) I-VEN (investment manager of IAF) has authorised the offer up to 1,533,206 Equity Shares in the Offer by way of management committee resolution dated July 13, 2015 and (v) HROV has authorised the offer up to 153,321 Equity Shares in the Offer by way of board resolution dated September 9, 2015. The Equity Shares offered by each of the Selling Shareholders, have been held by such Selling Shareholder for a period of more than one year or were issued under a bonus issue (out of the free reserves and/or share premium existing at the end of previous Financial Year and were not issued by utilization of revaluation reserves or unrealized profits of our Company) on Equity Shares as on the date of filing of this Red Herring Prospectus with the SEBI and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the SEBI ICDR Regulations.
- (3) The Offer includes an Employee Reservation Portion of up to 10,000 Equity Shares for subscription by Eligible Employees.

Notes to the Capital Structure

1. Equity Share Capital History of our Company

(a) The history of the Equity Share capital of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)
February 02, 2000	300	10.00	10.00	Cash	Initial subscribers to the Memorandum of Association ⁽¹⁾	300	3,000
March 28, 2002	9,900	10.00	10.00	Cash	Allotment Shares ⁽²⁾ of Equity	10,200	102,000
October 21, 2002	44,010	10.00	100.00	Cash	Allotment Shares ⁽³⁾ of Equity	54,210	542,100

Date of Allotment	No. of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for allotment	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)
February 25, 2003	213,000	10.00	100.00	Cash	Allotment of Equity Shares ⁽⁴⁾	267,210	2,672,100
November 03, 2006	Sub-division of 267,210 Equity Shares of the face value of ₹ 10.00 each into 2,672,100 Equity Shares of ₹ 1 each						
December 01, 2007	170,719	1.00	1.00	Cash	Allotment of Equity Shares ⁽⁵⁾	2,842,819	2,842,819
June 01, 2008	33,737	1.00	1.00	Cash	Allotment of Equity Shares ⁽⁶⁾	2,876,556	2,876,556
November 05, 2009	85,018	1.00	254.06	Cash	Conversion of cumulative redeemable preference shares to Equity Shares ⁽⁷⁾	2,961,574	2,961,574
November 13, 2009	496,874	1.00	503.15	Cash	Allotment of Equity Shares ⁽⁸⁾	3,458,448	3,458,448
November 13, 2009	19,661	1.00	1.00	Cash	Allotment of Equity Shares ⁽⁹⁾	3,478,109	3,478,109
April 13, 2010	298,122	1.00	503.15	Cash	Allotment of Equity Shares ⁽¹⁰⁾	3,776,231	2,776,231
August 06, 2010	198,749	1.00	503.15	Cash	Allotment of Equity Shares ⁽¹¹⁾	3,974,980	3,974,980
May 12, 2011	1,135,708	1.00	880.51	Cash	Allotment of Equity Shares ⁽¹²⁾	5,110,688	5,110,688
July 09, 2015	148,209,952	1.00	-	Other than cash	Bonus issue in the ratio of 29 Equity Shares for every one Equity Share held in the Company ⁽¹³⁾	153,320,640	153,320,640
July 10, 2015	Consolidation of 153,320,640 Equity Shares of face value of ₹ 1 to 15,332,064 Equity Shares of face value ₹ 10						
Total	15,332,064	10.00					

- (1) 100 Equity Shares were allotted to Ramesh Chand, 100 Equity Shares were allotted to N. Seethakumari and 100 Equity Shares were allotted to Manish Mahendra Sabharwal.
- (2) 3,300 Equity Shares were allotted to Manish Mahendra Sabharwal, 3,300 Equity Shares were allotted to Mohitkaran Virendra Gupta and 3,300 Equity Shares were allotted to Ashok Kumar Nedurumalli.
- (3) 14,670 Equity Shares were allotted to Manish Mahendra Sabharwal, 14,670 Equity Shares were allotted to Ashok Kumar Nedurumalli and 14,670 Equity Shares were allotted to Mohitkaran Virendra Gupta.
- (4) 213,000 Equity Shares were allotted to India Life Team Investments Private Limited to meet the fund requirements of our Company.
- (5) 29,690 Equity Shares were allotted to Rajesh A.R., 22,268 Equity Shares were allotted to Deep Mukherjee, 22,268 Equity Shares were allotted to Rituparna Chakraborty, 14,845 Equity Shares were allotted to Neeti Sharma, 22,268 Equity Shares were allotted to Sangeeta Lala, 14,845 Equity Shares were allotted to Kavitha Reddy, 14,845 Equity Shares were allotted to Sampath Shetty and 29,690 Equity Shares were allotted to Venkatraman N.
- (6) 14,845 Equity Shares were allotted to Venkatraman N., 7,423 Equity Shares were allotted to Kavitha Reddy, 2,969 Equity Shares were allotted to Sampath Shetty and 8,500 Equity Shares were allotted to K. Venkatesan.
- (7) 85,018 Equity Shares were allotted to ILCHPL pursuant to the conversion of 216,000 cumulative convertible redeemable preference shares issued upon conversion of unsecured loan availed by the Company at a conversion price of ₹ 254.06.
- (8) 97,724 Equity Shares were allotted to GTPL (acting for and on behalf of GCIF), 24,844 Equity Shares were allotted to GAPL and 374,306 Equity Shares were allotted to GIL pursuant to share subscription and share holders agreement dated October 30, 2009.
- (9) 3,008 Equity Shares were allotted to Rajesh A.R., 2,256 Equity Shares were allotted to Deep Mukherjee, 2,256 Equity Shares were allotted to Rituparna Chakraborty, 1,504 Equity Shares were allotted to Neeti Sharma, 2,256 Equity Shares were allotted to Sangeeta Lala, 2,256 Equity Shares were allotted to Kavitha Reddy, 752 Equity Shares were allotted to Sampath Shetty, 4,512 Equity Shares were allotted to Venkatraman N. and 861 Equity Shares were allotted to K. Venkatesan.
- (10) 58,634 Equity Shares were allotted to GTPL (acting for and on behalf of GCIF), 14,906 Equity Shares were allotted to GAPL and 224,582 Equity Shares were allotted to GIL, pursuant to share subscription and share holders agreement dated October 30, 2009.
- (11) 39,089 Equity Shares were allotted to GTPL (acting for and on behalf of GCIF), 9,938 Equity Shares were allotted to GAPL and 149,722 Equity Shares were allotted to GIL pursuant to share subscription and share holders agreement dated October 30, 2009.
- (12) 57,347 Equity Shares were allotted to GTPL (acting for and on behalf of GCIF), 14,196 Equity Shares were allotted to GAPL, 212,384 Equity Shares were allotted to GIL and 851,781 Equity Shares were allotted to IDBI (as trustee of IAF) pursuant to share subscription and share holders agreement dated March 30, 2011.
- (13) 77,490,900 Equity Shares were allotted to HROV and its nominee being Manish Mahendra Sabharwal, 28,534,724 Equity Shares were allotted to GIL, 24,701,649 Equity Shares were allotted to IDBI (as trustee of IAF), 6,665,128 Equity Shares were allotted to GTPL (acting for and on behalf of GCIF), 1,852,636 Equity Shares were allotted to GAPL, 1,270,606 Equity Shares were allotted to Hansini, 1,042,405 Equity Shares were allotted to AR Rajesh, 888,386 Equity Shares were allotted to Rituparna Chakraborty, 884,645 Equity Shares were allotted to Venkatraman N, 612,538 Equity Shares were allotted to Neeti Sharma, 442,337 Equity Shares were allotted to Deep Mukherjee, 524,987 Equity Shares were allotted to Sangeeta Lala, 298,439 Equity Shares were allotted to K Venkatesan, 272,832 Equity Shares were allotted to N Sangeetha, 255,925 Equity Shares were allotted to N Ravi Vishwanath, 204,421 Equity Shares were allotted to Amitava Ghosh, 195,518 Equity Shares were allotted to

Sharanbasappa S Shirol, 147,436 Equity Shares were allotted to Sampath Raghuram Shetty, 141,926 Equity Shares were allotted to Surabhi Mathur Gandhi, 99,934 Equity Shares were allotted to Suman Srinidhi, 93,206 Equity Shares were allotted to Sonal Arora, 73,950 Equity Shares were allotted to Hari Krishna PL, 72,326 Equity Shares were allotted to Ajay Prakash Shah, 71,775 Equity Shares were allotted to Ashish Jhujhunwala, 69,223 Equity Shares were allotted to Hussain Tinwala, 68,991 Equity Shares were allotted to Vijay Vasanth, 67,802 Equity Shares were allotted to Adashanand S, 64,438 Equity Shares were allotted to Vijay Kumar BS, 58,116 Equity Shares were allotted to Poonam Wadera, 54,317 Equity Shares were allotted to Vikram Peter, 53,824 Equity Shares were allotted to Supriyo Banerjee, 43,500 Equity Shares were allotted to Partha Davulri, 34,684 Equity Shares were allotted to Manjunath M, 34,278 Equity Shares were allotted to Sunny Gujral, 34,046 Equity Shares were allotted to Pooja Amit Pagnis, 32,132 Equity Shares were allotted to Boggarapu Appala Raju, 31,262 Equity Shares were allotted to Prabhkar D, 30,450 Equity Shares were allotted to Amit Vijay Vadera, 30,450 Equity Shares were allotted to Chandra KM, 30,015 Equity Shares were allotted to Vasu K, 29,000 Equity Shares were allotted to Sushobhan Baral, 28,275 Equity Shares were allotted to Indranil Ghosh, 28,188 Equity Shares were allotted to Anupama Gupta, 25,607 Equity Shares were allotted to VN Leeladhar, 23,461 Equity Shares were allotted to Aarti Gupta, 23,316 Equity Shares were allotted to Padma Ramakrishnan, 22,678 Equity Shares were allotted to Rahul Bhaskaran, 21,750 Equity Shares were allotted to Kapil Nangina, 21,692 Equity Shares were allotted to Vanita Baiuga, 21,054 Equity Shares were allotted to Rajeev Kuma KM, 20,793 Equity Shares were allotted to Raghavendra S, 15,225 Equity Shares were allotted to D Narayana Raju, 13,804 Equity Shares were allotted to Ajay N, 13,050 Equity Shares were allotted to Sunita Thakur, 13,050 Equity Shares were allotted to A. Karthikeyan, 12,122 Equity Shares were allotted to Nitin Seth, 11,600 Equity Shares were allotted to Nirmal Kumar Sahu, 11,600 Equity Shares were allotted to Manish Malik, 10,991 Equity Shares were allotted to Bijukumar TC, 10,875 Equity Shares were allotted to Rajesh Devgun, 10,875 Equity Shares were allotted to Subrata Kumar Kundu, 10,324 Equity Shares were allotted to R Veena Anuradha, 10,266 Equity Shares were allotted to A Arockia Samy, 10,034 Equity Shares were allotted to Prashanth Kumar, 9,396 Equity Shares were allotted to Lakshmanan Venkatesalu, 9,338 Equity Shares were allotted to Shirley Anthony, 8,700 Equity Shares were allotted to Narendra R, 8,584 Equity Shares were allotted to Rohan Coomar, 7,975 Equity Shares were allotted to Deepak Ranjan Mahapatra, 7,888 Equity Shares were allotted to Yashashri V Kulkarni, 7,250 Equity Shares were allotted to Sudeep Kumar Sen, 7,250 Equity Shares were allotted to Prakasan Kottay, 7,250 Equity Shares were allotted to Rajesh CC, 6,525 Equity Shares were allotted to B Sai Prasanna Kumar, 6,525 Equity Shares were allotted to Nilesh Gupta, 6,090 Equity Shares were allotted to Ajith BR, 5,800 Equity Shares were allotted to Araamudan T K, 5,800 Equity Shares were allotted to Anupama Nath, 5,800 Equity Shares were allotted to Dinakran Williams, 5,800 Equity Shares were allotted to Kumar Rahul, 5,800 Equity Shares were allotted to Nafis Mohammad, 5,800 Equity Shares were allotted to Sunder Ram Sreenivasan, 5,800 Equity Shares were allotted to Amit Washnik, 5,394 Equity Shares were allotted to R Magesh, 5,075 Equity Shares were allotted to T David Sidharth, 5,075 Equity Shares were allotted to Balasubramaniam, 5,075 Equity Shares were allotted to Samarjit Chakravorty, 4,350 Equity Shares were allotted to Chandrakiran Rai, 4,350 Equity Shares were allotted to Moiz Hasan Mistry, 6,525 Equity Shares were allotted to N Linga Murthy, 4,350 Equity Shares were allotted to Samir Kulkarni, 4,350 Equity Shares were allotted to Thomas John, 4,350 Equity Shares were allotted to Ravikumar Reddy, 3,625 Equity Shares were allotted to Sabyasachi Charkraverty, 2,900 Equity Shares were allotted to Kiran Kumar Kandikatti, 4,350 Equity Shares were allotted to Siddalinga Swamy, 2,900 Equity Shares were allotted to Venkateswara Rao, 2,900 Equity Shares were allotted to Sanjeev Giri, 2,900 Equity Shares were allotted to Tarvinder Pal Singh, 2,175 Equity Shares were allotted to Bharat Bhushan, 2,175 Equity Shares were allotted to Tulika Saxena, 2,175 Equity Shares were allotted to Colin Daniel Anthony, 2,175 Equity Shares were allotted to Prerna Kapur, 2,175 Equity Shares were allotted to Raghavendra S, and 1,450 Equity Shares were allotted to Kunal Chakraborty.

(b) The history of preference share capital of our Company is provided in the following table:

Date of Allotment	No. of Preference Shares Allotted	Face Value (₹)	Issue price per Preference Share (₹)	Consideration	Reason for allotment	Cumulative Number of Preference Shares	Cumulative Paid-up Preference Share Capital (₹)	Cumulative Preference Share Premium (₹)
March 31, 2005	216,000	100.00	100.00	Cash	Conversion of unsecured loan into preference shares ⁽¹⁾	216,000	21,600,000	Nil

(1) 216,000 were allotted to India Life Credit Holdings Private Limited pursuant to conversion of unsecured loans. These preference shares were converted into 85,018 Equity Shares on November 05, 2009 as detailed above. As on date there are no outstanding preference shares.

(c) The table below sets forth the details of the Equity Shares issued by our Company at a price which may be lower than the Offer Price during a period of one year preceding the date of this Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Nature of Consideration	Reason for allotment	Allottees
July 09, 2015	148,209,952 ⁽¹⁾	1.00	-	Other than cash	Bonus issue	105

(1) For the list of allottees, please refer to note no. (13) in the Equity Share capital history of our Company mentioned above on pages 74 and 75.

2. Issue of Equity Shares for consideration other than cash or out of revaluation reserves

(a) The following is the history of the Equity Share capital of the Company issued for

consideration other than cash:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Reasons for allotment	Persons to whom Equity Shares Allotted	Benefit to the Issuer
November 2009	05,	85,018	1.00	254.06	Conversion of ILCHPL ⁽¹⁾ cumulative convertible redeemable preference shares issued upon conversion of under shares to Equity Shares	-
July 09, 2015	148,209,952	1.00	-	Bonus issue	List of Allottees ⁽²⁾	

(1) Pursuant to a resolution of the Board of our Company dated November 05, 2009, 85,018 Equity Shares were allotted to ILCHPL pursuant to the conversion of 216,000 cumulative convertible redeemable preference shares issued upon conversion of unsecured loan at a conversion price of ₹ 254.06.

(2) For the list of allottees, please refer to note no. (13) in the Equity Share capital history of our Company mentioned above on pages 74 and 75.

- (a) Except as follows, our Company has not made any bonus issues of Equity Shares since incorporation:

Date of Allotment	Number of Equity Shares Allotted	Face Value (₹)	Issue price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company	Source out of which Bonus Shares Issued
July 09, 2015	148,209,952	1.00	-	Bonus issue ⁽¹⁾	-	Capitalisation of sum standing to the credit of securities premium account of our Company ⁽²⁾

(1) For the list of allottees, please refer to note no. (13) in the Equity Share capital history of our Company mentioned above on pages 74 and 75.

(2) Our Company has not issued any Equity Shares out of revaluation reserves.

3. History of the Equity Share Capital held by our Promoters

As on the date of this Red Herring Prospectus, our Corporate Promoters hold 7,815,186 Equity Shares, equivalent to 50.97% of the issued, subscribed and paid-up pre-Offer Equity Share capital of our Company. None of our Individual Promoters hold any Equity Shares in our Company.

- (a) *Build-up of our Promoters' shareholding in our Company*

Set forth below is the build-up of the shareholding of our Promoters since incorporation of our Company:

Manish Mahendra Sabharwal

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
February 2000	02, Initial subscriber to the Memorandum of Association	100	Cash	10.00	10.00	33.33	0.00
March 2002	28, Allotment of Equity Shares	3,300	Cash	10.00	10.00	33.33	0.00
October 2002	21, Allotment of Equity Shares	14,670	Cash	10.00	100.00	33.33	0.00
February 2003	26, Transfer of Equity Shares ⁽¹⁾	(100)	Cash	10.00	100.00	6.73	0.00
February 2003	26, Acquisition of Equity Shares ⁽²⁾	100	Cash	10.00	100.00	6.76	0.00

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
February 2003	26, Transfer of Equity Shares ⁽³⁾	(3,300)	Cash	10.00	100.00	5.53	0.00
February 2003	26, Transfer of Equity Shares ⁽⁴⁾	(14,670)	Cash	10.00	100.00	0.04	0.00
March 2003	31, Transfer of Equity Shares ⁽⁵⁾	(100)	Cash	10.00	100.00	0.00*	0.00
March 2003	31, Acquisition of Equity Shares ⁽⁶⁾	100	Cash	10.00	100.00	0.04	0.00
March 2004	31, Transfer of Equity Shares ⁽⁷⁾	(100)	Cash	10.00	10.00	0.00	0.00
Total		0				0.00	0.00

* Less than 0.01%

- (1) Transfer of 100 Equity Shares jointly to India Life Team Investments Private Limited and Manish Mahendra Sabharwal.
(2) Acquisition of 100 Equity Shares jointly with India Life Team Investments Private Limited from Manish Mahendra Sabharwal.
(3) Transfer of 3,300 Equity Shares to India Life Team Investments Private Limited.
(4) Transfer of 14,670 Equity Shares to India Life Team Investments Private Limited.
(5) Transfer of 100 Equity Shares jointly held with India Life Team Investments Private Limited to India Life Credit and Holdings Private Limited and Manish Mahendra Sabharwal, held jointly.
(6) Acquisition of 100 Equity Shares jointly with India Life Credit and Holdings Private Limited from India Life Team Investments Private Limited and Manish Mahendra Sabharwal, held jointly.
(7) Transfer of 100 Equity Shares jointly held with India Life Credit and Holdings Private Limited to HROV.

Ashok Kumar Nedurumalli

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
March 2002	28, Allotment of Equity Shares	3,300	Cash	10.00	10.00	32.35	0.00
March 2002	28, Acquisition of Equity Shares ⁽¹⁾	100	Cash	10.00	10.00	33.33	0.00
October 2002	21, Allotment of Equity Shares	14,670	Cash	10.00	100.00	33.33	0.00
February 2003	26, Transfer of Equity Shares ⁽²⁾	(14,670)	Cash	10.00	100.00	1.27	0.00
February 2003	26, Transfer of Equity Shares ⁽³⁾	(100)	Cash	10.00	100.00	1.23	0.00
February 2003	26, Acquisition of Equity Shares ⁽⁴⁾	100	Cash	10.00	100.00	1.27	0.00
February 2003	26, Transfer of Equity Shares ⁽⁵⁾	(3,300)	Cash	10.00	100.00	0.04	0.00
March 2003	31, Transfer of Equity Shares ⁽⁶⁾	(100)	Cash	10.00	100.00	0.00	0.00
November 2009	05, Acquisition of Equity Shares ⁽⁷⁾	58,639	Cash	1.00	1.00	1.98	0.00
August 2010	06, Acquisition of Equity Shares ⁽⁸⁾	11,134	Cash	1.00	1.00	1.76	0.00
August 2010	06, Transfer of Equity Shares ⁽⁹⁾	(18,171)	Other than cash	1.00	1.00	1.30	0.00
November 2011	24, Transfer of Equity Shares ⁽¹⁰⁾	(35,464)	Other than cash	1.00	1.00	0.32	0.00
November 2012	08, Transfer of Equity Shares ⁽¹¹⁾	(11,451)	Other than cash	1.00	1.00	0.09	0.00
November 2013	22, Transfer of Equity Shares ⁽¹²⁾	(4,687)	Other than cash	1.00	1.00	0.00	0.00
Total		0				0.00	0.00

* Less than 0.01%

- (1) Acquisition of 100 Equity Shares from N. Seetha Kumari.
(2) Transfer of 14,670 Equity Shares to India Life Team Investments Private Limited.
(3) Transfer of 100 Equity Shares jointly to India Life Team Investments Private Limited and Ashok Kumar Nedurumalli.
(4) Acquisition of 100 Equity Shares jointly held with India Life Team Investments Private Limited from Ashok Kumar Nedurumalli.

- (5) Transfer of 3,300 Equity Shares to India Life Team Investments Private Limited.
- (6) Transfer of 100 Equity Shares jointly held with India Life Team Investments Private Limited to India Life Credit and Holdings Private Limited.
- (7) Acquisition of 14,845 Equity Shares from Venkatraman N, 7,423 Equity Shares from Venkatraman N, 2,969 Equity Shares from Sampath Shetty, 11,134 Equity Shares from Sampath Shetty, 7,422 Equity Shares from Kavitha Reddy, 3,712 Equity Shares from Kavitha Reddy, 11,134 Equity Shares from Sangeeta Lala.
- (8) Acquisition of 11,134 Equity Shares from Deep Mukherjee.
- (9) Transfer of 18,171 Equity Shares to nine transferees.
- (10) Transfer of 35,464 Equity Shares to forty one transferees.
- (11) Transfer of 11,451 Equity Shares to thirty five transferees.
- (12) Transfer of 4,687 Equity Shares to twenty three transferees.

Mohitkaran Virendra Gupta

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
March 2002	28, Allotment of Equity Shares	3,300	Cash	10.00	10.00	32.35	0.00
March 2002	28, Acquisition of Equity Shares ⁽¹⁾	100	Cash	10.00	10.00	33.33	0.00
October 2002	21, Allotment of Equity Shares	14,670	Cash	10.00	100.00	33.33	0.00
February 2003	26, Transfer of Equity Shares ⁽²⁾	(100)	Cash	10.00	100.00	6.73	0.00
February 2003	26, Acquisition of Equity Shares ⁽³⁾	100	Cash	10.00	100.00	6.76	0.00
February 2003	26, Transfer of Equity Shares ⁽⁴⁾	(3,300)	Cash	10.00	100.00	5.53	0.00
February 2003	26, Transfer of Equity Shares ⁽⁵⁾	(14,670)	Cash	10.00	100.00	0.04	0.00
March 2003	31, Transfer of Equity Shares ⁽⁶⁾	(100)	Cash	10.00	100.00	0.00	0.00
Total		0				0.00	0.00

- (1) Acquisition of 100 Equity Shares from Ramesh Chand.
- (2) Transfer of 100 Equity Shares by Mohitkaran Virendra Gupta to India Life Team Investments Private Limited and Mohitkaran Virendra Gupta (jointly held).
- (3) Acquisition of 100 Equity Shares jointly held with India Life Team Investments Private Limited from Mohitkaran Virendra Gupta.
- (4) Transfer of 3,300 Equity Shares to India Life Team Investments Private Limited.
- (5) Transfer of 14,670 Equity Shares to India Life Team Investments Private Limited.
- (6) Transfer of 100 Equity Shares jointly held with India Life Team Investments Private Limited to India Life Credit and Holdings Private Limited.

HROV

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
October 15, 2004	Acquisition ⁽¹⁾	267,110	Cash	10.00	10.00	99.96	[●]
October 15, 2004	Acquisition ⁽²⁾	100	Cash	10.00	10.00	100	[●]
November 03, 2006	Sub-division of Equity Shares ⁽³⁾	2,672,100	-	1.00	-	100	[●]
July 09, 2015	Bonus Issue ⁽⁴⁾	77,490,900				52.28	[●]
July 10, 2015	Consolidation of 80,163,000 Equity Shares of face value ₹ 1 each to 8,016,300 Equity Shares of face value ₹ 10 each ⁽⁵⁾						
July 31, 2015	Gift ⁽⁶⁾	1,380,486	-	10.00	-	43.28	[●]
July 31, 2015	Gift ⁽⁷⁾	201,114	-	10.00	-	41.97	[●]
Total		6,434,700				41.97	[●]

- (1) Acquisition of 267,110 Equity Shares from India Life Credit and Holdings Private Limited.
- (2) Acquisition of 100 Equity Shares from India Life Credit and Holdings Private Limited and Manish Mahendra Sabharwal that are being currently held by Manish Mahendra Sabharwal as a nominee of HROV.
- (3) Pursuant to sub-division of 267,210 equity shares of the face value of ₹ 10 each into 2,672,100 Equity Shares ₹ 1 each, total shareholding of HROV aggregates to 2,672,100.
- (4) Pursuant to bonus issue in the ratio of 29 Equity Shares for every one Equity Share held in our Company, HROV has been allotted 77,490,900 Equity Shares.
- (5) Pursuant to consolidation of 153,320,640 Equity Shares of face value of ₹ 1 each to 15,332,064 Equity Shares of face value ₹ 10 each

- (6) Gifting of 1,379,886 Equity Shares to Dhana Management Consultancy LLP, 300 Equity Shares to MKS Management Consultancy Services LLP and 300 Equity Shares to NED Consultants LLP.
- (7) Gifting of 201,114 Equity Shares to TeamLease Employee Stock Plan Trust.

MKS Management Consultancy Services LLP

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
July 31, 2015	Gift ⁽¹⁾	300	-	10.00	-	0.00*	0.00*
Total		300				0.00*	0.00*

*Less than 0.01%

⁽¹⁾ Gifting of 300 Equity Shares from HROV.

NED Consultants LLP

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
July 31, 2015	Gift ⁽¹⁾	300	-	10	-	0.00*	0.00*
Total		300				0.00*	0.00*

*Less than 0.01%

⁽¹⁾ Gifting of 300 Equity Shares from HROV.

Dhana Management Consultancy LLP

Date of allotment/ Transfer	Nature of transaction	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
July 31, 2015	Gift ⁽¹⁾	1,379,886	-	10.00	-	9.00	0.00
Total		1,379,886				9.00	0.00

⁽¹⁾ Gifting of 1,379,886 Equity Shares by HROV.

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Except, loans availed by HROV from Manish Mahendra Sabharwal, our Promoters have confirmed to our Company and the BRLMs that the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

4. Details of the shareholding of the Promoters, Promoter Group and Directors

S.No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
Promoters			
1.	HROV	6,434,700	41.97
2.	Dhana Management Consultancy LLP	1,379,886	9.00
3.	MKS Management Consultancy Services LLP	300	0.00*
4.	NED Consultants LLP	300	0.00*
Promoter Group			
1.	Hansini	131,442	0.86
2.	Anupama Gupta	2,916	0.02
3.	Aarti Menon	2,427	0.02
Total		7,951,971	51.86

*Less than 0.01%

(a) *Details of Promoters' contribution and lock-in:*

Pursuant to Regulations 32 and 36 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Corporate Promoters shall be locked in for a period of three years from the date of Allotment and our Corporate Promoters shareholding in excess of 20% shall be locked in for a period of one year, from the date of Allotment.

As on the date of this Red Herring Prospectus, our Corporate Promoters hold 7,815,186 Equity Shares in our Company. None of our Individual Promoters hold Equity Shares in our Company.

Out of the 7,815,186 Equity Shares held by our Promoters as of the date of this Red Herring Prospectus, 7,815,186 Equity Shares are eligible for promoters' contribution.

All the Equity Shares, which are being locked-in, are not ineligible for computation of Promoters contribution under Regulation 33 of the SEBI ICDR Regulations.

Details of the Equity Shares to be locked-in for three years are as follows:

Name	Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of post-Offer paid-up capital (%)	Date up to which the Equity shares are subject to lock-in
HROV	[•]	[•]	[•]	[•]	[•]	[•]	[•] [•]

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of SEBI ICDR Regulations.

(b) *Other lock-in requirements:*

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Corporate Promoters and locked in for three years as specified above, the entire pre-Offer Equity Share capital of our Company, except (I) the Equity Shares subscribed to and Allotted pursuant to the Offer for Sale; and (II) the Equity Shares held by GCIF and IAF, being registered VCFs will be exempt from any regulatory lock-in.

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the Equity Shares held by our Corporate Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

The Equity Shares held by our Corporate Promoters which are locked-in may be transferred to and among the Promoter Group or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

The Equity Shares held by persons other than our Corporate Promoters and locked-in for a period of one year from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

Any Equity Shares allotted to Anchor Investors in Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

5. Build up of Selling Shareholders' Shareholding in our Company

Name	Date of allotment of the securities	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	Percentage of pre-Offer paid-up capital (%)	Percentage of post-Offer paid-up capital (%)
GAPL	November 13, 2009		Preferential Allotment ⁽¹⁾	24,844	1.00	503.15	0.71	【●】
	April 13, 2010		Preferential Allotment ⁽¹⁾	14,906	1.00	503.15	1.05	【●】
	August 06, 2010		Preferential Allotment ⁽¹⁾	9,938	1.00	503.15	1.25	【●】
	May 12, 2011		Preferential Allotment ⁽¹⁾	14,196	1.00	880.51	1.25	【●】
	July 09, 2015		Bonus Issue	1,852,636	1.00	-	1.25	【●】
	July 10, 2015	Consolidation of Equity Shares of face value ₹ 1 to face value ₹ 10 each						
(A1)				191,652			1.25	【●】
GTPL (acting for and on behalf of GCIF)	November 13, 2009		Preferential Allotment ⁽¹⁾	97,724	1.00	503.15	2.81	【●】
	April 13, 2010		Preferential Allotment ⁽¹⁾	58,634	1.00	503.15	4.14	【●】
	August 06, 2010		Preferential Allotment ⁽¹⁾	39,089	1.00	503.15	4.92	【●】
	May 12, 2011		Preferential Allotment ⁽¹⁾	57,347	1.00	880.51	4.95	【●】
	June 11 2014		Transfer of Equity Shares ⁽²⁾	(22,962)	1.00	1,076.95	4.50	【●】
	July 09, 2015		Bonus Issue	6,665,128	1.00	-	4.50	【●】
	July 10, 2015	Consolidation of Equity Shares of face value ₹ 1 to face value ₹ 10 each						
(A2)				689,496			4.50	【●】
GIL	November 13, 2009		Preferential Allotment ⁽¹⁾	374,306	1.00	503.15	10.76	
	April 13, 2010		Preferential Allotment ⁽¹⁾	224,582	1.00	503.15	15.86	
	August 06, 2010		Preferential Allotment ⁽¹⁾	149,722	1.00	503.15	18.83	
	May 12, 2011		Preferential Allotment ⁽¹⁾	212,384	1.00	880.51	18.80	
	June 11 2014		Acquisition of Equity Shares ⁽³⁾	22,962	1.00	1076.95	19.25	
	July 09, 2015		Bonus Issue	28,534,724	1.00	-	19.25	
	July 10, 2015	Consolidation of Equity Shares of face value ₹ 1 to face value ₹ 10 each						
(A3)				2,951,868			19.25	【●】
Total (A) = (A1+A2+A3)				3,833,016			25.00	【●】
IDBI (as trustee of IAF)	May 12, 2011	-	Preferential Allotment	851,781	1.00	880.51		【●】
	July 09, 2015	-	Bonus Issue	24,701,649	1.00	-		【●】
	July 10, 2015	Consolidation of Equity Shares of face value ₹ 1 to face value ₹ 10 each						
(B)				2,555,343			16.67	
Total (A+B)				6,388,359			41.67	

⁽¹⁾ For further details regarding allotment, please refer to note nos. (8), (10), (11), (12) and (13) in the Equity Share capital history of our Company mentioned above on pages 74 and 75

⁽²⁾ Transfer of 22,962 Equity Shares to GIL

⁽³⁾ Acquisition of 22,962 Equity Shares GTPL (acting for and on behalf of GCIF)

For HROV's share capital build up, please refer to page 78 above.

6. Shareholding Pattern of our Company

Pursuant to Regulation 31 of the Listing Regulations, the holding of specified securities has been divided into the following three categories:

- (a) Promoter and Promoter Group;
- (b) Public; and
- (c) Non-promoter and non-public.

The table below presents the shareholding pattern of our Company as on January 08,2016:

Summary Statement Holding of Equity Shareholders

Category y code	Category of shareholder	No of shareholde rs	Number of fully paid up equity shares held (pre- Offer)	Shareholdin g as a % of total no. of shares (calculated as per SCRR,1957) as a % of (A+B+C2)	No. of voting rights held in each class of securities (vi)			Number of shares underlying outstandin g convertible securities (including warrants)	Shareholding as % assuming full conversion of convertible securities (as a % of diluted share capital) (iv)+(vii) as % of A+B+C2	No. of equity shares held in dematerialized form	No. of equity shares to be held post offer*	% of equity shares held post offer*	
					No. of voting rights			Total as a % of total voting rights					
(i)	(ii)	(iii)	(iv)	(v)	Equity	Preference	Total		(vii)	(viii)	(ix)	(x)	(xi)
(A)	Promoter And Promoter Group	7	7,951,971	51.86	7,951,971	Nil	7,951,971	51.86	Nil	51.86	7,951,971	[•]	[•]
(B)	Public	128	7,251,900	47.30	7,251,900	Nil	7,251,900	47.30	Nil	47.30	6,688,560	[•]	[•]
(C)	Non Promoter-Non Public	1	128,193	0.84	128,193	Nil	128,193	0.84	Nil	0.84	Nil	[•]	[•]
(C1)	Shares Underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	[•]-	[•]-
(C2)	Shares held by Employee Trusts	1	128,193	0.84	128,193	Nil	128,193	0.84	Nil	0.84	Nil	[•]	[•]
	Total	136	15,332,064	100.00	15,332,064	Nil	15,332,064	100.00	Nil	100.00	14,640,531	[•]	100.00

*Assuming full subscription to the Offer

7. **The list of public Shareholders holding more than 1% of the pre-Offer paid up capital of our Company as on the date of filing of this Red Herring Prospectus is as follows:**

S.No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	GIL	2,951,868	19.25
2.	IDBI (<i>as trustee of IAF</i>)	2,555,343	16.67
3.	GTPL (<i>acting for and on behalf of GCIF</i>)	689,496	4.50
4.	GAPL	191,652	1.25
	Total	6,388,359	41.67

8. **The list of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of this Red Herring Prospectus, 10 days before the date of filing and two years prior the date of filing of this Red Herring Prospectus are set forth below:**

- (a) The top 10 Shareholders as on the date of filing of this Red Herring Prospectus are as follows:

S.No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	HROV	6,434,700	41.97
2.	GIL	2,951,868	19.25
3.	IDBI (<i>as trustee of IAF</i>)	2,555,343	16.67
4.	Dhana Management Consultancy LLP	1,379,886	9.00
5.	GTPL (<i>acting for and on behalf of GCIF</i>)	689,496	4.50
6.	GAPL	191,652	1.25
7.	Hansini	131,442	0.86
8.	TeamLease Employees Stock Options Plan Trust	128,193	0.84
9.	A R Rajesh	107,835	0.70
10.	Rituparna Chakraborty	95,577	0.62
	Total	14,665,992	95.66

- (b) The top 10 Shareholders 10 days prior to the date of filing of this Red Herring Prospectus are as follows:

S.No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	HROV	6,434,700	41.97
2.	GIL	2,951,868	19.25
3.	IDBI (<i>as trustee of IAF</i>)	2,555,343	16.67
4.	Dhana Management Consultancy LLP	1,379,886	9.00
5.	GTPL (<i>acting for and on behalf of GCIF</i>)	689,496	4.50
6.	GAPL	191,652	1.25
7.	Hansini	131,442	0.86
8.	TeamLease Employees Stock Options Plan Trust	128,193	0.84
9.	A R Rajesh	107,835	0.70
10.	Rituparna Chakraborty	95,577	0.62
	Total	14,665,992	95.66

- (c) The top 10 Shareholders two years prior to the date of filing of this Red Herring Prospectus are as follows:

S.No.	Name of the Shareholder	No. of Equity Shares	Percentage (%)
1.	HROV	2,672,100	52.28
2.	GIL	960,994	18.80
3.	IDBI (<i>as trustee of IAF</i>)	851,781	16.67
4.	GTPL (<i>acting for and on behalf of GCIF</i>)	252,794	4.95
5.	Hansini (<i>formerly known as ILCHPL</i>)	94,425	1.85
6.	GAPL	63,884	1.25
7.	A R Rajesh	35,945	0.70
8.	Venkatraman	30,505	0.60
9.	Rituparna Chakraborty	26,959	0.53
10.	Neeti Sharma	17,972	0.35
	Total	5,007,359	97.98

9. Employees Stock Option Schemes

Our Company has instituted the following two employees stock option schemes*:

(a) TeamLease – Employee Stock Option Plan Scheme 2011

Our Company instituted the TeamLease – Employee Stock Option Plan Scheme 2011 (the “**ESOP 2011**”) on July 27, 2011, pursuant to the Board resolution dated July 27, 2011. The purpose of the Scheme was to *inter alia* to reward employees for their continuous hard work, dedication and support, recognize employees who are doing well and provide a certain minimum opportunity to gain from the Company’s performance thereby acting as a retention tool and to attract best talent available in the market. As on the date of the Draft Red Herring Prospectus, ESOP 2011 has been terminated and there are no outstanding options under this scheme.

Particulars	Details					
Options granted						
	Year	Number of Options				
	2011	1,03,417				
	2012	17,600				
	2013	6,200				
	2014	10,800				
	Total	1,38,017				
Pricing formula	Issued at Face Value of ₹ 1					
Vesting period	4 years from the year of grant					
Options vested	1,08,333					
Options exercised	91,059					
The total number of Equity Shares arising as a result of exercise of options	91,059					
Options lapsed	29,684					
Variation of terms of options	None					
Money realized by exercise of options	₹ 91,059 (realized by Promoters / Promoters Group)					
Total number of options in force	-					
Employee-wise detail of options granted to						
(i) Senior managerial personnel	S.No.	Name of the employee	Grants	Vested and Exercised	Cancelled grants	
	1.	Rituparna Chakraborty	4,900	4,900	-	
	2.	Sharanabasappa Shirol	5,188	5,188	-	
	3.	Sangeeta Lala	3,800	2,850	950	
	4.	Neeti Sharma	4,200	4,200	-	
	5.	K Venkatesan	8,500	-	8,500	
	6.	Ravi Vishwanath	13,100	12,100	1,000	
	7.	Asha Sivashankar	2,000	500	1,500	
	8.	Amitava Ghosh	7,864	3,932	3,932	
	9.	Partha Davuluri	3,000	2,250	750	
		Total	44,052	35,920	8,132	
(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	S.No.	Name of the employee	Year	Grants	Vested and Exercised	Cancelled grants
	1.	Sushobhan Baral	2012	2,000	1,500	500
	2.	Sanjeev Giri	2013	400	100	300
	3.	Tarvinder Pal Singh	2013	400	200	200
	4.	Samarjit Chakravorty	2013	700	350	350
	5.	Sabyasachi Chakraverty	2013	500	250	250
	6.	Munira Loliwala	2013	600	300	300

Particulars		Details				
		7.	Gayathri K	2013	500	- 500
		8.	Madhav Joshi	2013	800	- 800
		9.	Padmini Vinay	2014	650	162 488
		10.	Ajay Mishra	2014	550	- 550
		11.	Kuldeep Pareek	2014	800	- 800
		12.	Ashok Kumar K	2014	800	- 800
		Total			8,700	2,863 5,838
(iii)	Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil				
	Fully diluted EPS pursuant to issue of Equity Shares on exercise of options in accordance with the relevant accounting standard	As per the Restated Financial Information, there is no impact on the Restated Financial Information on account of ESOP 2011.				
	Lock-in	One year				
	Impact on profit and EPS of the last three years if the accounting policies prescribed in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed	As per the Restated Financial Information, there is no impact on the Restated Financial Information on account of ESOP 2011.				
	Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options on profits and on the EPS	As per the Restated Financial Information there is no impact on account of ESOP and accordingly the Employee compensation cost using intrinsic value of stock options has not been quantified in the Restated Financial Information.				
	Impact on the profits of the Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	As per the Restated Financial Information there is no impact on account of ESOP and accordingly the Employee compensation cost using intrinsic value of stock options has not been quantified in the Restated Financial Information.				
	Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Exercise price is ₹ 1. Fair value has not been estimated as there is no impact on the Restated Financial Information.				
	Method and significant assumptions used to estimate the fair value of options granted during the year	Not applicable.				
	Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Since all Equity Shares under the ESOP 2011 are subject to lock-in for a period of one year from the date of Allotment, this clause is not applicable.				
	Intention to sell Equity Shares arising out of the Scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of Scheme amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Since all Equity Shares under the ESOP 2011 are subject to lock-in for a period of one year from the date of Allotment, this clause is not applicable.				

(b) **TeamLease – Employee Stock Option Plan Scheme 2015**

Our Company instituted the TeamLease – Employee Stock Option Plan Scheme 2015 (the “**ESOP 2015**”) on July 10, 2015, pursuant to the Board and Shareholders’ resolutions dated July 09, 2015 and July 10, 2015 respectively. ESOP 2015 is in compliance with SEBI ESOS Regulations. The purpose of the Scheme was to *inter alia* reward employees for their continuous hard work, dedication and support, recognize employees who are doing well and provide a certain minimum opportunity to gain from the Company’s performance thereby acting as a retention tool and to attract best talent available in the market.

Particulars	Details								
Equity Shares available in the Trust for ESOP 2015Scheme	128,193								
Options granted	32,390								
Pricing formula	At face value								
Vesting period	Maximum period of four (4) years from the date of grant. Minimum of one (1) year vesting period								
Options vested	-								
Options exercised	-								
The total number of Equity Shares arising as a result of exercise of options	-								
Options lapsed	-								
Variation of terms of options	-								
Money realized by exercise of options	-								
Total number of options in force	32,390								
Employee-wise detail of options granted to									
(iv) Senior managerial personnel	<table> <tr> <th>Name of the Senior Management Personnel</th><th>No. of options granted</th></tr> <tr> <td>Kunal Sen</td><td>2,000</td></tr> <tr> <td>Shihabuddin</td><td>1,500</td></tr> <tr> <td>Neeti Sharma</td><td>1,125</td></tr> </table>	Name of the Senior Management Personnel	No. of options granted	Kunal Sen	2,000	Shihabuddin	1,500	Neeti Sharma	1,125
Name of the Senior Management Personnel	No. of options granted								
Kunal Sen	2,000								
Shihabuddin	1,500								
Neeti Sharma	1,125								
(v) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	<table> <tr> <th>Name of the Senior Management Personnel</th><th>No. of options granted</th></tr> <tr> <td>Vikram Pande</td><td>1,800</td></tr> </table>	Name of the Senior Management Personnel	No. of options granted	Vikram Pande	1,800				
Name of the Senior Management Personnel	No. of options granted								
Vikram Pande	1,800								
(vi) Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil								
Fully diluted EPS pursuant to issue of Equity Shares on exercise of options in accordance with the relevant accounting standard	Not applicable for six months period ended on September 30, 2015								
Lock-in	One year from the date of exercise								
Impact on profit and EPS of the last three years if the accounting policies prescribed in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed	Not applicable for six months period ended on September 30, 2015								
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options on profits and on the EPS	Not applicable for six months period ended on September 30, 2015								
Impact on the profits of the Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	Not applicable for six months period ended on September 30, 2015								
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Not applicable								
Method used to estimate the fair value of options granted during the year	Method adopted: Black – Scholes model								

Particulars	Details
Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Not applicable
Intention to sell Equity Shares arising out of the Scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of Scheme amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable

10. Details of Equity Shares held by our Directors and Key Management Personnel

None of our Directors hold any shares in our Company. Set out below are details of the Equity Shares held by Key Managerial Personnel in our Company:

S.No.	Name	No. of Equity Shares	Pre-Offer (%)	Post-Offer (%)
1.	Rituparna Chakraborty	95,577	0.62	[●]
2.	Neeti Sharma	66,516	0.43	[●]
3.	Ravi Vishwanath	36,300	0.24	[●]
4.	Sharanbasappa S Shirol	24,117	0.16	[●]
5.	Asha Shivashankar	1,500	0.01	[●]
6.	Total	224,010	1.46	[●]

11. Our Promoters, Promoter Group or Directors have not purchased/ subscribed or sold any securities of our Company within three years immediately preceding the date of filing this Red Herring Prospectus with the SEBI which in aggregate is equal to or greater than 1% of pre-Offer capital of our Company.
12. The BRLMs and their respective associates (determined as per the definition of 'associate company' under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.
13. As on the date of this Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.
14. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
15. No payment, direct or indirect in the nature of discount, fee and allowance or otherwise shall be made either by us or our Promoters to the persons who receive Allotments.
16. Up to 10,000 Equity Shares aggregating up to ₹ [●] constituting [●]% of the Offer, have been reserved for allocation to Eligible Employees bidding in the Employee Reservation Portion, subject to valid Bids being received at or above Offer Price and subject to a maximum Bid Amount by each Eligible Employee not exceeding ₹ 200,000. Only Eligible Employees bidding in the Employee Reservation Portion are eligible to apply in the Offer under the Employee Reservation Portion on a competitive basis. Bids by Eligible Employees bidding in the Employee Reservation Portion could also be made in the Net Offer and such Bids would not be treated as multiple Bids. The Employee Reservation Portion would not exceed 5% of the post-Offer capital of our Company.
17. Except as stated herein, none of the members of our Promoter Group, our Promoters, directors of the our Promoters or our Directors and their immediate relatives have purchased or sold any Equity Shares

of the Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus with the SEBI.

18. As of the date of the filing of this Red Herring Prospectus, the total number of our Shareholders is 136.
19. Our Company has currently not raised any bridge loan against Net Proceeds.
20. Neither our Company nor our Directors have entered into any buy-back and/ or standby arrangements for purchase of Equity Shares from any person. Further, the BRLMs have not made any buy-back and/ or standby arrangements for purchase of Equity Shares from any person.
21. All Equity Shares issued pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Red Herring Prospectus.
22. I-VEN is the investment manager to IAF, one of the Selling Shareholders. I-VEN and I-Sec are wholly owned subsidiaries of ICICI Bank Limited and hence defined as 'associates' within the definition of SEBI Merchant Bankers Regulations. In compliance with proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and the proviso to Regulation 5(3) of the SEBI ICDR Regulations, I-Sec, as a BRLM, will only be involved in the marketing of the Offer. I-Sec has signed the due diligence certificate dated September 10, 2015, and has accordingly been disclosed as a BRLM.
23. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot while finalising the basis of allotment.
24. Except for the sale of Equity Shares in the offer for sale by HROV, our Promoters, Promoter Group and Group Companies will not participate in the Offer.
25. There have been no financing arrangements whereby our Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during a period of six months preceding the date of filing of this Red Herring Prospectus.
26. Our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/ Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise. Provided, however, that the foregoing restrictions do not apply to: (a) the issuance of any Equity Shares under this Offer; and (b) any issuance, offer, sale or any other transfer or transaction of a kind referred to above of any Equity Shares under or in connection with the exercise of any options or similar securities, as disclosed in this Red Herring Prospectus and as will be disclosed in the Red Herring Prospectus and the Prospectus, provided they have been approved by our Board.
27. In terms of Rule 19(2)(b)(i) of the SCRR, this is a Net Offer for at least 25% of the post-Offer paid-up Equity Share capital of our Company. In the event the post-Offer Equity Share capital of our Company calculated at the Offer Price is greater than ₹ 16,000 million but less than or equal to ₹ 40,000 million, then the Offer will be deemed to be undertaken in terms of Rule 19(2)(b)(ii) of the SCRR where the minimum Net Offer to public will be at least such percentage which will be equivalent to ₹ 4,000 million calculated at the Offer Price. The Offer is being made through the Book Building Process, in compliance with Regulation 26(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Offer shall be Allotted on a proportionate basis to QIBs, provided that our Company may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, then the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to

Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. For details in relation to allocation to Retail Individual Bidders, specific attention of the investors is invited to “Offer Procedure – Basis of Allotment” on page 430. All potential investors, other than Anchor Investors, shall participate in this Offer only through an ASBA process providing details of their respective bank account which will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Offer through ASBA process. For details, please refer to “Offer Procedure” on page 396.

28. Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange in accordance with SEBI ICDR Regulations. However, under-subscription, if any, in the QIB category will not be allowed to be met with spill-over from other categories or a combination of categories.
29. The unsubscribed portion, if any, after such inter-se adjustments among the reserved categories, shall be added back to the Net Offer to the public portion. In case of under-subscription in the Net Offer to the public portion, spill-over to the extent of under-subscription shall be permitted from the reserved category to the public portion.
30. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
31. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
32. Our Company shall ensure that transactions in the Equity Shares by our Promoters and the Promoter Group between the date of filing of the Red Herring Prospectus with RoC and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.
33. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Directors, the Promoters, members of our Promoter Group and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
34. As on the date of this Red Herring Prospectus, there are no outstanding convertible securities or any other right which would entitle any person with any option to receive Equity Shares.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares by our Company, aggregating to ₹ 1,500 million and an Offer for Sale of up to 275,977 Equity Shares by GCIF, up to 76,660 Equity Shares by GAPL, up to 1,180,569 Equity Shares by GIL, up to 1,533,206 Equity Shares by IAF and up to 153,321 Equity Shares by HROV aggregating up to ₹ [●] million.

Proceeds of the Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale.

Requirement of Funds

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

1. Funding existing and incremental working capital requirements of our Company;
2. Acquisitions and other strategic initiatives;
3. Upgradation of the existing IT infrastructure; and
4. General corporate purposes.

(collectively referred to as the “Objects”).

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Fresh Issue.

Offer Proceeds and Net Proceeds

The details of the proceeds of the Offer are summarised in the table below:

(in ₹ million)	
Particulars	Amount ⁽¹⁾
Gross proceeds from Fresh Issue	1,500
(Less) Offer related expenses ⁽¹⁾	[●]
Net Proceeds ⁽¹⁾	[●]

(1) To be finalised upon determination of the Offer Price.

Utilisation of Net Proceeds

The proposed utilisation of the Net Proceeds is set forth in the table below:

(in ₹ million)	
Particulars	Amount
Funding existing and incremental working capital requirements of our Company	800.00
Acquisitions and other strategic initiatives	250.00
Upgradation of the existing IT infrastructure	150.00
General corporate purposes ⁽¹⁾	[●]
Total Net Proceeds	[●]

(1) To be finalised upon determination of the Offer Price. The amount shall not exceed 25% of the Gross Proceeds.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers and have not been appraised by any bank, financial institution or any other external agency. Given the dynamic nature of our business, we may have to revise our business plan from time to time and consequently our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors such as market conditions, competitive environment, costs of commodities

and interest/ exchange rate fluctuations which may not be within the control of our management. In case of any increase in the actual utilisation of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals.

In case of variations in the actual utilisation of funds earmarked for the purposes set forth above or shortfall in the Net Proceeds, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Offer. If surplus funds are unavailable, the required financing will be through our internal accruals and/ or debt, as required. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the proceeds from the Fresh Issue in accordance with Regulation 4(4) of the SEBI ICDR Regulations.

Schedule of implementation and deployment of Net Proceeds

The Net Proceeds from the Fresh Issue are currently expected to be deployed in accordance with the schedule set forth below:

Activity	Total Estimated Cost	Amount which will be financed from Net Proceeds	Estimated Utilisation of Net Proceeds		
			Fiscal 2016	Fiscal 2017	Fiscal 2018
Funding existing and incremental working capital requirements of our Company ⁽¹⁾	1,058.75	800.00	-	320.00	480.00
Acquisitions and other strategic initiatives	250.00	250.00	250.00	-	-
Upgradation of the existing IT infrastructure ⁽²⁾	211.42	150.00		120.00	30.00
General corporate purposes ⁽³⁾	[•]	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]	[•]

- (1) As per the board resolution dated July 20, 2015 and confirmed by the IPO committee resolution dated September 10, 2015, our estimated cost for Fiscal 2016, 2017 and 2018 is ₹1,058.75 million. The fund required (excluding funding from Net Proceeds) is ₹258.75 million. In terms of regulation 4(2) of SEBI ICDR Regulations, 75% of the fund a required excluding Net Proceed i.e., ₹194.06 million shall accordingly be funded from our internal accruals.
- (2) The fund required (excluding funding from Net Proceeds) is ₹61.42 million. In terms of regulation 4(2) of SEBI ICDR Regulations, 75% of the fund a required excluding Net Proceed i.e., ₹46.06 million shall accordingly be funded from our internal accruals.
- (3) To be finalised upon determination of the Offer Price.

Details of the Objects of the Fresh Issue

1. Funding existing and incremental working capital requirements of our Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, financing from various banks and financial institutions (particularly the over draft facilities against our fixed deposits) and capital raising through issue of Equity Shares. As on March 31, 2015 and March 31, 2014, our Company's working capital facility consisted of aggregate fund based limits of ₹297.25 million and ₹250 million respectively. Our Company's existing working capital requirement and funding on the basis of Restated Standalone Financial Information as of March 31, 2014 and March 31, 2015 approved by IPO Committee on September 10, 2015:

Particulars	(in ₹million)	
	Fiscal 2015	Fiscal 2014
Current Assets		
Inventories	2.22	2.49
Trade receivables	812.15	588.48
Deposits under lien for bank	192.94	142.21

Particulars	Fiscal 2015	Fiscal 2014
guarantee and overdraft		
Short-term loans and advances	96.54	280.42
Other current assets	308.97	220.59
Total Current Assets (A)	1,412.82	1,234.19
Current Liabilities		
Other current liabilities excluding overdraft	1,182.75	941.38
Short-term provisions	89.99	58.72
Total Current liabilities (B)	1,272.74	1,000.19
Total Working Capital Requirements (A) - (B)	140.08	234.09
Existing Funding Pattern		
Bank OD	134.28	58.35
Internal accruals	5.80	175.74
Total	140.08	234.09

On the basis of our existing working capital requirements and the incremental working capital requirements our Board pursuant to their resolution dated July 20, 2015 and confirmed by the IPO committee resolution dated September 10, 2015 has approved the business plan for the five year period for Fiscals 2016, 2017, 2018, 2019 and 2020 and the projected working capital requirements for Fiscals 2016, 2017 and 2018 as stated below:

(in ₹ million)			
Particulars	Fiscal 2016	Fiscal 2017	Fiscal 2018
Current Assets			
Inventories	6.66	15.44	20.04
Trade receivables	1,121.14	1,461.17	1,918.36
Deposits under lien for bank guarantee and over draft	212.24	254.68	305.62
Short-term loans and advances	194.87	281.87	364.73
Other current assets	356.08	416.97	492.41
Total Current Assets (A)	1,890.99	2,430.14	3,101.15
Current Liabilities			
Other current liabilities excluding overdraft	1,571.23	1,957.45	2454.35
Short-term provisions	98.60	123.87	158.03
Total current liabilities (B)	1,669.83	2,081.32	2,612.38
Total Working Capital Requirements (A)-(B)	221.16	348.81	488.78
Increase in Working Capital - Net Proceeds of the Offer		320.00	480.00
- Working Capital funding from banks		-	-
Loans / Internal Accruals	221.16	28.81	8.78
Total	221.16	348.81	488.78

Key Assumptions

Particulars	Number of days outstanding
Inventories	60 days of revenue from Retail Learning Services
Trade receivables	36 days of billing for funded clients, 8 days of billing for unfunded clients and 80 days of billing for others
Other current liabilities	
Statutory dues	5.48 days of employee benefits expense
Sundry creditors	1.4 days of employee benefits expense for Fiscal 2016 and 1.3 days of employee benefits expense for Fiscal 2017 and Fiscal 2018
Advances from clients	1.83 days of net revenue
Provisions	1.46 days of employee benefits expense

Justifications for the holding periods provided above are as follows:

Trade Receivables	Receivables days as per historic performance from Restated Standalone Financial Information are adjusted for future expected, for various types of receivables separately
Inventories	Inventory days as per historic performance from Restated Standalone Financial Information
Sundry Creditors	Trade payables days as per historic performance from Restated Standalone Financial Information are adjusted for future expected trends
Statutory dues, Advance from customers and Provisions	As per historic performance from Restated Standalone Financial Information adjusted for future expected trends

Our Company proposes to utilise our existing over draft facilities and internal accruals in Fiscal 2016, towards working capital requirements. Our Company proposes to utilise ₹ 320 million and ₹ 480 million of the Net Proceeds in Fiscals 2017 and 2018 respectively, towards our working capital requirements.

Pursuant to the letter dated September 10, 2015, Manian & Rao, Chartered Accountants (having firm registration no. 001983S), have compiled the working capital estimates from the restated standalone financial information of our Company dated September 10, 2015 for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and the working capital projections as approved by the Board by the resolution dated July 20, 2015 and further confirmed by the IPO committee by the resolution dated September 10, 2015. For further details please refer to “Material Contracts and Documents for Inspection” on page 483.

Means of finance

Of the aggregate ₹ 1,058.75 million estimated towards this Object, we intend to fund ₹ 800 million from the Net Proceeds. Additional payments towards this Object are intended to be funded through our existing, identifiable internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer or through existing identifiable internal accruals.

2. Acquisitions and other strategic initiatives

In pursuit of our strategy of inorganic growth through strategic acquisitions and alliances, we continue to evaluate opportunities for continued backward integration and to identify targets or partners for forward integration, including by way of selectively evaluating targets or partners for strategic acquisitions and investments, so as to strengthen our range of services and our customer portfolio, and to benefit from economies of scale, leveraging multi locational operational synergies, knowledge sharing and acquiring new product platforms in order to strengthen our position as an integrated human

resource services provider. Our strategy is to seek to acquire businesses with high growth potential, along with their existing customer relationships and product and process competencies, and to integrate and grow their businesses through enhanced quality and servicing parameters, integration of information technology systems and platforms coupled with our management know-how and experience. In particular, we intend to explore opportunities in the information technology, health care and hospitality services sectors to complement our existing business and to leverage our existing assets to offer our clients a wider, flexible and more comprehensive range of services. We may also seek to expand our nationwide operations, based on demand and workforce logistics in various geographies, to fuel our growth, going forward.

We believe that we have benefited significantly from the acquisitions undertaken by us in the past. Our acquisition of the corporate and institutional training business of IIJT in 2012 strengthened the employability aspect of our services by enabling us to set up a network of training centres across India by identifying and appointing franchisees, mobilizing and enrolling trainees and offering placement services for retail learning trainees. Similarly, our acquisition of the staffing and manpower services business of PEPL in 2012 enabled us to scale up our staffing operations in line with our growth objectives. For further details in relation to our acquisitions of IIJT and PEPL, please refer to “History and Certain Corporate Matters” on pages 153 and 154. For further details in relation to our retail training and staffing services, please refer to “Our Business” on page 136.

Pursuant to our Board's discussion on the Board meeting dated July 20, 2015, we intend to utilise ₹250 million from the Net Proceeds towards such potential acquisitions and strategic initiatives. As on the date of this Red Herring Prospectus, we have not entered into any definitive agreements towards any such potential acquisitions or strategic initiatives. This amount is based on our management's current estimates of the amounts to be utilised towards this Object, considering our discussions and negotiations with potential targets and partners and other relevant considerations. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of strategic initiatives undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential strategic initiatives, i.e., whether they will involve equity, debt or any other instrument or combination thereof. At this stage, our Company cannot determine whether the form of investment will be equity, debt or any other instrument or combination thereof. The portion of the Net Proceeds allocated towards this Object may not be the total value or cost of any such strategic initiatives, but is expected to provide us with sufficient financial leverage to enter into binding agreements. In the event that there is a shortfall of funds required for such strategic initiatives, such shortfall shall be met out of the portion of the Net Proceeds allocated for general corporate purposes and/or through our internal accruals or bridge financing or any combination thereof.

3. *Upgradation of the existing IT infrastructure*

Our Company proposes to utilise ₹ 150 million from the Net Proceeds towards upgrading our existing IT infrastructure to upgrade our proprietary technology platforms, particularly our ALCS, CLCS and RLCS platforms. For further details in relation our proprietary technology platforms, please refer to “Our Business” on page 132. Provided below are brief details of the costs to be incurred in upgradation of the existing IT infrastructure.

Particulars	Total Estimated Cost ⁽¹⁾	Amount to be funded from the Net Proceeds	(in ₹ million)	
			Amount to be funded from the Net Proceeds Fiscal 2017	Fiscal 2018
IT software and services	160.75	100.00	70.00	30.00
IT hardware	50.56	50.00	50.00	-
Total	211.42	150.00	120.00	30.00

(1) The above figures are based on various third party quotations and agreements entered into, respectively, by our Company from / with the respective vendors.

For the purposes of purchasing abovementioned IT equipment, software and services, we have received quotations from various vendors, which are valid as on the date of the Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the IT equipment,

software and services or at the same costs. The quantity of the equipment, software and services to be purchased is based on the estimates of our management.

Our Company shall have the flexibility to deploy such equipment, software and services at our existing and future centres, according to the business requirements of such centres and based on the estimates of our management.

Means of finance

Of the aggregate ₹ 211.42 million estimated towards this Object, we intend to fund ₹ 150 million from the Net Proceeds. Additional payments towards this Object are intended to be funded through our existing, identifiable internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer or through existing identifiable internal accruals.

4. General corporate purposes

We, in accordance with the policies set up by our Board, will have flexibility in utilising the balance Net Proceeds, if any, for general corporate purposes, subject to such utilisation not exceeding 25% of the proceeds from the Fresh Issue in accordance with Regulation 4 (4) of the SEBI ICDR Regulations, including but not limited to strategic initiatives, partnerships and joint ventures meeting exigencies which the Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business, strengthening the Company's marketing capabilities and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilising any surplus amounts.

In case of variations in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes, set out above.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and approved periodically by the Board. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object i.e., the utilization of Net Proceeds. In case of a shortfall in Net Proceeds, our management may explore a range of options including utilizing our internal accruals or seeking debt from future lenders. Our management expects that such alternate arrangements would be available to fund any such shortfall. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds for the purposes described above, our Company intends to invest the funds in one or more scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Investors may note that none of the Selling Shareholders are liable under Section 27 of the Companies Act or any other applicable law or regulation (including any direction or order by any regulatory authority, court or tribunal) for the variation of (i) terms of a contract referred to in this Red Herring Prospectus; and/or (ii) objects for which this Red Herring Prospectus is issued.

Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing pending receipt of the Net Proceeds. For details, please refer to “Acquisitions and other strategic initiatives” on page 93.

Offer expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer expenses consist of listing fees, underwriting commission, brokerage and selling commission, fees payable to the BRLMs, legal counsels, Registrar to the Offer, expenses for IPO grading, processing fee payable to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Designated Intermediaries and submitted to the SCSBs, brokerage and selling commission payable to Registered Brokers, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Offer other than listing fees and expenses in relation to the legal counsel to the Company, which shall be paid by the Company, and expenses in relation to the legal counsel to each of the Selling Shareholders, which shall be paid by such Selling Shareholder, will be paid by and shared between our Company and each of the Selling Shareholders in proportion to the Equity Shares contributed to the Offer by such Selling Shareholder in accordance with applicable law. The break-up for the estimated Offer expenses are as follows:

Activity	Amount ⁽¹⁾ (in ₹ million)	As a % of total expenses ⁽¹⁾	As a % of Offer ⁽¹⁾
Payment to BRLMs (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission and processing fees for SCSBs ⁽²⁾⁽⁴⁾	[●]	[●]	[●]
Brokerage and selling commission for Registered Brokers ⁽³⁾ , RTAs and CDPs ⁽⁴⁾	[●]	[●]	[●]
Registrar to the Offer	[●]	[●]	[●]
Other advisers to the Offer	[●]	[●]	[●]
Others:	[●]	[●]	[●]
i. Listing fees;			
ii. Printing and stationery expenses;			
iii. Advertising and marketing;			
iv. IPO grading expenses; and			
v. Miscellaneous.			
Total estimated Offer expenses	[●]	[●]	[●]

- (1) Amounts will be finalised at the time of filing the Prospectus and on determination of the Offer Price.
- (2) SCSBs will be entitled to a processing fee of ₹ 10 (plus applicable service tax), per valid ASBA Form, subject to total ASBA Processing Fees being maximum of ₹ 2.5 million plus applicable service tax, for processing the ASBA Forms procured by the members of the Syndicate, Registered Brokers, RTAs or CDPs from Eligible Employees, Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSBs.
- (3) Registered Brokers will be entitled to a commission of ₹ 10 (plus applicable service tax), per every valid ASBA Form, subject to total commission being maximum of ₹ 2.5 million plus applicable service tax, which are directly procured by the Registered Brokers from Eligible Employees, Retail Individual Bidders and Non-Institutional Bidders and submitted to SCSB for processing.
- (4) Selling commission payable to SCSBs, RTAs, CDPs on the portion directly procured from Eligible Employees, Retail Individual Bidders and Non-Institutional Bidders, would be as follows:

Portion for Retail Individual Bidders	0.35% of the Amount Allotted* (plus applicable service tax)
Portion for Non-Institutional Bidders	0.20% of the Amount Allotted* (plus applicable service tax)
Portion for Eligible Employees	0.35% of the Amount Allotted* (plus applicable service tax)

*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Further, Members of Syndicate, RTAs and CDPs will be entitled to Bidding Charges of ₹ 10 (plus applicable service tax) per valid ASBA Form, subject to total bidding charges payable being maximum of ₹ 2.5 million plus applicable service tax. The terminal from which the bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant Member of Syndicate / RTA / CDP.

Monitoring utilisation of funds

As this is a Fresh Issue for less than ₹ 5,000 million, we are not required to appoint a monitoring agency for the purposes of this Offer in terms of Regulation 16 of the SEBI ICDR Regulations. Our Board will monitor the utilisation of Net Proceeds through its Audit Committee.

Pursuant to Regulation 18 of the Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company. Furthermore, in accordance with Regulation 32(6) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including material deviations, if any, in the utilisation of the proceeds of the Offer from the objects of the Offer as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilised clearly specifying the purpose for which such Net Proceeds have been utilised.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“**Postal Ballot Notice**”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

Other confirmations

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Board of Directors, our Key Management Personnel or Group Companies.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections “Our Business”, “Risk Factors” and “Financial Statements” on pages 131, 15 and 189, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry.

1. Market leading position with scale ;
2. Strong compliance practices that enable us to build longstanding relationships with clients ;
3. Technological and operational excellence;
4. Strong functional knowledge and expertise across industry sectors; and
5. Strong management and thought leadership in public policy initiatives and backing by marquee private equity investors.

For further details, please refer to “Our Business - Competitive Strengths” on page 132.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Financial Information prepared in accordance with the Companies Act and with the SEBI ICDR Regulations.

For details, please refer to “Financial Statements” on page 189.

Note:

On June 25, 2015, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 29 Bonus Equity Shares of ₹1 each for every equity share of ₹1 each held by the members as on that date of this meeting and accordingly a sum of ₹148.21 million is capitalized out of the Company's securities premium account outstanding as on June 30, 2015 and transferred to the share capital account towards issue of fully paid-up bonus shares pursuant to which the paid-up Capital of the Company has increased from ₹5.10 million to ₹153.32 million and the balance in the Securities Premium account reduced to ₹1,003.22 million.

Pursuant to the approval of Shareholders of the Company, effective July 10, 2015, every 10 equity shares of the Company are consolidated to one Equity Share thereby increasing the face value of the Equity Share to ₹10 per share. Accordingly, Basic and Diluted earnings per share has been adjusted for the periods presented below in line with the Accounting Standard (AS-20) "Earning Per Share".

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings Per Share (“EPS”), as adjusted for change in capital:

- (a) As per our Restated Standalone Financial Information

Fiscal year ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2015	19.32	3	19.32	3
March 31, 2014	11.70	2	11.70	2
March 31, 2013	(2.77)	1	(2.77)	1
Weighted Average	13.10		13.10	
Six months period ended at September 30, 2015*	7.05		7.05	

*Not annualised

(b) As per our Restated Consolidated Financial Information

Fiscal year ended	Basic		Diluted	
	EPS (in ₹)	Weight	EPS (in ₹)	Weight
March 31, 2015	19.36	3	19.36	3
March 31, 2014	11.65	2	11.65	2
March 31, 2013	(2.41)	1	(2.41)	1
Weighted Average	13.16		13.16	
Six months period ended at September 30, 2015*	7.16		7.16	

*Not annualised

Notes:

- (i) Basic Earnings per share (₹) = Net profit after tax (as restated) attributable to equity shareholders/ Weighted average number of equity shares outstanding during the period/year.
- (ii) Diluted Earnings per share (₹) = Net profit after tax (as restated) *attributable to equity shareholders*/ Weighted average number of diluted equity shares outstanding during the period/year.
- (iii) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period / year adjusted by the number of equity shares issued during period / year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period / year. Further, shares allotted to the ESOP Trust pursuant to the employee share based payment plan is not included in the shares outstanding till the employees have exercised their right to obtain shares, after fulfilling the requisite vesting conditions.

2. **Price/Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:**

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic EPS as per the Restated Standalone Financial information for the year/ period ended [●]	[●]	[●]
Based on basic EPS as per the Restated Consolidated Financial information for the year/ period ended [●]	[●]	[●]
Based on diluted EPS as per the Restated Standalone Financial information for the year/ period ended [●]	[●]	[●]
Based on diluted EPS as per the Restated Consolidated Financial information for the year/ period ended [●]	[●]	[●]

3. **Industry P/E ratio**

Not applicable. There are no listed entities similar to our line of business and comparable to our scale of operations.

4. **Return on Net Worth (“RoNW”), as adjusted for change in capital**

As per our Restated Standalone Financial Information

Fiscal year ended	RoNW (%)	Weight
March 31, 2015	20.10	3
March 31, 2014	15.23	2
March 31, 2013	(4.25)	1
Weighted Average	14.42	
Six months period ended at September 30, 2015*	6.83	

*Not annualised

As per our Restated Consolidated Financial Information

Fiscal year ended	RoNW (%)	Weight
March 31, 2015	19.99	3
March 31, 2014	15.03	2
March 31, 2013	(3.66)	1
Weighted Average	14.40	
Six months period ended at September 30, 2015**	6.88	

**Not annualized

Notes:

- (i) Net Worth = Equity share capital + Reserves and Surplus (including Securities Premium and Surplus)
- (ii) Return on net worth (%)= Net profit after tax (as restated) attributable to equity shareholders/ net worth for Equity Shareholders at the end of the year.

5. Minimum Return on Increased Net Worth after Offer needed to maintain Pre-Offer EPS for the year ended March 31, 2015

As per our Restated Financial Information

Particulars	At Floor Price	At Cap Price
To maintain pre-Offer basic EPS		
Standalone Financial Information	[●]%	[●]%
Restated Consolidated Financial Information	[●]%	[●]%
To maintain pre-Offer diluted EPS		
Standalone Financial Information	[●]%	[●]%
Restated Consolidated Financial Information	[●]%	[●]%

6. Net Asset Value per Equity Share ("NAV") , as adjusted for change in capital

As per our Restated Standalone Financial Information

Fiscal year ended/ Period ended	(₹)
NAV as on March 31, 2015	96.13
NAV as on September 30, 2015	103.17
Offer price	[●]
NAV after the Offer	[●]

As per our Restated Consolidated Financial Information

Fiscal year ended/ Period ended	(₹)
NAV as on 31 March, 2015	96.87
NAV as on September 30, 2015	104.03
Offer price	[●]
NAV after the Offer	[●]

*Net asset value per Equity Share represents (Net worth for equity shareholders at the end of the period/year) / (Total number of equity shares outstanding at the end of the period/ year)

7. Comparison with listed Industry Peers

There are no listed entities similar to our line of business and comparable to our scale of operations.

8. The Offer price will be [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with sections “Risk Factors” and “Financial Statements” on pages 15 and 189, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section “Risk Factors” and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To

The Board of Directors

TeamLease Services Limited (formerly known as “TeamLease Services Private Limited)

BMTC Commercial Complex, 6th Floor,
80 Feet Road, Koramangala,
Bangalore- 560095

Auditors’ Report on Statement of tax benefits available to TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”) and its shareholders

1. This report is issued in accordance with the terms of our agreement dated June 03, 2015 and addendums thereof dated September 03, 2015 and January 13, 2016.
2. The accompanying Statement of tax benefits (the “Statement”) available to TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”) (the “Company”) and its shareholders under the Income-tax Act, 1961 (read with Income-tax Rules, circulars, notifications) as amended by Finance Act, 2015 and the Wealth Tax Act, 1957 (hereinafter referred to as the “Income Tax and Wealth Tax Regulations”), has been prepared by the Management of the Company, pursuant to Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013, as amended (hereinafter referred to as the “Act”) and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended in connection with the proposed Initial Public Offering of Equity Shares of the Company, which we have initialed for identification purposes.

Management’s Responsibility for the Statement

3. The preparation of the Statement as at the date of our report, which is to be included in the Red Herring Prospectus (RHP), and the Final Prospectus is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company at its meeting held on January 17, 2016, for the purpose set out in paragraph 9 below. The Management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors’ Responsibility

4. Our work has been carried out in accordance with Standards on Auditing, as per the ‘Guidance Note on Audit Reports and Certificates for Special Purposes’ and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India.
5. Pursuant to the SEBI Regulations and the Act, it is our responsibility to report whether the Statement presents, in all material respects, the possible benefits available as of September 30, 2015 to the Company and its shareholders, in accordance with the Income Tax and Wealth Tax Regulations as at the date of our report.
6. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the proposed Initial Public Offering of Equity Shares.

Inherent Limitation

7. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

Several of the benefits mentioned in the accompanying statement are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the accompanying statement are not exhaustive.

The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Further, we give no assurance that the Revenue authorities/ Courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

8. In our opinion, the Statement presents, in all material respects, the possible benefits available as of September 30, 2015 to the Company and its shareholders, in accordance with the Income Tax and Wealth Tax Regulations as at the date of our report.

Considering the matter referred to in paragraph 5 above, we are unable to express any opinion or provide any assurance as to whether:

- (i) The Company or its shareholders will continue to obtain the benefits per the Statement in future; or
- (ii) The conditions prescribed for availing the benefits per the Statement have been/ would be met with.

Restriction on Use

9. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the RHP and Final Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI and the concerned Registrar of Companies and the concerned Stock Exchanges.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/ S-200012
Chartered Accountants

Place: Mumbai
Date: January 17, 2016

Partha Ghosh
Partner
Membership Number 055913

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO TEAMLEASE SERVICES LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

The tax benefits listed below are the possible benefits available under the current Income-tax Act, 1961 ("the Act") presently in force in India for the financial year ("FY") 2015-16. Several of these benefits are dependent on the Company or its shareholders fulfilling specified conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company or its shareholders may or may not choose to fulfill. This statement is only intended to list out the tax benefits which may be available to the Company and its shareholders in a general and summary manner and does not purport to be a complete analysis or listing of all the provisions or possible tax consequences of the subscription, purchase, ownership or disposal of shares in the company. In respect of non-residents, the tax rates and the consequent taxation mentioned below will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement ("DTAA"), if any, between India and the country in which the non-resident has fiscal domicile. In view of the specific nature of tax consequences and the changing tax laws, each investor is advised to consult his / her own tax advisor with respect to specific tax implications arising out of their participation in the issue.

I. SPECIAL TAX BENEFITS TO THE COMPANY

1. The Company has obtained a certificate under Section 197 of the Act for deduction of tax at lower rate. This enables the Company to receive certain payments after deduction of tax at source at lower rate.

II. GENERAL TAX BENEFITS TO THE COMPANY

Subject to the fulfillment of conditions prescribed under the specified sections under the Act read with Income-tax Rules, 1962, the Company may be eligible, *inter-alia*, for the tax benefits as summarized below:

1. Computation of Profits and gains of business

- 1.1. **Depreciation:** Under Section 32(1) of the Act, the Company can claim depreciation allowance at the prescribed rates on assets used for the purposes of business.
- 1.2. **Carry forward of unabsorbed depreciation and unabsorbed business loss:** Unabsorbed depreciation, if any, for any assessment year can be carried forward and set-off against income of subsequent assessment years as per Section 32(2) of the Act. There is no time limit for carry forward and set off of unabsorbed depreciation.

Under Section 72 of the Act, unabsorbed business loss, if any can be carried forward and set-off against business profits of subsequent years (upto 8 years) subject to the prescribed conditions. However, as per Section 80 of the Act, the unabsorbed business loss can be carried forward for future set off only when the return of income has been filed within the time prescribed under Section 139(1) of the Act.

- 1.3. **Deduction of expenditure on eligible projects or scheme:** As per the provisions of Section 35AC of the Act, the Company may be eligible for deduction of any expenditure incurred towards payment of any sum to a public sector company or local authority or an association or an institution approved by the National Committee for carrying out any eligible project or scheme, subject to prescribed conditions.

1.4. Deduction and amortization of certain expenditure:

- Under Section 35D of the Act, the Company may be entitled to a deduction equal to 1/5th of the expenditure incurred of the nature specified in the said section, including expenditure incurred on present issue, such as underwriting commission, brokerage and other charges, as specified in the provision, by way of amortisation over a period of 5 successive years, beginning with the previous year in which the business commences or after the commencement of its business in connection with the extension of its industrial undertaking or in connection with setting up a new unit, subject to the stipulated limits.

- Under Section 35DDA of the Act, the Company may be eligible for deduction in respect of payments made to its employees in connection with voluntary retirement in accordance with the respective schemes, for an amount equal to 1/5th of such expenses every year over 5 successive years subject to conditions specified in the section.
- The Company may be eligible for a weighted deduction of 150% under section 35CCD for expenses (other than land or building) incurred on skill development project notified by the Board in accordance with the prescribed guidelines.

1.5. **Minimum Alternative Tax (“MAT”) credit:**

Under Section 115JAA of the Act, tax credit will be allowed in respect of MAT paid under Section 115JB of the Act for any Assessment Year (“AY”) commencing on April 1, 2006 and any subsequent AY.

The credit eligible for carry forward will be the difference between MAT paid and the amount of tax payable computed as per the normal provisions of the Act.

The credit will be available for set-off only in the AY in which tax becomes payable under the normal provisions of the Act. The brought forward MAT credit can be utilized to the extent of difference between the tax payable under the normal provisions of the Act and tax payable under MAT for that year. Credit in respect of MAT paid will be available for set-off upto 10 years immediately succeeding the AY for which the MAT credit originally arose.

2. **Capital gains**

2.1 *Long Term Capital Gain (“LTCG”)*

Capital gain arising from the transfer of a capital asset being securities (other than a unit) listed in a recognized stock exchange in India or units of an equity oriented fund or units of Unit Trust of India or zero coupon bonds, held by an assessee for more than 12 months, is a LTCG.

In respect of any other capital assets, LTCG means capital gain arising from the transfer of an asset, held by an assessee for more than 36 months.

As per section 10(38) of the Act, the Company may be entitled to an exemption from tax in respect of LTCG arising from sale of listed equity shares or units of an equity oriented mutual fund or units of a business trust, provided that the transaction of sale of such equity shares or units is chargeable to securities transaction tax (“STT”). However, such income will be taken into account while computing the book profits under Section 115JB of the Act.

2.2 *Short Term Capital Gain (“STCG”)*

Capital Gain arising from the transfer of capital asset being securities (other than a unit) listed in a recognized stock exchange in India or units of Unit Trust of India or units of an equity oriented fund or zero coupon bonds, held by an assessee for 12 months or less is a STCG.

In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.

2.3 As per Section 111A of the Act, STCG on sale of equity shares or units of an equity oriented fund, where the transaction of such sale is subject to STT, may be chargeable to income-tax at a concessional rate of 15% (plus applicable surcharge and education cess). STCG arising from transfer of shares/units, other than those covered by Section 111A of the Act, may be subject to tax at the rate as applicable to the Company i.e. 30% (plus applicable surcharge and education cess).

2.4 As per section 112 of the Act, LTCG [to the extent not exempt under section 10(38) of the Act] may be subject to tax in the hands of the Company at the rate of 20% (plus applicable surcharge and education cess).

However, as per the proviso to section 112(1) of the Act, if the tax on LTCG resulting from transfer of listed securities (other than a unit) or zero coupon bond [to the extent not exempt under section 10(38) of the Act], calculated at the rate of 20% (with indexation benefit) exceeds the tax on long term gains computed at the rate of 10% (without indexation benefit), then such gains may be chargeable to tax at the concessional rate of 10% (without indexation benefit) (plus applicable surcharge and education cess).

- 2.5 As per Section 54EC of the Act and subject to the conditions specified therein, LTCG, can be claimed as exempt from tax to the extent such capital gains are invested in certain notified bonds (currently bonds issued by National Highways Authority of India and Rural Electrification Corporation Limited have been notified for this purpose) within six months after the date of transfer. If only part of the capital gains is so reinvested, the exemption shall be allowed proportionately. However, it is also provided under Section 54EC that investments made on or after April 1, 2007 in such bonds, should not exceed Rs. 5,000,000 during any financial year.

Further, it may be noted that if such bonds are transferred or converted into money, within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier, may become chargeable to tax as LTCG in the year in which the bonds are so transferred or converted into money.

- 2.6 According to the provisions of Section 74 of the Act, Short-Term Capital Loss arising during the year can be set-off against STCG as well as LTCG of the said year. Balance loss, if any, could be carried forward for 8 AYs for claiming set-off against subsequent years' STCG as well as LTCG. As per Section 74 of the Act, Long-Term Capital Loss suffered during the year can be set-off only against LTCG. Balance loss, if any, could be carried forward for 8 AYs for claiming set-off against subsequent years' LTCG only.

3. **Dividend Income**

- 3.1. Under Section 10(34) of the Act, the Company may be eligible for an exemption in respect of income by way of dividend (interim or final) referred to in Section 115-O of the Act, received from a domestic company.
- 3.2. Further, in the context of the dividend payable by the Company to its shareholders, by virtue of section 115-O, the Company may be liable to pay Dividend Distribution Tax ("DDT") @ 15% (plus applicable surcharge and education cess) on the total amount declared, distributed or paid as dividend. In calculating the amount of dividend on which DDT is payable, dividend declared / distributed / paid shall be reduced by the dividend received from its subsidiary, subject to fulfillment of certain conditions.
- 3.3. In accordance with and subject to the conditions of provisions of Section 10(35) of the Act, the Company will be eligible for an exemption in respect of the following incomes:
- Income received from units of mutual funds specified under Section 10(23D) of the Act;
 - Income received in respect of units from the administrator of specified undertaking ["Administrator" means the Administrator as referred to in clause (a) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 (58 of 2002)]; and
 - Income received in respect of units from the specified company ["specified company" means a company as referred to in clause (h) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 (58 of 2002)].

4. **Other deductions/exemptions/benefits**

The Company may be entitled to a deduction under Section 80G of the Act in respect of amounts contributed as donations to charitable institutions and funds as provided under that section, subject to the fulfilment of conditions prescribed therein.

III. GENERAL TAX BENEFITS TO THE SHAREHOLDERS

1. To all shareholders

1.1. Dividend Income:

- 1.1.1. Under Section 10(34) of the Act, the shareholders will be eligible for an exemption in respect of income by way of dividend (an interim or final) referred to in section 115-O of the Act, received on shares of a domestic company.

1.2. Capital gains:

- 1.2.1 Paragraphs 2.1 to 2.6 as mentioned above will apply here as well.
- 1.2.2 Under Section 54F of the Act and subject to the conditions specified therein, LTCG arising to an individual or Hindu Undivided Family (“HUF”) on transfer of shares of the Company will be exempt from capital gain tax, if the net consideration from such transfer is used for purchase of residential house property within a period of one year before or two years after the date on which the transfer took place or for construction of residential house property within a period of three years after the date of transfer.
- 1.2.3 Where the business income of an assessee includes profits and gains of business arising from transactions on which STT has been charged, such STT may be a deductible expense from business income as per the provisions of Section 36(1)(xv) of the Act.

2. To Non-resident Members [other than Foreign Institutional Investors (“FIIs”) and Foreign Venture Capital Investors]

2.1 Tax Treaty Benefits:

- 2.1.1 As per Section 90 of the Act, the shareholder can claim relief in respect of double taxation if any as per the provision of the applicable DTAA, subject to conditions as may be prescribed.

2.2 Dividend Income :

- 2.2.1 Dividend (both interim and final) income, if any, received by the non-resident shareholders from a domestic company shall be exempt from tax under Section 10(34).

2.3 Capital gains:

- 2.3.1 Paragraphs 2.1 to 2.6 as mentioned above will apply here as well.
- 2.3.2 In addition, as per second proviso to section 48, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by Government), is to be computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per section 112, LTCG is taxed @ 20% plus applicable surcharge and education cess.
 - The benefit of indexation as provided in second proviso to section 48 is not available to non-resident shareholders.

Further, as per first proviso to Section 48 of the Act, the capital gains arising on transfer of capital assets being shares of an Indian Company need to be computed by converting the cost of acquisition, expenditure in connection with such transfer and full value of the consideration received or accruing as a result of the transfer into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated.

3. **To Non-Resident Indians - Special provision in respect of income / LTCG from specified foreign exchange assets available under Chapter XII-A**

3.1 Non-Resident Indian (NRI) means a citizen of India or a person of Indian origin who is not a resident. Person is deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, were born in undivided India.

3.2 Foreign exchange asset means any specified asset which the assessee has acquired or purchased with, or subscribed to in, convertible foreign exchange.

3.3 As per section 115E, income other than dividend which is exempt under Section 10(34) from investments and LTCG from transfer of assets (other than specified foreign exchange assets) shall be taxable @ 20% (plus applicable surcharge and education cess). No deduction in respect of any expenditure or allowance will be allowed and no deductions under Chapter VI-A will be allowed on such income.

3.4 As per section 115E, LTCG arising from transfer of specified foreign exchange assets shall be taxable @ 10% (plus applicable surcharge and education cess).

3.5 As per section 115F, LTCG on transfer of a foreign exchange asset shall be exempt, in the proportion of the net consideration from such transfer being invested in specified assets or savings certificates within six months from date of such transfer (subject to further conditions specified under the said section).

3.6 As per section 115G, if the income of an NRI taxable in India consists only of income/LTCG from such shares and tax has been properly deducted at source in respect of such income in accordance with the Act, it is not necessary for the NRI to file return of income under Section 139(1).

3.7 As per section 115I, the NRI can opt not to be governed by the provisions of Chapter XII-A for any AY by declaring the same in the return of income filed under Section 139.

3.8 Paragraph 2.3.2 and 2.3.3 will apply here as well.

4. **To FIIs**

4.1 **Dividend Income:**

4.1.1 Dividend (both interim and final) income, if any, received by the shareholder from the domestic company shall be exempt from tax under Section 10(34).

4.2 **Capital Gains:**

i. Under Section 115AD, income (other than income by way of dividends referred in Section 115-O) received in respect of securities [other than units of a mutual fund specified under clause (23D) of section 10 or of the Unit Trust of India] shall be taxable at the rate of 20% (plus applicable surcharge and education cess). No deduction in respect of any expenditure/allowance may be allowed in respect of such income.

ii. Under Section 115AD, capital gains arising from transfer of securities (other than units unit of a mutual fund specified under clause (23D) of section 10 or of the Unit Trust of India), shall be taxable as follows :

- As per section 111A, STCG arising on transfer of securities where such transaction is chargeable to STT, may be taxable at the rate of 15% (plus applicable surcharge and education cess). STCG arising on transfer of securities where such transaction is not chargeable to STT, shall be taxable at the rate of 30% (plus applicable surcharge and education cess).
- LTCG arising on transfer of securities where such transaction is not chargeable to STT, shall be taxable at the rate of 10% (plus applicable surcharge & education cess).
- The 1st and 2nd proviso to section 48 would not apply while computing the capital gains arising out of the transfer of securities.

- As per Section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares payable to FIIs.
- As per the Act as amended by Finance Act, 2015 the foreign companies earning income from transaction in securities (other than STCG arising on transactions on which STT is not chargeable) shall be excluded for the purpose of computing the book profit under Section 115JB of the Act. It is also provided that the expenses incurred to earn these incomes would not be allowed as deduction from book-profits.
- Further, the CBDT vide Press Release dated 24 September 2015 has clarified that with effect from 01.04.2001 the provisions of section 115JB shall not be applicable to a foreign company if —
 - the foreign company is a resident of a country having DTAA with India and such foreign company does not have a permanent establishment within the definition of the term in the relevant DTAA, or
 - the foreign company is a resident of a country which does not have a DTAA with India and such foreign company is not required to seek registration under section 592 of the Companies Act 1956 or section 380 of the Companies Act 2013.

Notes:

1. All the above benefits are as per the provisions of the Income-tax Act, 1961 read with Income-tax Rules, 1962, circulars and notifications as amended by Finance Act, 2015. They shall be available only to the sole/ first named holder in case the shares are held by the joint holders.
2. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, entered into between India and the country in which the non-resident has fiscal domicile. (subject to furnishing of Tax Residency Certificate / Form 10F).
3. In view of the specific nature of tax consequences, each investor is advised to consult his/ her / its own tax advisor with respect to specific tax consequences of his/her participation in the IPO.
4. The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
5. No assurance is given that the Revenue authorities/ Courts will concur with the content contained herein. The content herein is based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the contents consequent to such changes. We will not be liable to any other person in respect of this Statement.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

"The information in this section is extracted from various publicly available documents and industry sources including CRISIL, etc. Neither we nor any other person connected with the Offer has independently verified the information provided in this section. The industry sources and publications referred to in this section generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and that their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. The information in this section should be read in conjunction with the sections "Risk Factors" and "Our Business" on page 15 and 131 respectively."

Indian Economy and Employment Scenario

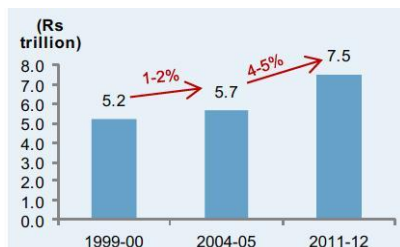
India's GDP growth is experiencing an upswing following a slump between 2010 and 2013. Estimates from various agencies suggest that the country's economy is gradually on the road to recovery. The Central Statistical Office placed the country's GDP growth for 2013-2014 at 4.9%, which was higher than the 4.5% estimated.

In 2015-2016, GDP is estimated to grow by around 7.9%. As the economy recovers and grows, flexi-staffing is expected to become an integral part of the expansion plans of companies.

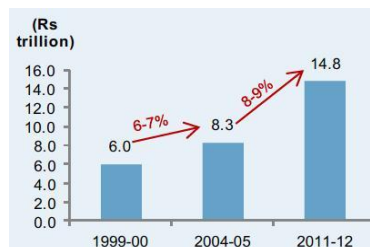
Employment growth

Even during India's high growth years, contrasting trends have been observed between GDP growth and employment elasticity. Between 1999-2000 and 2011-2012, the economy grew at a CAGR of around 7.3%. GDP growth between 2004-2005 and 2011-2012 was higher than between 1999-2000 and 2004-2005. At the same time, however, employment elasticity (defined as the percentage increase in employment for every percentage point increase in GDP) of the non-agricultural sector deteriorated sharply during these high growth years.

Agriculture GDP growth



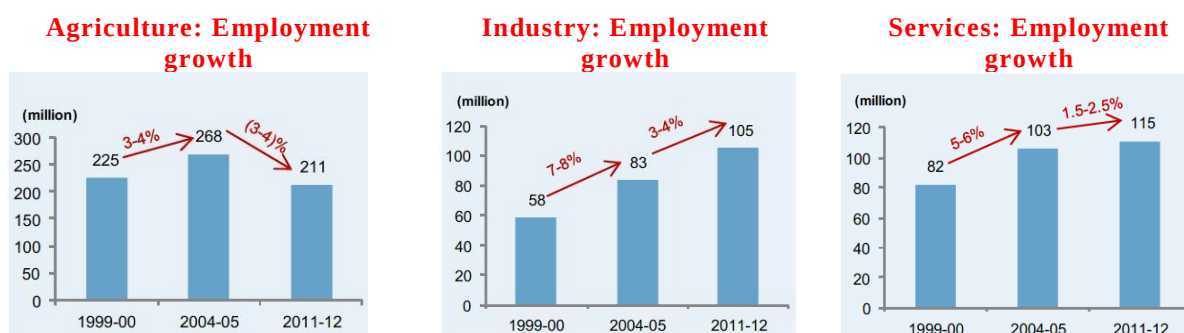
Industry GDP growth



Services GDP growth



Note : GDP numbers considered for 2004-05 base
Source: CSO, CRISIL Research



Note : As agriculture production is influenced by non-human factors (such as monsoon, etc), a lower employee base might yield higher overall agriculture income
Source: NSSO, CRISIL Research

India's growth during the boom years was largely driven by less labour-intensive sectors. In the seven fiscals to 2011-2012, information technology, financial services, real estate and other business services grew at over 11% per year, and contributed significantly (22%) to overall growth.

But the labour intensity of manufacturing also fell sharply during 2004-2005 to 2011-2012 because as a large part of the manufacturing (industry) sector's growth came from fast-growing, capital intensive industries such as petrochemicals. Also, rising substitution of manual labour due to complicated labour laws (rigid rules for hiring and firing of workers) and technological progress led to higher automation. As a result, by 2011-12, the manufacturing sector needed almost half the number of workers it did in 2004-2005 to produce ₹one million of real output. In 2011-2012, the manufacturing sector had the highest industry share of employment, at around 52% of total employment.

At the same time, high growth in services did not result in large incremental employment as it requires only about one to two people to produce ₹ one million of real value-added GDP. By contrast, the more labour-dependent services subsectors grew at a much slower pace. For instance, health, education and recreation services, which require nine people to produce ₹ one million of real GDP, grew at 6.8% between 2004-2005 and 2011-2012. As a result, employment addition in these sectors was limited.

Estimates by various agencies suggest that India's economy is gradually on the road to recovery. In 2015-2016, overall GDP is estimated to grow by around 7.9%. The government managed to increase allocation for capital expenditure (up by 25.5% to ₹ 2,414 billion) for 2015-2016 because of the headroom created from savings in oil subsidies and hike in excise duties on petrol and diesel. As a share of GDP, capital expenditure will increase from 1.5% in 2014-2015 to 1.7% in 2015-2016. The budget is likely to have a positive impact on the manufacturing sector on the back of anticipated investments in infrastructure and improvement in domestic investment.

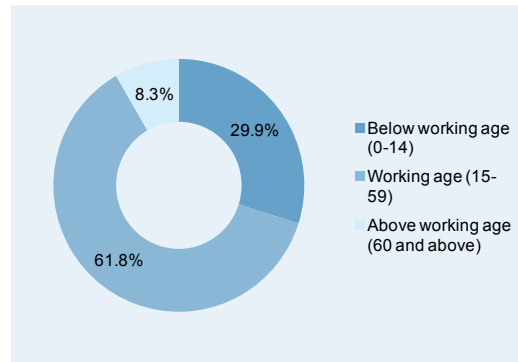
Various factors therefore have an implication on the employment levels of each industry segment. The levels of employment do not merely track the progression of GDP.

Working group population and characteristics

- *Working group population*

In India, people aged between 15 to 59 years are typically considered working age population. According to census data, this employable population has experienced a 24.7% growth between 2001 and 2011. This increase far exceeds the growth in India's general population for the same period of 17.7%. The proportion of India's population who are part of the working group population has risen from around 57% in 2001 to 62% in 2011-2012.

Distribution of persons by age group (2011-2012)



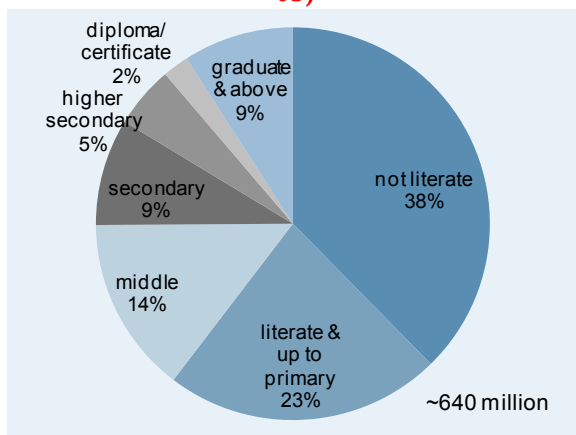
Source: NSSO, CRISIL Research

The majority of India's population is therefore potentially employable. They can be imparted with the training and skills to make them attractive to employers. As per census data, India's population reached 1,211 million in 2011. India's population therefore has great potential to meet the future demands of the world and become a global sourcing hub for a skilled workforce.

- *Working group characteristics*

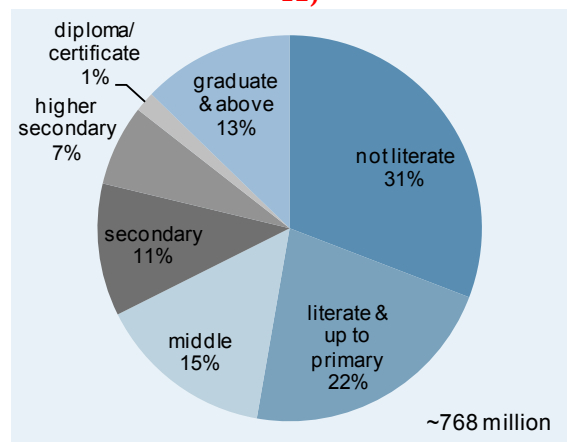
The proportion of illiterate people in India's working group population has declined by 3-4% between 2004/2005 - 2011/2012. Among the literate group in the working population, there has been growth in the amount of workers with graduate and above and higher secondary education.

Education level of working population (2004-05)



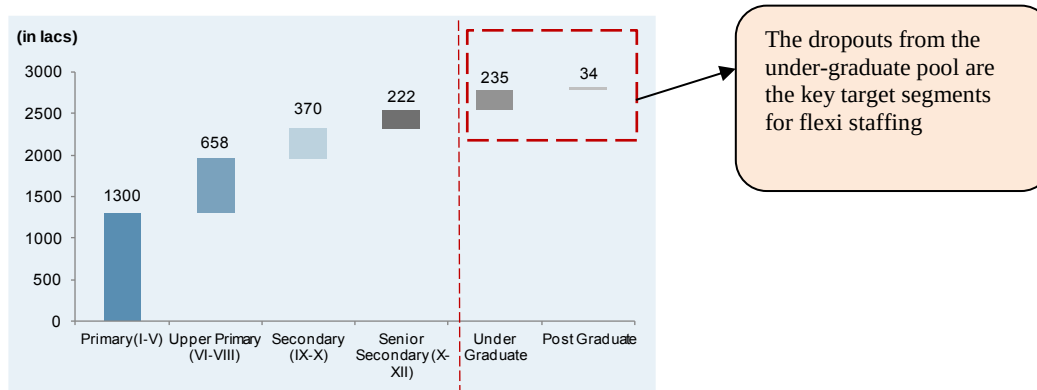
Source: NSSO, CRISIL Research

Education level of working population (2011-12)



However, a large proportion of the working group population are yet to attain secondary level of education. Those workers with an education profile below secondary level of education primarily work in the informal sector (being self-employed or working in unincorporated proprietary or partnership enterprises). By contrast, those with higher education levels are employed in the formal sector (such as in government entities, public/private limited companies and other registered organisations).

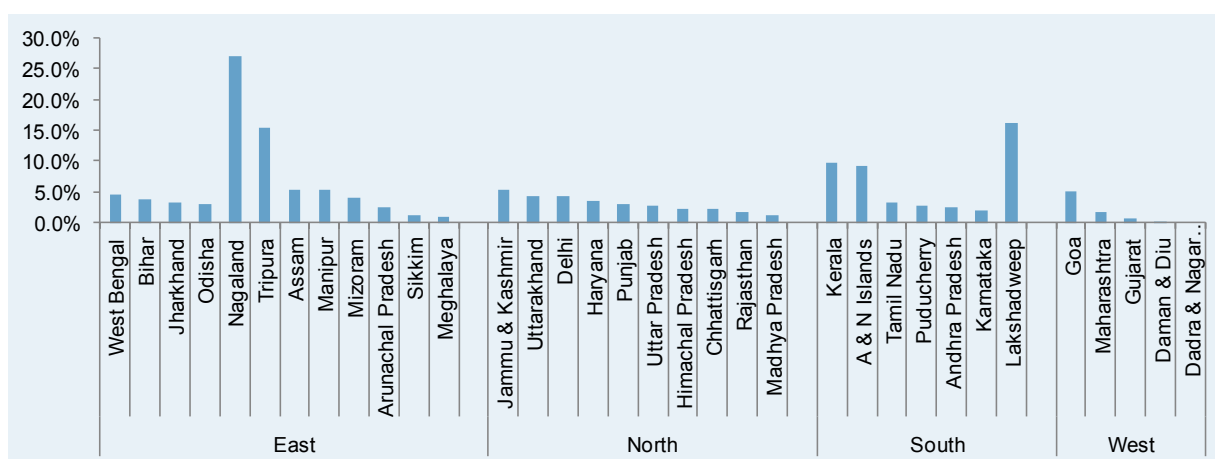
Level wise enrolment in school and higher education (2014)



Source: MHRD, CRISIL Research

A high level of unemployment has been witnessed in many areas across India. The unemployment rate is higher in regions where the education profile of the population is weak, indicating the significance of skill development.

State-wise unemployment rate (2011-2012)

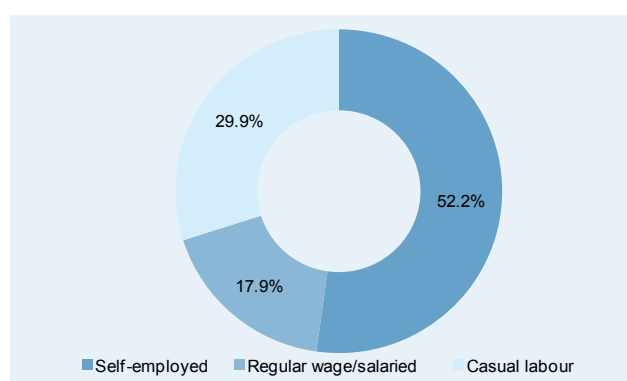


Source: NSSO, CRISIL Research

The East of India has the highest percentage of illiterate persons, whilst West India is one of the regions with the highest share of education levels of “Secondary and Above”. This has a clear effect on the levels of unemployment in the respective regions, with states in East India having amongst the highest rates of unemployment, and states in West India having amongst the lowest.

Due to the lack of employment opportunities and poor skill-sets, workers are forced to either look for work as low-paid casual workers or become self-employed. More than half of the workforce is self-employed owing to lack of employment opportunities. Poverty and lack of education are major constraints to employment. The proportion of self-employed and casual labourers is around 82.1% of the total workforce.

Distribution of workforce (2011-2012)

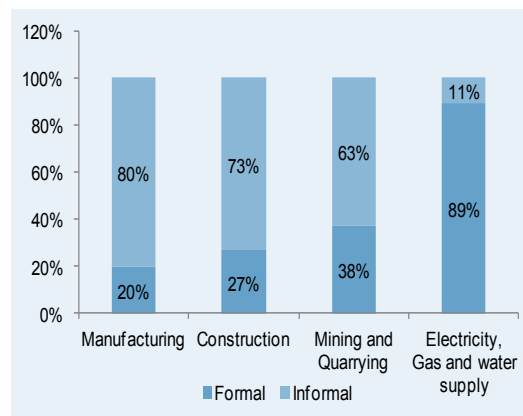
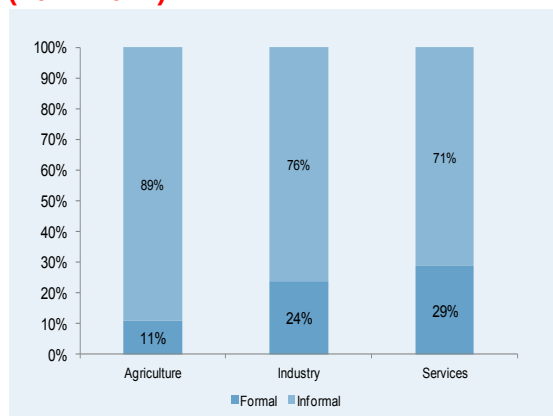


Source: NSSO, CRISIL Research

Employment in formal vs informal sectors

India's informal sector is currently driving employment. The informal sector comprises all unincorporated proprietary, partnership enterprises and enterprises whose activities or collection of data is not regulated under any legal provision and/or which do not maintain any regular accounts. About 80% of India's workers are in the informal sector, with particularly high levels of informal workers evident in the manufacturing and construction industries.

Formal vs Informal employment by sector (2011-2012)



Source: NSSO, CRISIL Research

The cumulative effect of low levels of literacy, less-than-adequate skill-sets, and lack of employment opportunities is a high level of self employment, due to which informal employment dominates employment in most sectors. Complex and tough labour laws have hampered job creation in the formal sector. Many workers also prefer the higher take-home pay that the unorganised framework for a job can provide.

Staffing industry transformation

India is the world's second largest labour market. Only around 10% of India's labour force works in formal employment. Redefining the nature of employment and having a greater amount of workers in formal employment will be critical if India's economic development is to become more broad-based, not only in terms of regions, but also in terms of social inclusion.

Both industry and the government are increasingly recognising that if the current employment scenario continues, the situation will become increasingly untenable and a hurdle to growth and economic and social development.

The biggest challenges confronting the Indian employment industry today, and thus the focus points for industry and the government are:

- bringing jobs to people wherever they are located;
- improving skill-sets of the workforce and ensuring employment generation keeps pace with rising literacy;
- regulatory measures to increase formalization of enterprises;
- reducing informal employment to increase social security;
- regulatory push towards formal employment; and
- the introduction of vocational education and training.

Industrialisation in India has been focused on a few states, whilst those workers with the requisite skills are more widely located. This means that there are inadequate workers with the requisite skill-sets in regions where industry is concentrated, and not enough employment opportunities in their home regions for people with the appropriate skills. For instance, a large percentage of the enterprises in India are located in South and West India, yet the largest proportion of working age population belongs to North and East India.

Lack of opportunities in their domestic zones is putting pressure on people from less-developed regions to migrate, causing social and familial dislocations and putting pressure on civic and social infrastructure. By contrast, service industries such as IT/IT enabled services, banking and telecom services are facing a shortage of people with the necessary skill-sets.

Due to lack of opportunities in their home regions, many workers are turning entrepreneurs, or end up doing lower paying jobs or casual work. This is reflected in the large number of enterprises in the country being operated informally.

Due to a confluence of such factors, a greater proportion of jobs are still being created in the informal sector. On the one hand, the industry is unable to find enough people with the adequate skill-sets, and on the other hand there are large numbers of people working in jobs far below what their educational qualifications or skill-sets demand.

Numerous efforts are underway to mitigate this situation. The Central and State Governments are providing incentives for industry to set up enterprises in relatively unindustrialised areas. Governments are also increasing the allocation of education and setting up more such institutions in less-industry intensive areas. This will enhance the skill-set of the population and hone them for the formal industry. The result of this will be new employee-catchment areas for companies and encouragement for them to set up industries in such areas.

India's employment growth going forward will be concentrated in a few functions (sales, service, logistics) and employment intensive industries (healthcare, FMCG, FMCD, hospitality, construction, etc.). These functions in industries are much more likely to use formal staffing companies relative to old industries.

There is also a focus on consolidating skills development and increasing the education, literacy and skill-sets of the general population. The National Skills Development Mission through Skill Development and Entrepreneurship Ministry is just one of these initiatives, that has resulted in the establishment of the National Skills Development Corporation.

Finally, the government is focusing on introducing regulatory measures to increase the formalization of enterprises and push towards an increase in formal employment. Amendments to India's complex and antiquated labour laws are already underway, and the government is focused on formalizing both enterprises and employment.

There should be a move from informal to formal employment and will lead to an increasing play thereon of the formal sector.

The transformation from formal to informal employment will happen in the following three phases-

- Phase 1: operations/risk/compliance
- Phase 2: hiring

- Phase 3: quality of employees

As the government and industry work to address the problems facing the employment sector in India, and to increase the rates of formal employment, there is likely to be huge opportunities generated for the flexi-staffing industry.

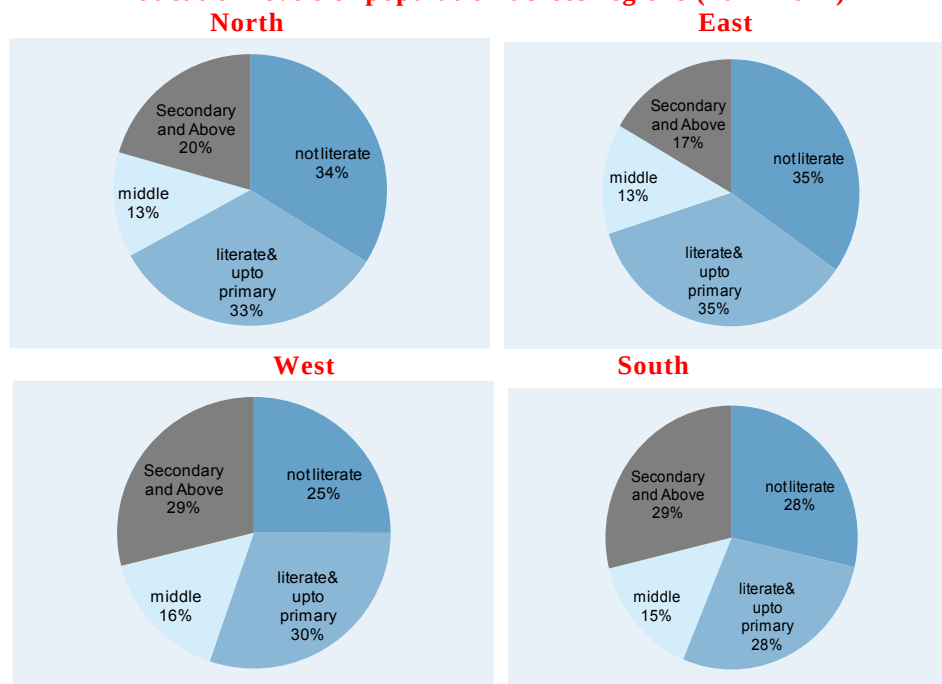
Indian labour market transformation

India's poverty is about low productivity. India is on the cusp of a transformation of its five geographies of work.

- *Physical geography of work*

To boost their presence and meet demand for their products/services, companies are aggressively expanding in tier II and tier III cities. Finding the right manpower for such locations is a challenge. Education levels across the regions vary, with lower education levels evident in the North and East of India.

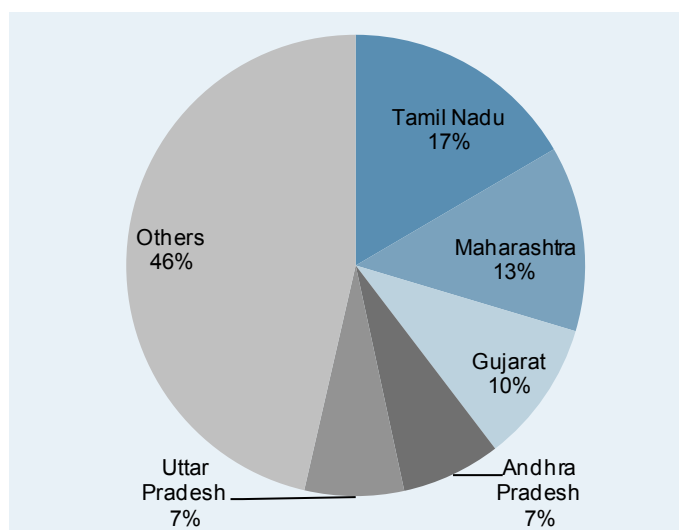
Education levels of population across regions (2011-2012)



Source: NSSO, MOSPI, CRISIL Research

The vast employee requirement versus availability can also be seen from the high concentration of factories in select major states.

Factories in operation across regions (2012-2013)



Nearly 50 percent of factories are setup in five states which leads to significant demand-supply gap of workforce. Here flexi staffing plays a key role in taking jobs to people and people to jobs

Source: Annual Survey of Industries

India's physical landscape is still largely rural, with six lac villages (of which two lac have less than 500 people). Companies are incurring huge costs to locate, hire and then retrain the right talent. Flexi-staffing agencies with a significant national footprint will be at an advantage as they can cater to the requirements of employers by bringing in flexi-staff from distant locations. However, it is a challenge to bring people and jobs together.

The government has recently announced that it was willing to fund and dedicate contracts to the business process outsourcing industry to create jobs in the North-east and tier II and III cities in the country. There are also 100 'smart cities' planned to be established. This will create jobs in locations outside the traditional industrialised areas. The various training initiatives currently underway will assist to provide employees with skills in the necessary areas to make them more employable in the formal sector. Flexi-staffing companies will be in an ideal place to assist with the provision of labour as companies expand their operations into less industrialised areas.

The big question for public policy is whether India is going to take jobs to people or people to jobs. The history of economic development is about taking people to jobs.

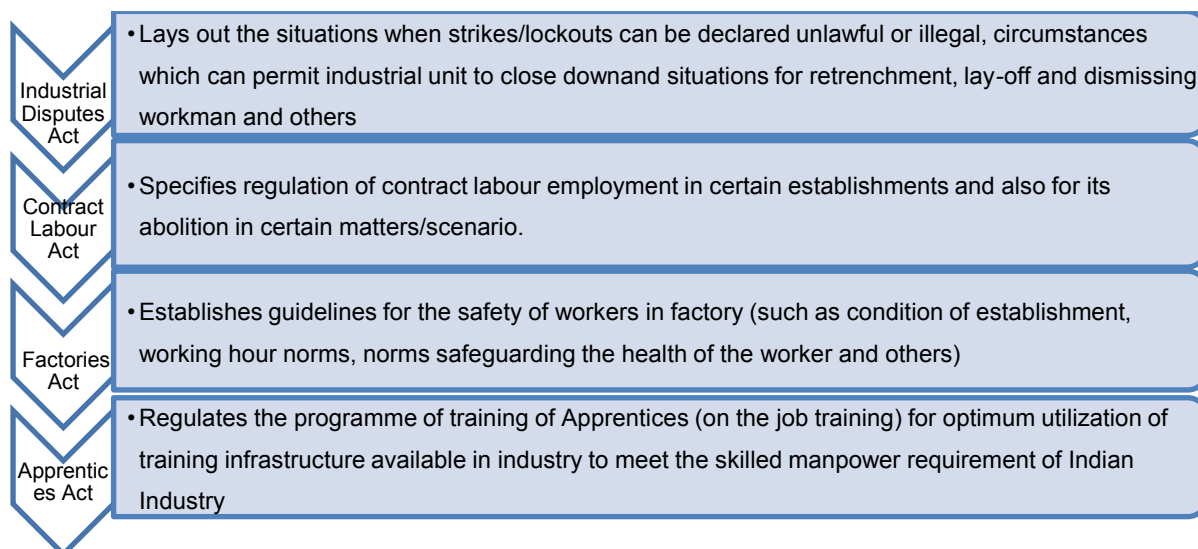
- *Enterprise geography of work*

The total number of establishments in India is around 58 million, as per the 6th Economic Census. In the years ahead, the number of enterprises in the country will rise due to factors such as higher GDP growth, an expected increase in the share of establishments located in urban areas and regulatory policy initiatives to attract fresh industry to hitherto less-industrialised areas. Overall, this will lead to an increase in the number of formal enterprises and improve the migration of informal labour into the organized workforce.

- *Legislative geography of work*

India has a multitude of antiquated employment laws, which reflect dated attitudes and thinking. The number, complexity and outdated nature of these laws can operate to deter industry from giving permanent employment to people, leading to a greater number of jobs being created in the informal sector. Central government is committed to the reform of labour laws and the repeal of outdated legislation.

Recent regulation amendments in the interests of flexi-staffing industries include the ID Act, CLRA Act, the Factories Act and the Apprentices Act.



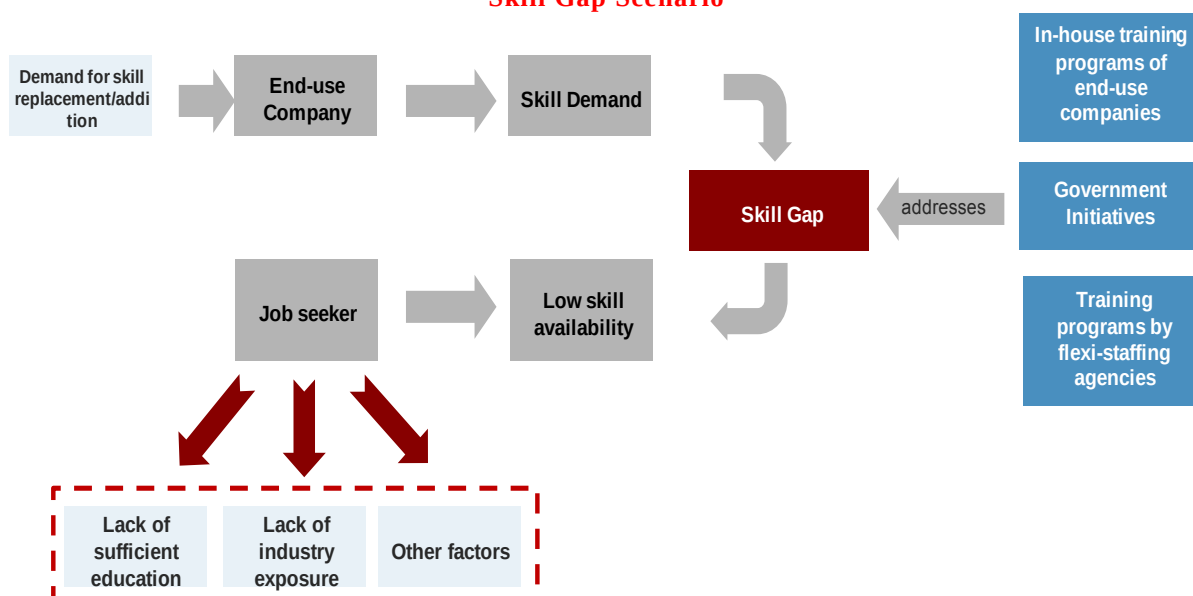
Source: CRISIL Research

Stakeholders believe that these amendments will have a positive impact on flexi-staffing agencies. Certain states have recently taken the lead in reforming employment norms, which should contribute to an increase in the formal employment market share.

• Education geography of work

The government, end-use companies and staffing companies are all undertaking efforts to address the skill gap between companies' demand for skilled employees and the low skill availability.

Skill Gap Scenario

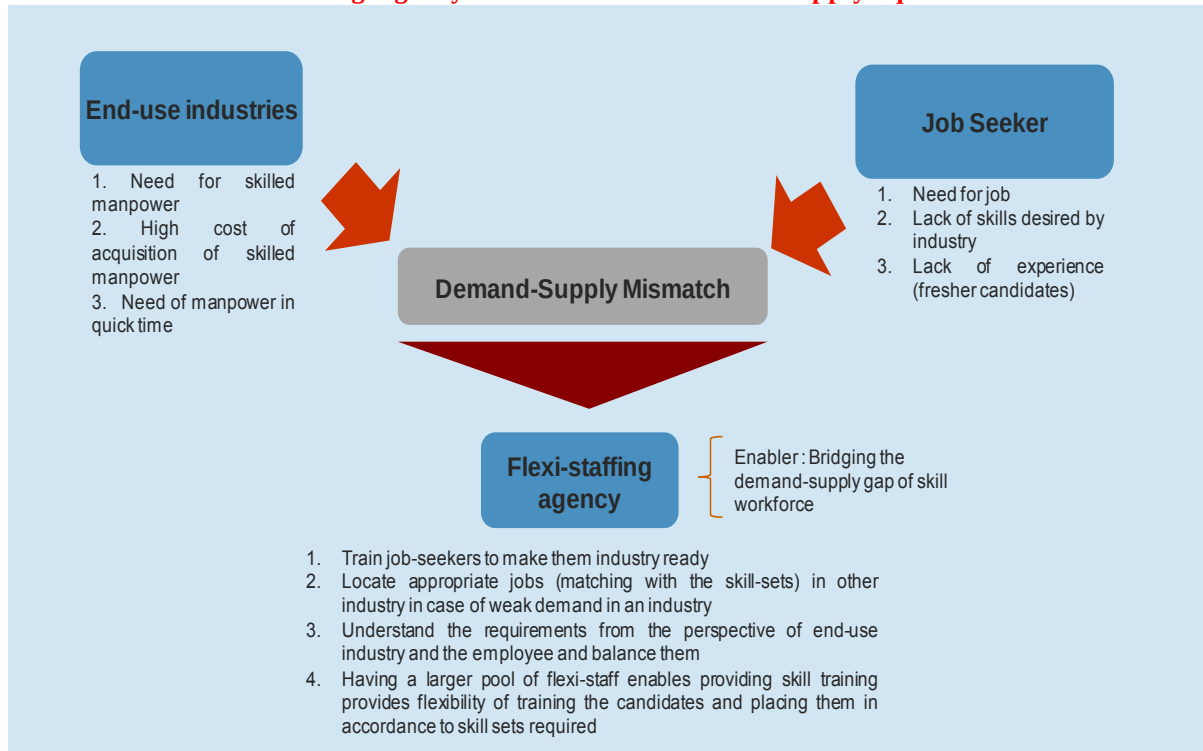


Source: CRISIL Research

The government is undertaking a clear push for skills development. In 2009, the government adopted the National Skill Development Policy with the aim to skill/reskill 500 million people by 2022. The main intention behind the policy is to equip people with skills and enhance employability. The target of providing skills is split across 17 ministries and the National Skill Development Corporation (a non-profit organization focused on providing training). Many programmes implemented by the different ministries, such as the skill development programmes run by the Ministry of Human Resource and Development, the Ministry of Rural Development, the Ministry of Urban Development, the Ministry of Labour and the Ministry of Minority Affairs will operate to train/retrain labour and provide value-added services, which will increase job opportunities for employees.

Staffing companies are also playing an active role in skills development. As flexi-staffing agencies act as an intermediary between end-use organisations and employees, the flexi-staffing industry has a continuous understanding of the skill demand and supply trends for end-use companies. The flexi-staffing industry acts as an enabler, by providing job seekers with training on the requested skills of end-use industry to make them job-ready for the end-use organizations. Job-seekers are provided with better prospects, and end-use companies are provided with more skilled potential employees.

Flexi-Staffing Agency : An enabler of demand-supply equilibrium



Source: CRISIL Research

Flexi-staffing companies are therefore able to offer end-use companies with ready-trained employees. This reduces the costs that would be incurred by the employer in training their new employees.

Finally, various vocational skill programmes have been set up by various stakeholders joining together, such as the NETAP (enabled by TeamLease, the Confederation of Indian Industry, and the National Skill Development Corporation). These impart vocational training on employees, again further increasing their employability and attractiveness to end use companies.

- *Sectoral geography of work*

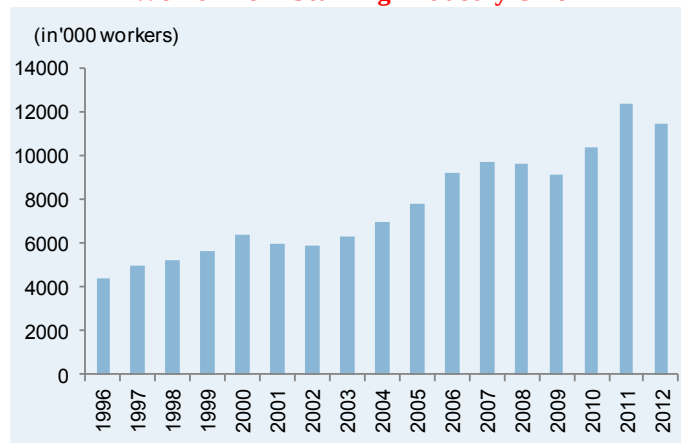
The low productivity of India's labor force working in agriculture means that most of India's self-employed are part of India's working poor; people who make enough money to live but not enough money to get out of poverty.

Only 11% of the labour force works in manufacturing, which is the same percentage as in post-industrial United States. The government aims to double the labour force working in manufacturing. This will create opportunities for flexi-staffing companies to provide the required workers.

Flexi Staffing Industry Overview

Globally, the staffing industry has grown considerably over the past few years. According to the CIETT Economic Report 2014, the industry size had reached 11.5 million workers by the end of 2012. Thus, despite the slump in the aftermath of the financial crisis, and the resultant economic slowdown, the industry still had a 7% growth rate over the last decade.

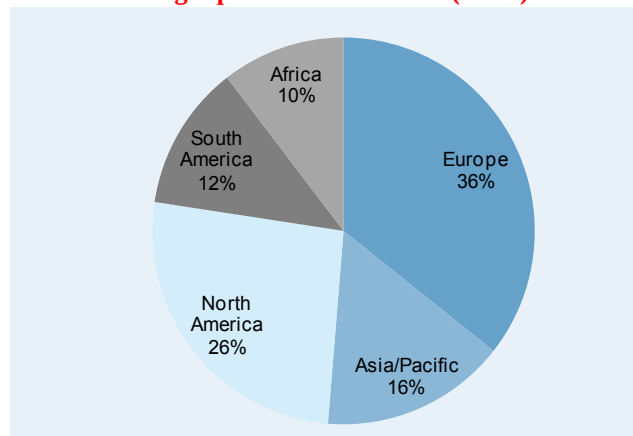
World Flexi Staffing Industry Size



Source: CIETT Economic Report 2014; based on data from 43 countries for which data is available

Amongst 11.5 million workers, Europe employed the largest number of people in 2012. South America and North America represented around 38% of the total number of workers. The Asia/Pacific region employs another 16%.

Geographical breakdown (2012)



Source: CIETT Economic Report 2014; based on data from 43 countries for which data is available

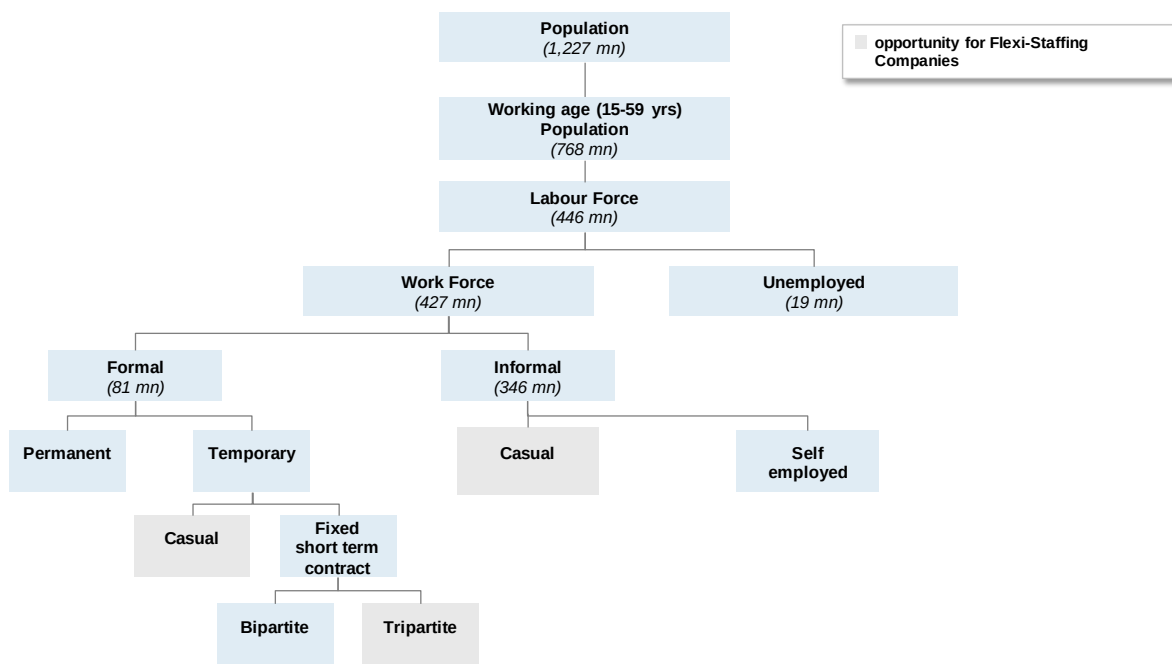
In the past few years, organised flexi-staffing companies have mushroomed in response to corporate India's demand for labour with adequate skill-sets. In 2012, India's flexi-staffing penetration rate based on the total workforce was only 0.3%. It is therefore an acutely underpenetrated market, with vast opportunities.

There is a growing awareness among corporates globally of the advantages of flexi-staffing. Over the next few years, this will encourage more companies to consider flexi-staffing as a viable employment option.

Indian flexi-staffing industry overview

A gradual movement towards a more formal set up to employment is anticipated to occur due to various factors such as the increasing number of enterprises turning formal, skills development and regulatory amends in favour of formal and flexi-staffing industries.

Opportunities for Flexi-Staffing (2011-12)



Source: CRISIL Research, NSSO

There are therefore favourable circumstances for flexi-staffing agencies due to the gradual transformation towards formalization from casual workers over the longer term.

There are opportunities for the flex-staffing industry to take advantage of across various segments of employment. The various segments and their respective opportunities are as follows:

- Logistics and Telecom Services

Logistics and Telecom Services includes telecom services, the cold chain industry, warehousing and domestic freight transportation services. An increase in the need for flexi-staffers is expected to incur as e-commerce players expand their operations.

- Manufacturing

The manufacturing industry is expected to witness growth led by government support for labour-intensive sectors such as textiles, food processing, construction and tourism. The manufacturing industry is the largest driver of the flexi staffing industry, constituting nearly 30% of the total flexi-staffing market in India. However, the industry mainly uses the unorganised sector for its labour requirement.

- Retail, Fast Moving Consumer Goods and Hospitality

The retail section of this segment has faced a slowdown in growth in recent years. The growth momentum is likely to accelerate with the generally more positive economic outlook. The fast moving consumer goods section is amongst the largest sectors in the economy, and is expected to see continued strong growth levels. Positive movement in the economy will also boost the hospitality segment. As expansion occurs in tier II and III cities, flexi-staff will be increasingly required in this segment.

- IT/IT enabled services

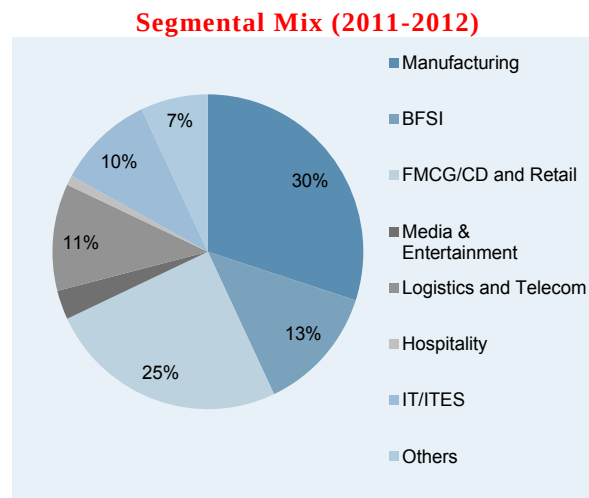
IT enabled services exports in India are to experience high levels of growth in 2013-14, primarily driven by higher volumes of finance and accounting and knowledge-based services. Domestic IT enabled services are also seeing revenue grows. There are healthy growth prospects for the flexi-staffing industry, as companies attempt to find people with technical expertise and domain knowledge.

- Banking, Financial Services and Insurance

As banking and financial institutions look forward to increase their customer outreach, the need for sales/distributors (essentially front-end roles) is expected to increase in tier II and tier III cities. Consequently, the penetration of flexi-staffing is expected to pick up as financial institutions are anticipated to look forwards to flexi-staffers for these non-core activities.

Overall current industry size

- **Employment numbers:** In 2013-14, it is estimated that the employees in the flexi-industry was between 1.6-1.8 million.
- **Penetration levels:** Based on the total workforce, penetration levels for 2013-14 are estimated to be 0.4%.
- **Segmental mix:** The segmental mix in the flexi-staffing industry for the years 2011-2012 was follows:



Source: CRISIL Research

- **Industry size:** The flexi-staffing industry in India as of 2013-2014 in value terms is around ₹ 180-220 billion. The average wages of flexi-staffing worker is assumed to be around ₹8,000-10,000 (which reflects weighted average wages for organised and unorganised players).

Flexi-staffing benefits all stakeholders

Flexi-staffing brings benefits to both industry and the work force:

- *Industry*

Flexi-staffing offers companies savings on hiring, training and integration costs. Time and resources ordinarily expended searching for talent, providing on-the-job training and carrying out other joining and on board formalities (such as payroll) can be used by the company in other areas of their business. Attrition rates are also on the rise in certain industries, and flexi-staffing allows a company to manage attrition and reduce the costs involved.

By using flexi-staffing, a company's workforce can also react and be flexible to economic, business and seasonal requirements, which means that the company does not expend resources retaining employees who are surplus to requirements. This flexibility is increasingly becoming possible due to the enhancement of the skill-sets of workers being undertaken by the flexi-staffing industry. The flexi-staffing industry is increasingly able to match the demand from industry with the required skill-set.

Finally, flexi-staffing can be particularly useful for non-core operations. Firms are constantly looking to outsource non-core activities where revenue flows are not recurring or activities undertaken are not directly linked to business performance. Flexi-staffing can play a key role for these non-core operations, and enable companies to focus their efforts and resources on their core activities and staff.

- *Work force*

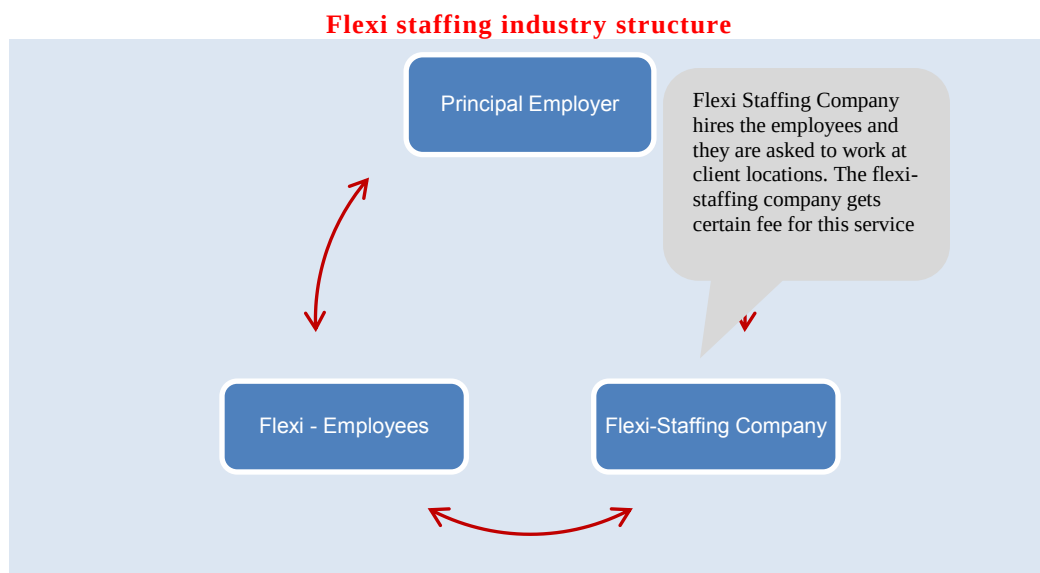
Flexi-staffing helps people to find an appropriate job and provides job security. The employee has access to the broad range of job opportunities accessible through the flexi-staffing industry.

Once the employee is placed in a job through the flexi-staffing industry, they will have access to social security and associated benefits, which a significant part of the workforce do not have access to. As flexi-staffing is able to provide such benefits, workers are likely to gradually shift from the unorganised sector to the organised space. Employees also potentially have the opportunity to be made a permanent employee of their principal employer, if their work product is satisfactory.

Flexi-staffing also provides training, which improves the employee's skill-set and makes them more attractive to other employers and opportunities. Employees have the opportunity to gain industry knowledge and on-the-job experience, which makes them more employable in the future, and more likely to be absorbed into the regular workforce.

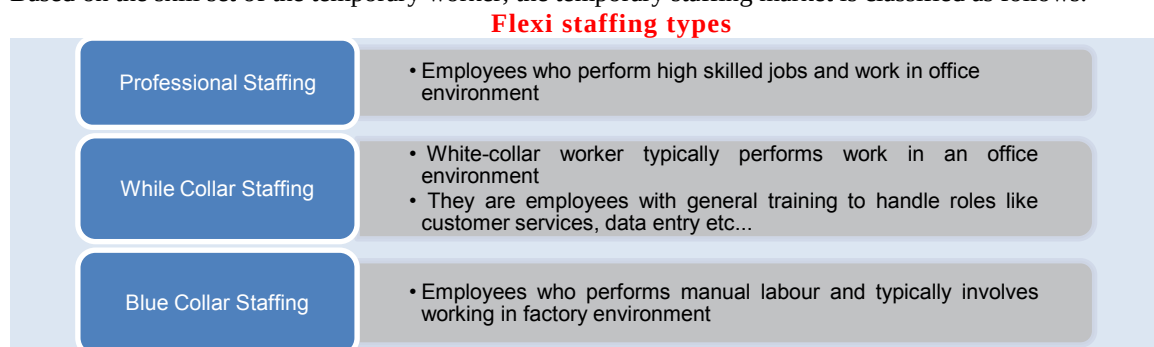
Industry structure & competition

Flexi-staffing companies operate using a tri-party agreement between the flexi-worker, the staffing intermediary and the end user. The flexi-staffing company receives a percentage of every employee's salary, remuneration and other applicable benefits.



Source: Crisil Research

Based on the skill set of the temporary worker, the temporary staffing market is classified as follows:



Source: Crisil Research

The flexi-staffing industry includes around six large sized players and many small and medium sized players, having a pan-India presence. Typically the larger sized players have flexi-staffing strength of over 25,000

employees. Unorganized players, which cumulatively account for a huge share of the overall flexi-staffing market, offer services limited to specific regions or cities.

The larger agencies have diversified their product portfolio from only offering flexi-staffing solutions, to becoming a one-stop-shop offering solutions for the entire range of human resource needs for a given industry or company. The HR solutions offered now include permanent recruitment, talent management, advisory services etc. Thus, employers have the option of availing multiple services from a single agency.



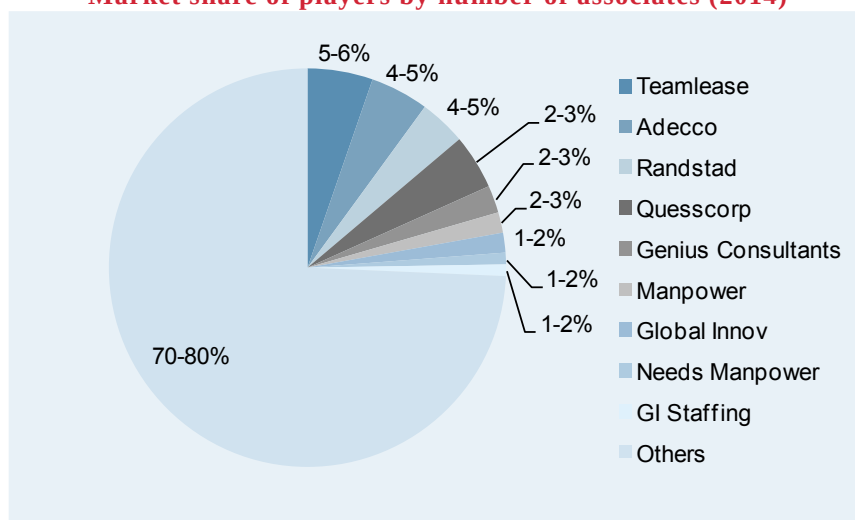
Source: Crisil Research

The range of HR services offered includes:

- **Training:** being an interface between the employee and the end-user employer, flexi-staffing agencies have a deeper understanding of the dynamics of flex-staff and principal employers. They can therefore provide relevant vocational courses and help flexi-staffers to attain expertise in imparting specialist training. This helps to differentiate the flexi-staffing company from the competition. There is large scope for vocational training, particularly in the retail and construction segments.
- **Recruitment process outsourcing:** In a recruitment process outsourcing arrangement, the employer outsources its entire or partial recruitment activities to a third-party. Organisations in India are gradually starting to outsource more and more recruitment functions to third-party providers. Flexi-staffing companies can provide these services.
- **Payroll outsourcing:** Effective payroll functioning requires specialisation and understanding of applicable laws. Recent trends indicate that many companies in India are outsourcing the payroll function for effective management of this critical function, so that they can focus on core revenue generating activities.

The flexi-staffing industry is marked by the presence of many large multinationals (such as Adecco, Randstad and global Innovsource) and Indian players (such as TeamLease, Quesscorp, etc.). However, the industry in India remains largely fragmented, with small and medium players accounting for nearly 70-80% of the overall industry

Market share of players by number of associates (2014)



Source: CRISIL Research

The absence of strict compliance and regulations pertaining to the flexi-staffing industry has led to the entry of many unorganised players, who often discard the cost of compliance and, as a result, offer employees at a relatively economical cost compared to organised flexi-staffing companies who follow all the compliance procedures and incur the reflective costs. The use of these unorganised players is particularly common in certain industries, such as manufacturing. The flexi-staffing industry is therefore relatively fragmented.

Flexi-staffing players, during their genesis had specialization in specific domains and limited geographical presence. As the market has evolved, the only way for the larger companies to compete has been to become a one-stop-shop for flexi-staffing solutions for various domains and sectors. Many of the large flexi-staffing companies in India have undergone inorganic growth, by consolidating with or acquiring small to medium players. This gives the larger player the speciality or forte of the small to medium player acquired. The larger player is then able to widen their product portfolio.

The following illustrates the number of consolidations and acquisitions by the larger players historically:

Time period	Randstad	Manpower	Adecco
2001-to date	16	6	15
1991-2000	14	1	5
1981-1990	2	1	0
1971-1980	2	0	0

An example of an acquisition is that of Manpower, which majorly focused on recruitment and general staffing, who in the last 3 years acquired Web Development Company (WDC) to cater to professional staffing (IT services, etc.).

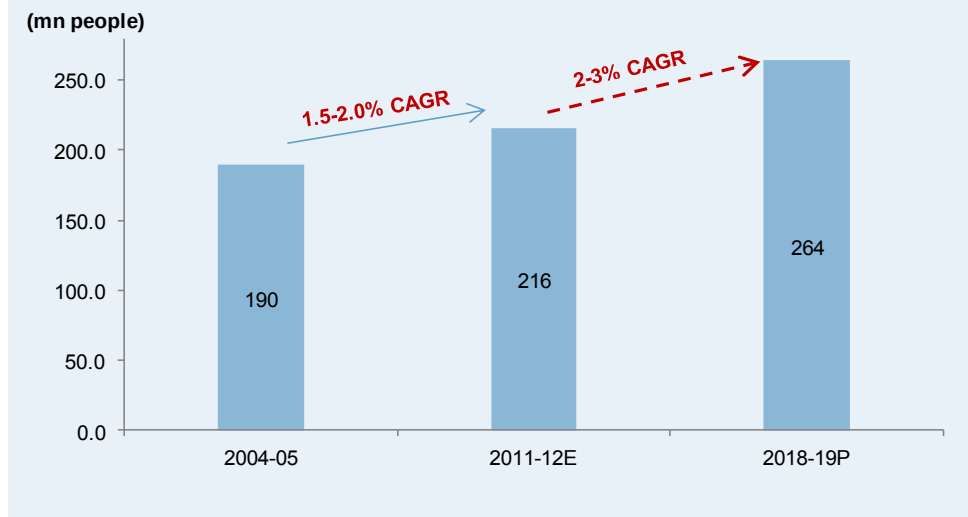
Market Outlook

Overall current industry growth

- *Employment*

The overall workforce is expected to grow at a CAGR of 2-3% during 2011-12 to 2018-2019. Sectors such as manufacturing, financial, real estate and business services and retail will continue to have a relatively higher proportion of the workforce. Sectors such as IT enabled services and banking, financial services and insurance are expected to have relatively higher growth in overall employment as compared to other sectors.

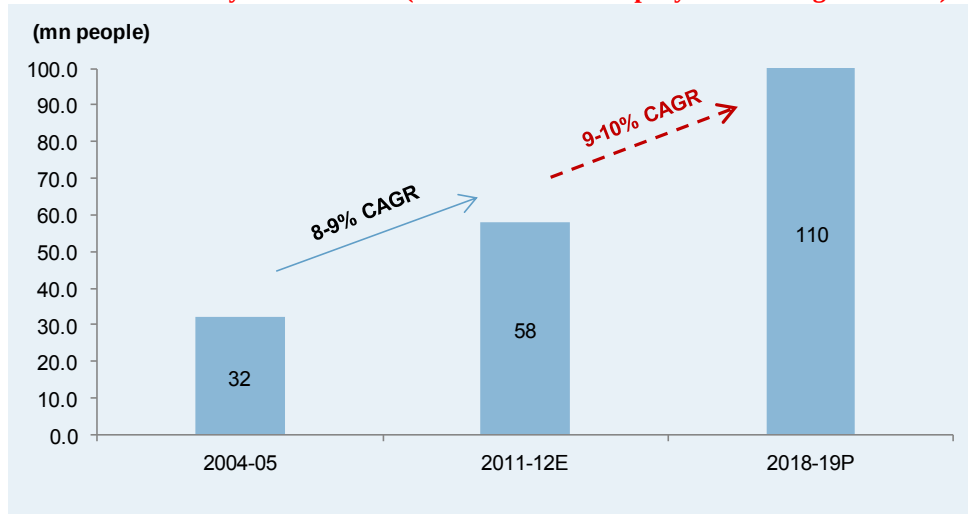
Total Industry Employment (Data excludes employment in Agriculture)



1. Note: E: Estimated; P: Projected
Source: CRISIL Research

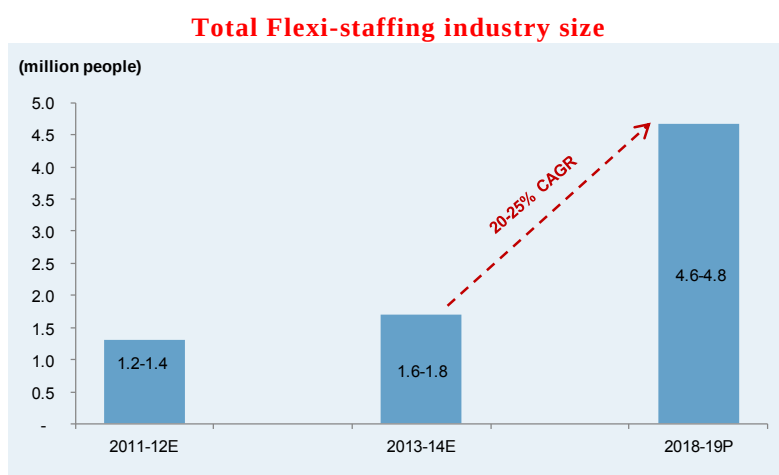
The formal workplace is expected to grow at a CAGR of 9-10% during 2011-2012 to 2018-2019. This increase will be across sectors as newer labour laws come into force, and the general overall workforce grows. Apart from manufacturing, which is expected to constitute a large amount of the overall formal employee base, sectors such as fast moving consumer goods and logistics are expected to account for a significant proportion of the formal workforce.

Formal Industry market size (Data excludes employment in Agriculture)



2. Note: E: Estimated; P: Projected
Source: CRISIL Research

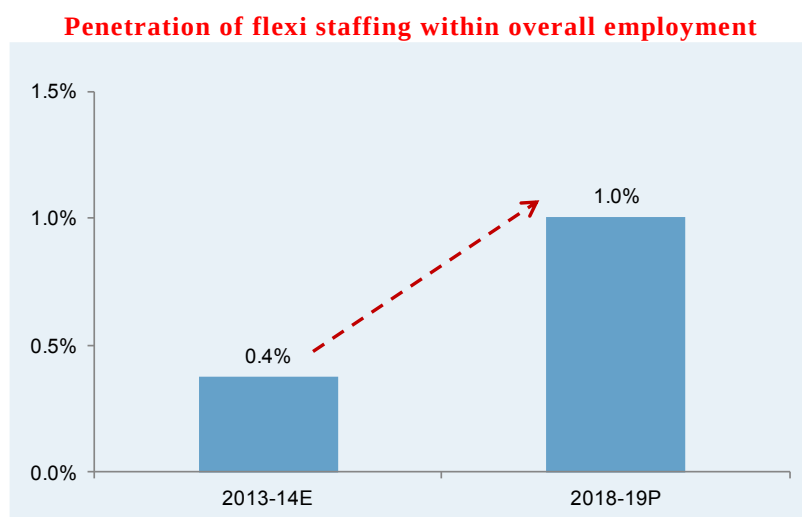
Finally, flexi-staffing is expected to grow at a CAGR of around 20-25% between 2013-2014 and 2018-2019. Although there are new upcoming sectors such as e-commerce that will create fresh demand for flexi-staffing in India, the dominance of manufacturing (which has large proportion of unorganised players) in the industry will increase. Amendments to labour laws will increase the occurrence of flexi-staffing being used.



3. Note: E: Estimated; P: Projected
Source: CRISIL Research

- *Penetration of flexi staffing within overall employment*

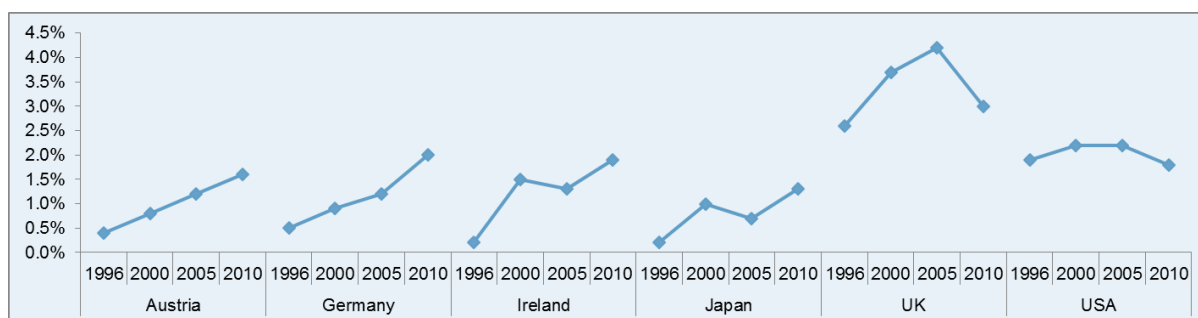
The penetration of flexi-staffing is expected to witness strong growth owing to various factors which include increasing number of enterprises turning formal, skill development and regulatory amendments in favour of formal and flexi-staffing industry. The initiatives taken by the flexi-staffing industry, such as training services, are also likely to add to the industry growth over the long term. The growth in penetration levels expected to be witnessed over the next 5 years is largely in line with many global economies who witnessed similar growth pattern.



Source: CRISIL Research
Note: Flexi staffing penetration is based on total workforce

Global case studies indicate the improvement in penetration levels of flexi-staffing over long term period.

Historically many countries witnessed gradual improvement in penetration levels



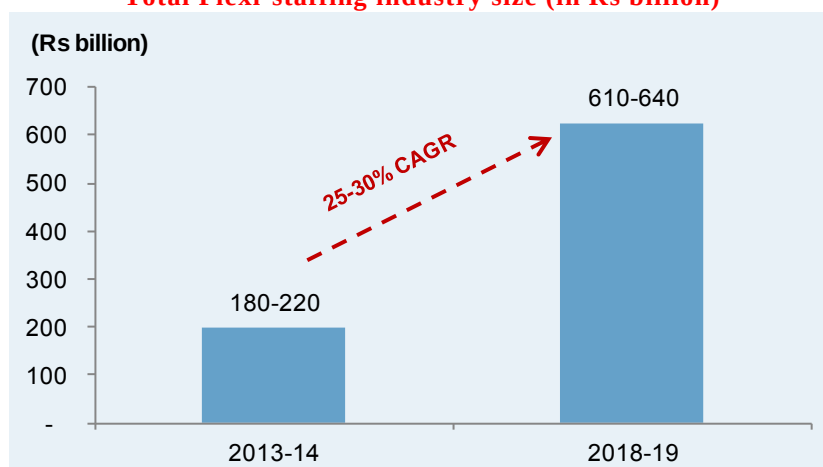
Source: CRISIL Research

Supported by factors such as adequate regulatory push and healthy GDP increase, there is scope for India's flexi-staffing industry to increase its penetration in the workforce in the future, as was/is the case in other major economies. The long term prospects for India's flexi-staffing industry are bright. The pace of the industry's growth will be a gradual process and is likely to be similar to what has been witnessed in more advanced countries.

- **Industry size**

The flexi-staffing industry in India as of 2013-2014 in value terms was around 180-220 billion. The average wages for the flexi-staffing workers is assumed to be around ₹ 8,000-10,000 (which reflects weighted average of wages for organised and unorganised players). Over the next 5 years, the flexi-staffing industry is expected to grow by 25-30% to attain a value of around ₹ 610-640 billion.

Total Flexi-staffing industry size (in Rs billion)



Source: CRISIL Research

This growth is owing to various factors, including an increasing number of enterprises turning formal, skill development and regulatory amendments in favour of formal employment.

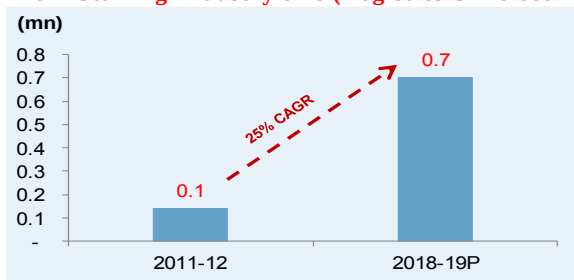
- **Segmental mix**

Over the long term, it is expected that the manufacturing sector will increase the outsourcing of its labour force to third-party staffers. The other end-use sectors are expected to largely remain stable, except for a sharp decline in the retail segment owing to the large-scale increase in e-retailing. Nevertheless, fast moving consumer goods & retail are expected to constitute a significant proportion of the overall flexi-staff industry due to end-use size.

The IT segment is expected to drive flexi-staffing demand in the future. The need for technically upgraded skill-sets coupled with the high cost of acquiring talent is expected to encourage the industry to consider flexi-staffing as a potential solution. The demand for flexi-staff in logistics and telecommunications is also likely to grow on

account of the increasing reach of service providers and the penetration of e-commerce across various regions of the country.

Flexi-Staffing Industry size (Logistics & Telecom)

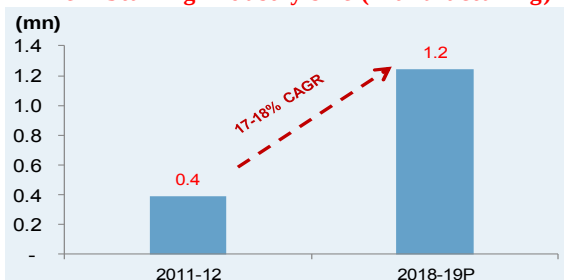


Note: 1. (P): Projected

2. The employment numbers refer to workforce in the sector "Transport, storage and communications", of which logistics and telecommunications are indicative components

Source: CRISIL Research

Flexi Staffing Industry size (Manufacturing)

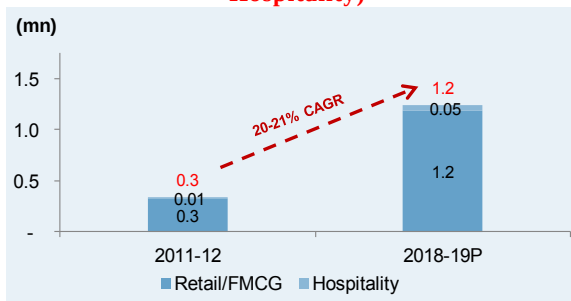


Note: 1. (P): Projected

2. The employment numbers refer to workforce in the sector "Industry", of manufacturing is an indicative component

Source: CRISIL Research

Flexi-Staffing Industry size (Retail, FMCG and Hospitality)

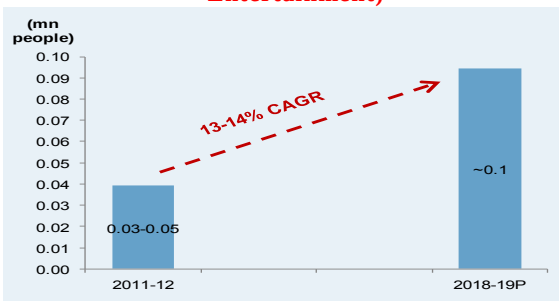


Note: 1. (P): Projected

2. The employment numbers refer to workforce in the sector "Wholesale and retail trades; repair of motor vehicles, motor cycles and personal and household goods", of which FMCG/CD and Retail are indicative components. Employment numbers of Hotels and Restaurants are indicative of those of Hospitality

Source: CRISIL Research

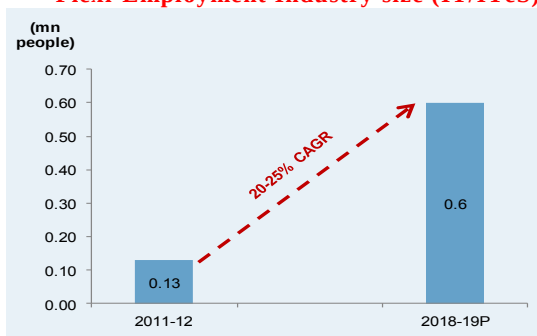
Flexi Staffing Industry size (Media & Entertainment)



Note: The employment numbers refer to workforce in the sector "Other community, social and personal service activities", of which media & entertainment is a major component

Source: CRISIL Research

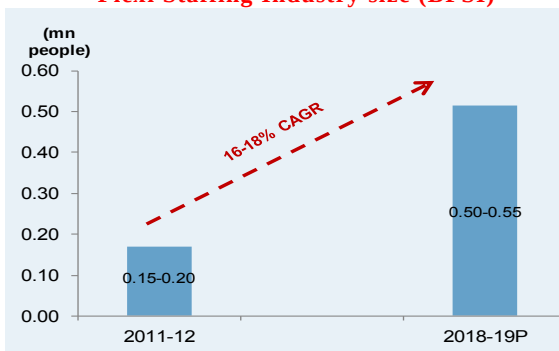
Flexi-Employment Industry size (IT/ITeS)



Note : P : Projected

Source: CRISIL Research

Flexi Staffing Industry size (BFSI)



Note: 1. (P): Projected

2. The employment numbers refer to workforce in the sector "Financial intermediation", of which BFSI is an indicative component

Source: CRISIL Research

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OUR BUSINESS

We are one of India's leading providers of human resource services in the organized segment delivering a broad range of human resource services to various industries with a vision of putting India to work. We deliver a broad range of human resource services to various industries and diverse functional roles across India to meet the needs of small and large business clients as well as those of qualified job seekers or "Associate Employees". Our services span the entire supply chain of human resources in India, covering aspects of employment, employability and education. Our employment services include temporary staffing solutions, permanent recruitment services and regulatory consultancy for labor law compliance; our employability offerings include different types of learning and training solutions, including retail learning solutions, institutional learning solutions and enterprise learning solutions, we had 104,946 Associate Employees as of November 30, 2015, making us one of India's leading people supply chain companies. All of our businesses operate on an asset-light model with low capital expenditure requirements.

Our core business is providing staffing solutions across industry sectors and diverse functional areas. The majority of our Associate Employees are engaged in sales, logistics and customer service functions. We focus on people, processes and technology to enhance business productivity by enabling our clients to outsource their staffing requirements and allowing them to focus on operating and growing their core businesses. As on March 31, 2015, we have provided employment to approximately 1.12 million Associate Employees since 2002. As of November 30, 2015, we served 1,252 clients with a network of nine offices and 1,218 full-time employees across India. We are managed professionally by a high quality management team with deep extensive market and industry expertise, exhibiting thought leadership on matters of public policy. We had 979, 1,057 and 1,218 full-time employees as of March 31, 2014, March 31, 2015 and November 30, 2015, respectively.

We have provided services under the TeamLease brand for more than ten years and IIJT brand for more than five years. We have grown largely organically, driven by our strong operational and technological excellence. From time to time we also identify and complete acquisitions to improve operational synergies, acquire new clients or enter new sectors. While we traditionally have not been focused on any particular industry sector in providing human resource services, we are currently exploring opportunities to enter the growing IT, healthcare and hospitality services sectors.

Our IT department, comprising 77 employees as of November 30, 2015, has been at the forefront of our business development by continuously producing upgrades to our various software applications and platforms. We believe that our technology infrastructure is robust and offers high levels of utility and functionality that can manage the demands of a rapidly scaling business. Our focus now is on improving the scale and reach of our technology platforms, with plans to improve the front-end user interface.

Staffing is a critical function for businesses. Customer demand is dependent upon the state of the economy, overall strength of the labor market as well as an established trend towards greater workforce flexibility. Demand is generally immediate and short term, and so our ability to service this demand gives us a competitive advantage. More liberal labor market laws, particularly for temporary staffing, are beneficial for the industry and have been a driver for greater workforce flexibility. We have championed the cause for labor reforms in India, particularly with regard to labor laws and public policy for many years and have helped create and expand the market for our services in India. Manish Mahendra Sabharwal, our Chairman, was selected to be a member of the Planning Commission Committee for labor reforms. As a member of the said committee and the Prime Minister's Skill Council, he chaired the sub-committee on remodelling of apprenticeship training. Our strong focus on regulatory compliance has enabled us establish a regulatory consulting business, whereby we provide regulatory services to clients with respect to maintenance of registers and compliance with various labor laws.

Our business is also strongly influenced by the macroeconomic cycle, which typically results in growing demand for employment services during periods of economic expansion and, conversely, contraction of demand during periods of economic downturn. Due to the sensitivity to the economic cycle and the low visibility in the temporary staffing sector, forecasting demand for staffing and human resource services is difficult. Typically, clients are not able to provide much advance notice of changes in their staffing needs. Responding swiftly to the customer's fluctuating staffing requirements in a flexible way is a key element of our strategy.

Our consolidated total revenues were ₹ 12,157.93 million, ₹20,184.60 million and ₹15,375.25 million and our profit after taxation as restated was ₹ 109.72 million, ₹296.90 million and ₹178.57 million, respectively, in the six months ended September 30, 2015, and in the years ended March 31, 2015 and 2014.

Competitive Strengths

Market leading position with scale

According to CRISIL, we are one of India's leading organized staffing companies with a market share of approximately 5% in terms of Associate Employees in 2014. According to CRISIL, we have a larger market share than our competitors, both Indian companies as well as the Indian operations of global staffing, in terms of revenues. We have grown our revenues and the number of our Associate Employees significantly over the years. Our growth has been largely organic, and as of November 30, 2015, we had 1,252 clients, and as of November 30, 2015 we had 104,946 Associate Employees, making us one of the leading organized temporary staffing services companies in India with a significant brand value, which enables us to grow our business by attracting new customers as well as Associate Employees.

We use our presence across India, our well trained, diverse and large Associate Employee base and our scale of operations to leverage our centralized operations to provide comprehensive and cost-effective solutions to a diversified client base across sectors with a short turn-around time. Our Associate Employees are spread across India with our offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune. Our large geographical presence enables us to offer services to clients who have operations at multiple locations across India. Our scale also allows for workforce specialization by industry vertical markets and helps us to deliver staffing services that are most relevant to the needs of our clients.

Strong compliance practices that enable us to build longstanding relationships with clients

We place tremendous emphasis on compliance with applicable labor laws and regulations in an industry that is for the most part highly unorganized and fragmented. We believe that our focus on regulatory compliance gives us a significant competitive advantage, particularly in light of the evolving policy environment in India concerning labor laws with most of the larger clients shifting to organized service providers to comply with applicable regulations. Our strict adherence to labor laws and regulations sets us apart from our competitors, particularly those operating in the unorganized market, by providing us credibility and enabling us to build and maintain longstanding relationships with our clients. Our robust internal compliance mechanism has enabled us to set up a regulatory compliance vertical to service third parties. We had a team of 116 full time employees as of November 30, 2015 which focuses on staffing and labor compliance issues as well as on corporate and legal compliance issues. We believe that we are a trusted and preferred partner to our clients and are therefore able to attract, and provide temporary staffing services to, large Indian and multi-national companies such as Vodafone, E.I.Dupont India Private Limited and ATC Telecom Tower Corporation Private Limited. We also experience high levels of repeat customers. Repeat customers are clients on-boarded in the previous financial years representing 95.81% and 93.21% of our total revenues in the years ended March 31, 2014 and March 31, 2015, respectively. We define repeat customers as those customers who are not billed for the first time during the relevant year. Five of our top ten clients by revenue in the year ended March 31, 2015 have been with TeamLease for a term exceeding six years.

Technological and operational excellence

We have implemented processes and systems that have resulted in us achieving operational excellence, particularly in our ability to identify the right human resources to suit the customer requirements and to provide our clients consistently high levels of quality and reliability. We have undertaken a series of actions that have streamlined our operations. We have centralized our operations, finance, IT and regulatory compliance teams in Bengaluru. This enables us to remove branch level accountability for operations which can result in inconsistent and inefficient client service delivery. We have also standardized processes for client, by choosing broad templates that can be applied uniformly to all our clients. We believe that standardizing our processes has enabled us to offer consistently high levels of service to our clients and reduce the turn-around time. Most importantly, we have made significant investments in our proprietary technological platforms that have contributed significantly to operational efficiencies and the scale of our operations. Using our technology platform, we have implemented a steady migration of our operations from manual to automation in phases over the last five years. Our technology infrastructure has been designed in a manner that it can be configured according to specific requirements of our clients. For further details on our technology infrastructure, please refer "Technology" below.

We have been recognized for our operational and technological excellence on various forums and our Promoters have won various awards, including the FICCI Leapvault Skills Champion award, 2012 and the Forbes Leadership award, 2011. Our operational excellence is also reflected in our track record of making on-time payments in line with the agreed upon payroll due calendar (PDC) with our clients. Our Company also has been showcased in a case study published by the London Business School and the Harvard Business School. We believe that our technological and operational excellence gives us a key competitive advantage in the markets that we operate in.

Strong functional knowledge and expertise across industry sectors

We deliver our staffing services across various industries including the consumer durables, chemicals, manufacturing, media and telecom, retail, Banking Financial Services and Insurance ("BFSI"), e-commerce, pharmaceuticals and healthcare sectors. Owing to our scale of operations and diverse client base, we have developed deep expertise around the human resources functions across sectors for our staffing services. Sales, customer service and logistics functions are segments where we deploy the majority of our Associate Employees. Our direct sales force and go-to-market strategy is aligned with our broad sector-neutral reach, which enhances our client value proposition and allows us to leverage our strong institutional knowledge to further expand our presence in the market. We believe that our ability to handle complexity allows us to target clients across a range of industries with varying levels of service requirements based on their human resource environment and required employee experience while we look forward to extend target our services to sectors such as IT, healthcare and hospitality services. Our company publishes the following reports regularly that demonstrates the depth of knowledge, thought leadership and expertise in the sector: (i) India Labour report, which covers various aspects of the Indian labour market; and (ii) Salary Primer, which gives an indicative range of salaries for different trades and professions across the country.

Strong management and thought leadership in public policy initiatives and backing by marquee private equity investors

We are a professionally managed company, and our high quality senior management team provides the right balance of experience, expertise and strategic vision, contributing significantly to our growth. Our management team is backed by our individual Promoters, who have a extensive experience in the Human Resources services industry in general and staffing industry in particular, with distinct, specific and defined roles in nurturing our Company. Our Chairman, Manish Mahendra Sabharwal, provides leadership at the Board level and sets our strategy and direction. He is also our official spokesperson. He was selected to be a member of the Planning Commission Committee for labor reforms. As a member of the said committee and the Prime Minister's Skill Council, he chaired the sub-committee on remodelling of apprenticeship training that has led to reforms in Apprenticeship regime. He is also on the Niti Aayog committee, serves as an advisor to Rajasthan and received the CAGE nomination. Our Managing Director, Ashok Kumar Nedurumalli, oversees our operations and represents us in forums with major clients. Mohitkaran Virendra Gupta, in his capacity as a whole-time Director was primarily responsible for the operational performance of our staffing business. Going forward Mohitkaran Virendra Gupta will continue to be engaged with the staffing business in an advisory capacity. Our management team also benefits from inputs from our key investors, GCIF, GAPL, GIL and IAF. Our senior management team, Promoters and investors share a strategic vision for our Company and play an important role in the success of our growth and market-leading position. Our Promoters are also champions of labor reforms in India, helping to create a market for our services in an otherwise unorganized sector and building the TeamLease brand. We believe that the thought leadership demonstrated by our Promoters to reform India's labor laws together with our focus on regulatory compliance and technology, provides us with significant competitive advantages in any resulting market size expansion.

Business Strategy

Our business strategy is to grow our business by increasing the scale and reliability of our business, and building trust with our Associate Employees and clients. The individual components of our business strategy are set forth below.

Develop new areas of growth by diversifying service offerings across the human resources value chain

Our track record and deep experience in providing staffing solutions across industry sectors has given us deep and substantive knowledge of the staffing needs of a diverse range of clients in different industries. This enables us to provide a bundled solution of services to each client that is tailored to its specific needs and to attract sales

professionals with industry expertise. We have commenced expanding our services to span the entire chain of human resources in India, covering aspects of employment, employability and education. In this regard, in our employment services we intend to grow (a) our permanent recruitment services by adding newer forms of recruitment like Recruitment Process Outsourcing (RPO) and (b) our regulatory consultancy for labor law compliance businesses by having dedicated personnel for business development/marketing activities; in our employability offerings we intend to improve our (a) retail learning solutions by expanding our foot print of franchise network and converting our franchise network into employment centers, (b) institutional learning solutions.

We intend to expand the breadth of human resource services in order to be a one-stop provider of human resources services from temporary staffing to payroll processing, recruitment, compliance and training services. To achieve this, we have adopted a “match, repair and prepare” strategy that will enable us to match the requirements of our clients with the right human resource, assist in repairing for any skill deficits of our Associate Employees’ training and prepare people to enter the workforce by equipping them with vocational skills. We believe that our “match, repair and prepare” strategy will enable us to access a better quality workforce, help us expand our service offerings and evolve from a staffing solutions provider to a training and learning based human resource service provider. Furthermore, while we have traditionally been sector agnostic and focused on providing temporary staffing solutions for sales, logistics and customer service functions, which are relatively low margin services, we intend to offer higher margin services by providing specialized service offerings in service sectors such as IT, hospitality and healthcare. We also intend to strengthen our operations by hiring operations staff to support the growth in new verticals and service offerings.

Achieving scale in staffing through five key elements

We intend to achieve scale as a means to increase our revenues without incurring corresponding increases in operating expenditure. The following five elements are aimed to achieve scale in our staffing business:

1. Technology

Technology is at the forefront of our business, and is the key enabler of core staffing business, as well as for our non-staffing businesses. As of November 30, 2015, we employed a team of 77 software engineers, who continually develop various applications that enable us to grow our business while achieving efficiency and economies of scale. Set forth below are some of the key software applications developed by our in-house technology team.

- ***Associate Lifecycle System (ALCS)***

ALCS is a Microsoft systems based technology platform that drives our staffing business. Our ALCS platform provides automation to the entire associate lifecycle process from on boarding Associate Employees, to requesting relevant monthly information from clients, such as incentives payable and leave of absences, to raising invoices, billing clients and making collections to releasing monthly salary payments to our Associate Employees. Our technology team rolls out annual versions that reflect significant upgrades to our system towards achieving increasing levels of automation of our business processes. We are currently on version 9.0, and are working on version 10.0. The primary business objective of version 10.0 is to reduce the time taken to process our approximately 100,000 payroll records across 1,252 clients as of November 30, 2015. We currently take 117 hours to process these payrolls and processes through a system of sequential processing; version 10.0 will reduce this to approximately four hours using a parallel processing system. This parallel processing system will have the capacity to process a million Associate Employee payrolls, thereby helping us to scale up our operations significantly. Future versions will focus on improving the usability of the system, making the user interface more easily accessible internally as well as by our clients. The ALCS system is modular, which helps us in implementing monthly and quarterly upgrades that enable us to improve functionality without having to wait for new versions. Our ALCS platform also helps us to manage an associate count of as low as one to as high as couple of thousands within a particular system.

- ***Candidate Lifecycle System (CLCS)***

CLCS was developed principally for our permanent recruiting business but is also used in the sourcing side of our staffing business. CLCS is a Microsoft systems based platform that automates the candidate lifecycle from processing job requirements provided by clients, to registering mandates, searching for matching candidates in our database using artificial intelligence, to sending profiles to clients, processing client shortlists of candidates,

tracking interviews and raising invoices in the case of permanent recruitment candidates or migrating them to the ALCS system in the case of temporary staffing candidates. We are currently on version 3.1. The business objective of version 4.0 is to create market place for job seekers. We believe that this will help us reduce hiring costs for our sourcing and permanent recruitment businesses.

- *Regulatory Lifecycle System (RLCS)*

RLCS is a Microsoft systems based technology platform designed for our regulatory consulting business. RLCS manages the entire consulting process. The system has an embedded store of all relevant labor laws in India and is designed to accept inputs of client data, perform automatic audits of our clients' regulatory compliance status and generate reports, which we can send to clients as part of our consulting services. We are currently on version 7.0. Our technology team is working on developing version 8.0, which will have improved usability that will make work flows self-guided and user friendly.

- *Center Operation Management System (COMS)*

COMS is a Microsoft systems based technology platform that manages our retail learning solutions business operating under the IIJT brand. COMS manages the franchisee operations from candidate registration to tracking courses and classes to collecting royalties from franchisees.

2. Operations

The back end operations for staffing consists of the following teams: operations, customer relations, operational finance, legal / compliance, quality management, information technology and management information systems. We moved from a distributed operational model to a centralised model during the year 2009-10. Centralising all the operational teams has helped us maintain consistency in delivery and improved performance. Our constant endeavor has been to improve our staffing operations systematically through people, process and technology. While focussed training of the employees and constant improvement in processes help us on the quality front, interventions on the technology front has helped us with scale. All of the above functions constantly strive towards improving key metrics around 'Associates paid on time and client satisfaction.

3. Compliance

We intend to continue to improve our regulatory compliance processes. We believe that the adoption of labor reforms in India which will enforce minimum wage compliance, provide options to low-wage employees to determine their portion of statutory contribution to PF, ESIC etc., will significantly expand the market for organized temporary staffing service providers by curbing the dominance of the unorganized temporary staffing market. Our individual Promoters will continue to demonstrate their thought leadership in advocating labor reforms at the highest levels of public discourse in India. Our objective in focusing on regulatory compliance is to be well prepared to capitalize on market opportunities that present themselves as a consequence of labor reforms being adopted in India.

4. Business development and brand promotion

Given the unique nature of the industry we operate in whereby the organized staffing companies have only a 1% share of the total staffing market, we intend to aggressively expand our reach and service offerings by increasing the size of our business development teams and brand building activities. Our brand building activities would largely be centered around undertaking advertising campaigns on (i) television (heavy seasonal bursts supported by thin presence across the period); (ii) radio (this will be in addition to the television advertising in select cities); (iii) digital (continuous presence throughout the campaign period on Google, Facebook and Youtube); and (iv) print media (promotional supplement in English daily newspapers that are targeted at our metro city audiences).

5. Associate Employee hiring

Hiring of Associate Employees is a key element of the staffing business and leads to enhanced customer satisfaction. This activity is being carried out by our sourcing department through a dedicated team of 160 full-time employees as of November 30, 2015, in addition to certain vendors at locations where we do not have a physical presence. In the years ended March 31, 2014 and 2015, approximately 6% and 10%, respectively, of

Associate Employee applicants were successfully matched to temporary staffing roles with our clients. We believe that we can improve the rate at which we can match Associate Employee applicants to jobs by further improving our already strong technology platforms. We also intend to increase the total number of associates hired for the staffing business through the following means: (i) establishing a portal whereby job-seekers across the country are able to submit their information for jobs that are currently posted or for other opportunities that may arise in the future; and (ii) convert all of our retail training centers into private employment exchanges.

Continue to grow through strategic acquisitions.

We intend to pursue strategic acquisitions that will enable us to leverage our existing assets and offer our clients more comprehensive and attractive services. We intend to enhance and expand our presence in both existing and new segments and target industries, as well as expand our solution and technology platform. Strategic acquisitions could also enable us to establish our presence in newer sectors such as IT and healthcare and hospitality given the specialized human resources requirements.

Our Operations

An overview of our operations in India are set forth below:

Businesses	Services	% of total revenue from operations (year ended March 31, 2015)	% of total revenue from operations (six months ended September, 30, 2015)
Staffing operations	• Staffing services	97.75%	98.25%
HR services	• Permanent recruitment	2.25%	1.75%
	• Regulatory compliance consulting		
	• Retail learning solutions		
	• Institutional learning solutions		
	• Payroll		

Our portfolio of recruitment services are provided under our TeamLease brand. We have provided services under our core TeamLease brand for over ten years that has resulted in providing temporary staffing to the functional areas of logistics, retail and sales. We provide retail training services under the IIJT brand. Our experience and expertise allow us to accurately assess candidates' workplace potential and technical skills to match them to the needs of our clients. We operate through nine branch offices in India, in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune.

Our staffing business

Our core business is providing staffing solutions to our clients in India. We offer temporary staffing services under our staffing business. We are one of India's largest companies providing temporary staffing and payroll services in the organized sector by revenues and by the number of Associate Employees. We provide businesses with rapid access to a highly qualified and productive pool of candidates to give them the flexibility and agility they need to respond to changing business needs. We identify qualified job seekers across locations, industry and functions, whom we hire as our Associate Employees prior to placing them with our clients.

By offering a comprehensive range of staffing solutions and services, we help companies at varying stages in their evolution to increase productivity, quality and efficiency in order to achieve their business goals. Our experience and expertise allow us to accurately assess candidates' workplace potential and technical skills to match them to the needs of our clients. We plan to focus on business development initiatives and operational excellence to continue to build our brand and attract the talent our clients need as skills shortages arise. We also plan to utilize various modes of sourcing Associate Employees, such as job fairs and taking over employment exchanges under the public private partnership model.

Anticipating trends in demand is also important in managing our internal cost structure. This coupled with our ability to optimize our resources and to enhance competitive advantage through our wide variety of services and extensive network while maintaining standards of quality to both our clients and Associate Employees are key components to achieving profitability targets during any part of the economic cycle.

Client demand for workforce solutions and services is dependent on the overall strength of the labor market and trends toward greater workforce flexibility within the markets in which we operate. Improving economic growth typically results in increasing demand for labor, resulting in greater demand for our staffing services. Correspondingly, during sustained periods of weak economic growth or economic contraction, the demand for our staffing services typically declines. However, in periods of short-term economic downturn, there can be an increase in the demand for temporary staffing.

During the last several years, secular trends toward greater workforce flexibility have had a favorable impact on demand for our innovative workforce solutions and services. As companies attempt to increase the variability of their cost base, the workforce solutions we provide help them to effectively address the fluctuating demand for their products or services.

We offer temporary staffing services under our staffing business.

Our temporary staffing business requires us to identify Associate Employees that fit the skills requirements of our clients and to then place them with our clients while the Associate Employees themselves remain on our rolls as employees. We earn a one-time fee for every Associate Employee we identify in addition to a monthly fee on their salaries. Our key clients in this business include Vodafone, ATC Telecom Tower Corporation Private Limited, E.I.Dupont India Private Limited, Levis Strauss India Private Limited, Godrej Industries Limited, YOU Broadband India Private Limited, PNB Housing Finance Limited and ZTE Telecom India Private Limited.

As of November 30, 2015, we had 104,946 Associate employees, serving 1,021 clients and 1,218 full time employees making us one of India's leading people supply chain companies. The table below shows the growth of the number of our Associate employees from March 31, 2010 onwards.

No. of Associates	March 31, 2010	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014	March 31, 2015	November 30, 2015
End of Year	43,528	49,820	61,021	72,491	82,067	94,647	104,946

In the years ended March 31, 2014 and 2015, and in the six months ended September 30, 2015, our consolidated revenues from our staffing business was ₹15,025.77 million and ₹19,731.36 million, and ₹ 11,945.76 million, respectively.

HR Services business

Permanent recruitment

Our permanent recruitment business constitutes a small but strategically important part of our portfolio of human resources services.

We identify permanent staff for our clients in India and charge clients a one-time recruitment fee for each successful recruitment. We mainly serve clients in the following four industry sectors: BFSI, IT, manufacturing and services sectors. By leveraging our trusted brand, industry knowledge and expertise, we place the right talent in the right role to help our clients access the people they need on a timely basis. Our permanent recruitment business is supported and enhanced by our Candidate Lifecycle System technology platform. We have a team of approximately 101 recruitment consultants. Our permanent recruitment business serves our clients well, particularly because most of our clients have temporary as well as permanent staffing requirements and we can now cater to both of these needs.

With increased economic activities, the need for hiring permanent employees also increased, therefore, we have recently commenced providing Recruitment Process Outsourcing (RPO) services. We define RPO services as those permanent recruitment mandates for which we have exclusive authority to fill personnel for 50 or more

vacancies per mandate on behalf of our clients. For the financial year ending on March 31, 2015, we had carried out RPO mandates for five clients.

In the years ended March 31, 2014 and 2015 and in the six months ended September 30, 2015, our consolidated revenues from recruitment services were ₹ 112.95 million and ₹ 137.71 million and ₹ 82.03 million, respectively which primarily consists of permanent recruitment business.

Regulatory compliance

Our regulatory compliance consulting business provides consulting services with respect to staffing and labor compliance issues as well as on corporate and legal compliance issues. We had a team of 116 full time employees to operate this business as of November 30, 2015. We operate from seven cities in India and can provide our services to clients across India. Our services include a consolidated monthly management information system of compliance issues as well as face-sheets that provide an executive level summary of a client's regulatory compliance status across India. We use our RLCS platform, which is our proprietary end-to-end labor compliance management software that can create, maintain, track and update a client's compliance activities. Each client is also provided with a password protected web portal for real time updates on compliance activities as well as a repository of the documents and data. As of March 31, 2015, we had 118 clients in our regulatory compliance consulting business. Our key clients in this business include Mphasis Limited, Nunhems India Private Limited and Edelman India Private Limited and IndiaFirst Life Insurance Company Limited.

In the years ended March 31, 2014 and 2015, and in the six months ended September 30, 2015, our consolidated revenues from regulatory services provided were ₹ 44.16 million, ₹ 44.91 million and ₹ 32.54 million, respectively which primarily consists of regulatory compliance business.

Retail learning solutions

We follow a franchisee model in implementing our retail learning solutions business. We offer training programs in IT, Finance and Retail. We set up a network of training centers operating under the IIJT brand across India by identifying and appointing franchisees, we mobilize and enroll trainees and provide training materials and also offer placement services for trainees. We collect royalties from franchisees for the use of our materials as well as a percentage of fees they collect from trainees. Historically, this business was operated by IIJT, which we acquired in 2010-2011. Until 2013, we operated the training centers through franchisees as well some centers ourselves by leasing out premises across India. We are now moving into a completely franchisee model. We have also partnered with the National Skill Development Corporation ("NSDC") to offer various training programs. As at financial year ended on March 31, 2015, we provided training to approximately 17,691 persons under the Star Scheme of NSDC programme for which our centers are entitled to receive approximately ₹9,000 per person subject to certain conditions set by NSDC.

In the years ended March 31, 2014 and 2015, and in the six months ended September 30, 2015, our consolidated revenues from tuition fees and royalty & affiliation income were ₹ 19.63 million, ₹ 55.83 million, and ₹ 5.38 million, respectively which primarily consists of retail learning solutions business.

Institutional learning solutions

As of November 30, 2015, this business was operated by 24 full time employees. Our clients in this business line are State Governments or governmental agencies. We provide placement skills training on behalf of various State Governments. We are awarded these projects on the basis of public tenders. Pursuant to our partnership with NSDC, we are prequalified to bid for tenders. In addition, we received a grant from the government of Kerala to offer skills training program. We also collaborate with employment exchanges to offer skill development solutions. As of March 31, 2015, our Company has entered into contract with Kerala Academy for Skills Excellence with an objective of upgrading the district employment exchange in Ernakulam, Kozhikode and Kannur.

In the years ended March 31, 2014 and 2015, and in the six months ended September 30, 2015, our consolidated revenues from skills and development services were ₹ 61.82 million, ₹ 87.89 million and ₹ 26.46 million, respectively which primarily consists of institutional learning solutions business.

Enterprise learning solutions

Our enterprise learning solutions business, housed under TLSU, delivers technical training and training materials to corporate clients. While we have a team of approximately seven managers to operate this business, we rely entirely on freelance technical trainers to deliver training modules to our clients and do not have any in-house capability to deliver these services. Our clients for this business include companies in the BFSI, retail, media, and IT services sectors.

Business Development

Our business development team is spread across seven locations namely Bengaluru, Delhi, Kolkata, Mumbai, Pune, Chennai and Hyderabad with a total head-count of 77 as of November 30, 2015. We intend to aggressively expand our reach and service offerings by increasing the size of our business development teams and by having dedicated sales team for service offerings like Regulatory Compliance.

Competition

We compete in the employment services industry by offering a broad range of services, including permanent, temporary and contract recruitment, project-based workforce solutions, assessment and selection, training, career and talent management.

Our industry is large and fragmented, comprised of thousands of firms employing millions of people and generating billions of Indian rupees in annual revenues with the top 10 staffing companies commanding approximately 27% market share (Source: CRISIL) In most areas, no single company has a dominant share of the employment services market. In addition to us, other large companies specializing in recruitment services are Adecco, S.A. (Switzerland), Manpower Inc. (U.S.), Kelly Services (U.S.) and Randstad Holding N.V. (Netherlands). We also compete against a variety of regional or specialized companies such as Innovsource and Qess Corp Limited. It is a highly competitive industry, reflecting several trends in the global marketplace such as the notably increasing demand for skilled people, employers' desire for more flexible working models and consolidation among clients and in the employment services industry itself. We manage these trends by leveraging established strengths, including being one of the Indian employment services industry's most recognized and respected brands; geographic diversification; size and service scope; an innovative product mix; recruiting and assessment expertise; and a strong client base. While staffing is an important aspect of our business, our strategy is focused on providing both the skilled employees our clients need and high-value workforce management, outsourcing and consulting solutions.

Our client mix consists of both small and medium size businesses, which are based upon a local or regional relationship with our presence in each market, and large national/multinational client relationships. These large national and multinational clients will frequently enter into non-exclusive arrangements with several firms, with the ultimate choice among them being left to the local managers. As a result, employment services firms with a large network of offices compete most effectively for this business which generally has agreed-upon pricing or mark-up on services performed. Client relationships with small- and medium-size businesses tend to rely less upon longer-term contracts, and the competitors for this business are primarily locally-owned businesses.

Regulation

The employment services industry is closely regulated in markets in which we operate. Employment services firms are generally subject to one or more of the following types of government regulation:

- regulation of the employer/employee relationship between the firm and its temporary and contract employees;
- registration, licensing, record keeping and reporting requirements; and
- substantive limitations on the operations or the use of temporary and contract employees by clients.

The existence or absence of collective bargaining agreements with labor organizations has a significant impact on our operations and the ability of clients to use our services. In some sectors, labor agreements are structured on an industry-wide, rather than company-by-company, basis. Changes in these collective bargaining agreements have occurred in the past and are expected to occur in the future and may have a material impact on the operations of employment services firms, including us.

In India, workforce solutions and services firms are considered the legal employers of temporary and contract workers. Therefore, laws regulating the employer/employee relationship, such as tax withholding or reporting, social security or retirement, anti-discrimination and workers' compensation, govern the firm.

Entry into the employment services market may also be restricted by the requirement to register with, or obtain licenses from, a government agency. In addition, a wide variety of ministerial requirements may be imposed, such as record keeping, written contracts and reporting.

In addition to licensing or registration requirements, local rules impose substantive restrictions on the use of temporary and contract workers. Such restrictions include regulations affecting the types of work permitted, the maximum length of assignment, wage levels or reasons for which temporary and contract workers may be employed.

Trademarks

We maintain a number of registered trademarks, trade names and service marks in India. We believe that the TeamLease trademark has significant value and is materially important to our business. In addition, we maintain other intangible property rights. The trademarks have been assigned an indefinite life based on our expectation of renewing the trademarks, as required, without material modifications and at a minimal cost, and our expectation of positive cash flows beyond the foreseeable future.

Employees

We had 1,218 full-time employees as of November 30, 2015.

As described above, we, as the employer of our temporary and contract workers or as otherwise required by applicable law, are responsible for employment administration. This administration includes collection of withholding taxes, employer contributions for social security or its equivalent, workers' compensation and fidelity and liability insurance, and other governmental requirements imposed on employers. In most jurisdictions where such benefits are not legally required, we provide health and life insurance, paid holidays and paid vacations to qualifying temporary and contract employees.

Remuneration to our permanent employees comprises a fixed component as well as variable pay. Variable pay consists of direct incentives and shared incentives. Our direct and shared incentives are linked to performance targets being achieved by employees. We have an annual performance appraisal system for all employees. Annual increments are awarded only for employees who meet minimum performance standards in their job.

Insurance Coverage

We maintain insurance coverage on all our assets located at our head office and on all our movable assets in branch premises owned by us against fire, earthquake and related perils. We also maintain insurance against burglaries at our offices, and against loss by riots, strikes or terrorist activities, cash in transit and employee theft. Our insurance policies are generally annual policies that we renew regularly. Set forth below is a list of certain insurance policies that we maintain:

- (i) Group medical and personal accident policy;
- (ii) Employee deposit link insurance;
- (iii) Group term life insurance ;
- (iv) Commercial general liability;
- (v) Crime policy;
- (vi) Professional indemnity policy;
- (vii) Fidelity guarantee policy;
- (viii) Directors and officers liability cover policy;
- (ix) Compact policy for assets;
- (x) Compact policy for laptops;
- (xi) Goods in transit policy;
- (xii) Burglary business policy;
- (xiii) Electronic equipment insurance policy; and
- (xiv) Standard fire and special perils policy.

Litigation

Except as disclosed elsewhere in this Red Herring Prospectus, we have no material litigation pending against us or our Directors. For details, please refer to “Outstanding Litigation and Material Developments” on page 360.

Immovable Property

Our Registered Office is located in Mumbai, Maharashtra and our Corporate Office is located in Bengaluru, Karnataka. Both our Registered and Corporate Offices are leased by us. For details of our owned and leased properties, please refer to the Restated Financial Information of the Company.

REGULATIONS AND POLICIES

Given below is a summary of certain relevant laws and regulations which are applicable to our Company and its Subsidiaries. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations set out below is not exhaustive, and is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

We provide staffing and HR services including temporary staffing, permanent recruitment, regulatory compliance, payroll processing and learning services. For further details, please refer to “Our Business” on page 131.

Under the provisions of various Central Government and State Government statutes and legislations, our Company and its Subsidiaries are required to obtain and regularly renew certain licenses or registrations and to seek statutory permissions to conduct their respective business and operations.

Labour related laws

India has extensive labour related legislation. Preliminary information on some of the labour laws that may be applicable to us and our Subsidiaries has been provided below. This list is not exhaustive and does not cover all provisions of the law specified or other applicable labour laws.

Centre specific applicable labour laws

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986, (“**CLPRA Act**”) provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourers. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer.

Shops and Commercial Establishments Acts

The establishment and operation of shops and commercial establishments is regulated by state specific shops and establishments legislations. Hence, we are subject to the provisions of the Andhra Pradesh Shops and Establishments Act, 1988, the Karnataka Shops and Commercial Establishments Act, 1961, the Delhi Shops and Establishments Act, 1954, the Maharashtra Shops and Establishments Act, 1948, the Gujarat Shops and Establishments Act, 1948, the Tamil Nadu Shops and Establishments Act, 1947, the West Bengal Shops and Establishments Act, 1963 and the rules prescribed thereunder. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for registration requirements, fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**SHWPPR Act**”) aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines ‘sexual harassment’ to include any unwelcome sexually determined behaviour (whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organisations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an ‘internal complaints committee’ at each office or branch, of an organization employing at least 10 employees. The government in turn is required to set up a

‘local complaint committee’ at the district level to investigate complaints regarding sexual harassment from establishments where our internal complaints committee has not been constituted.

The Apprentices Act, 1961

The Apprentices Act, 1961, as amended (the “**Apprentices Act**”) regulates and controls the programme of training of apprentices and matters connected therewith. The term 'apprentice' means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship. 'Apprenticeship training' means a course of training in any industry or establishment undergone in pursuance of a contract of apprenticeship and under prescribed terms and conditions which may be different for different categories of apprentices. Every person engaging as an apprentice is required to enter into a contract of apprenticeship with the employer which is reviewed and registered by the apprenticeship advisor.

The Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (“**CLRA Act**”) regulates the employment of contract labour in certain establishments and to provides for its abolition in certain cases. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed in the preceding 12 months as contract labour and to every contractor who employs or employed on any day during the last 12 months, 20 workmen or more. The CLRA Act prescribes measures to be undertaken by the principal employer for the welfare of contract labourers. The CLRA Act requires the principal employer of the concerned establishment to make an application to the registering officer appointed by the appropriate government under the CLRA Act for registration of the establishment and obtain registration within the prescribed time period, failing which contract labour cannot be employed in the particular establishment. Likewise, every contractor to whom the CLRA Act applies, is required to obtain a license and not to undertake or execute any work through contract labour, except under and in accordance with such license. The CLRA Act provides for the establishment of canteens, restrooms, first aid facility and provision for drinking water by the contractor within the specified time period and on failure on part of the contractor to provide such facility, the principal employer is responsible to make provision for the same. The contravention of the provisions of the CLRA and the rules and regulations thereunder is punishable with imprisonment up to three months and in case of a continuing contravention with an additional fine which may extend to ₹ 1,000 for every day during which the contravention continues.

The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (“**EPF Act**”) provides for the institution of provident fund, pension fund and deposit linked insurance funds for the benefit of eligible employees in factories, notified establishments and establishment which are factories engaged in certain specified industries which employ more than 20 persons. A liability is placed on the employers to make certain contributions to the funds mentioned above after obtaining the necessary registrations. The current rate of contribution is 12 % of the wage of the employee including dearness allowance and retaining allowance, if any. This contribution also attracts an interest, currently 12 per cent p.a., and the accumulated amount is paid on retirement to the employee along with the interest that has accrued. The EPF Act requires all such establishments to be registered with the Regional Provident Fund Commissioner and requires the employers and their employees to contribute in equal proportion to the employees’ provident fund, the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the Regional Provident Fund Commissioner.

The Employees’ State Insurance Act, 1948

The Employees’ State Insurance Act, 1948, as amended (“**ESI Act**”) applies to all factories that are non seasonal in nature and establishments that are notified by the appropriate government in consultation with the Central Government from time to time. The ESI Act provides for a need based social insurance scheme under which the employer and the employee must contribute certain percentage of the monthly wage as prescribed by the Central Government from time to time to the Employees State Insurance Corporation established under the ESI Act. In case the contribution is not paid by the principal employer as per the provisions of the ESI Act, the principal employer shall be liable to pay simple interest at the rate of 12 % p.a. or at such higher rate as may be specified in the ESI Act and the rules thereunder till the date of its actual payment. The ESI Act provides for benefits to employees in case of sickness, maternity and employment injury. However, where an employee is covered under the ESI scheme, (a) compensation under the Workmen’s Compensation Act, 1923 cannot be

claimed in respect of employment injury; and (b) benefits under the Maternity Benefits Act, 1961 cannot be claimed. In addition, the employer is also required to register himself under the ESI Act and maintain prescribed records and registers in addition to filing of forms with the concerned authorities.

The Employees Compensation Act, 1923

The Employees Compensation Act, 1923 (“**EC Act**”), provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees’ Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of receiving a notice.

The Equal Remuneration Act, 1976

The Equal Remuneration Act, 1976, as amended (“**ER Act**”) provides for the payment of equal remuneration to men and women workers for same or similar nature of work and prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. Under the ER Act, no discrimination is permissible in recruitment and service conditions, except where employment of women is prohibited or restricted by law. It also provides that every employer should maintain such registers and other documents in relation to the workers employed by him/ her in the prescribed manner.

The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947, as amended (“**ID Act**”) provides for investigation and settlement of all industrial disputes. The ID Act enumerates the contingencies when a strike or lock-out can be lawfully resorted to, when they can be declared illegal or unlawful, conditions for laying off, retrenching, discharging or dismissing a workman, circumstances under which an industrial unit can be closed down and other matters related to industrial employees and employers. According to the ID Act, the term 'industrial dispute' means 'any dispute or difference between employers and employees, or between employers and workmen, or between workmen and workmen, which is connected with the employment or non-employment, or the terms of employment or with the conditions of labour, of any person'. The ID Act is only applicable to a person qualifying as workmen under this statute. A 'workman' means 'any person (including an apprentice) employed in any industry to do any manual, unskilled, skilled, technical, operational, clerical or supervisory work for hire or reward, whether the terms of employment be express or implied, and for the purposes of any proceeding under the ID Act in relation to an industrial dispute, includes any such person who has been dismissed, discharged or retrenched in connection with, or as a consequence of, that dispute, or whose dismissal, discharge or retrenchment has led to that dispute'.

The Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946, as amended (“**IESO Act**”) makes it obligatory for employers of an industrial establishment where 100 or more workers are employed to clearly define the conditions of employment, by way of standing orders / services rules and to make them known to the workmen employed. The employer is required to prepare draft standing order, which he proposes to adopt and submit the same to the certifying officers for certification. The employer is required to act in conformity with the certified standing orders in dealing with the daily affairs of the workmen. Certified standing orders have the force of the law like any other enactment. The IESO Act provides that in case the employer fails to submit the draft standing orders, a fine up to ₹ 5,000 can be imposed and in case of continuance of the offence, further fine up to ₹ 200 for each such day can be imposed.

Labour Welfare Acts

Labour welfare refers to all such services, amenities and facilities to the employees that improve their working conditions as well as standard of living. In order to extend a measure of social assistance to workers in the unorganised sector, the concept of 'labour welfare fund' was evolved. Accordingly, five welfare funds have been set up under the Ministry of Labour and Employment to provide housing, medical care, educational and recreational facilities to workers employed in beedi industry, mica, limestone and dolomite and iron ore mines

and cine workers. These funds are financed out of the proceeds of cess levied under respective cess / fund legislations.

The Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961, as amended ("**Maternity Benefit Act**") regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. Under the Maternity Benefit Act, a mandatory period of leave and benefits should be granted to female employees who have worked in the establishment for a minimum period of 80 days in the preceding 12 months from the date of her expected delivery. Such benefits essentially include payment of average daily wage for the period of actual absence of the female employee. The maximum period for which any woman shall be entitled to maternity benefit shall be 12 weeks, of which not more than six weeks shall precede the date of her expected delivery. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy.

The Minimum Wages Act, 1948

Under the Minimum Wages Act, 1948 ("**Minimum Wages Act**") every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 as amended (the "**Payment of Bonus Act**") was enacted to provide for the payment of bonus to persons employed in establishments where 20 or more persons are employed on any day during an accounting year. The Payment of Bonus Act ensures that a minimum annual bonus is payable to every employee regardless of whether the employer any allocable surplus in the accounting year in which the bonus is payable. Under the Payment of Bonus Act, every employer is bound to pay to every employee, in respect of the accounting year, a minimum bonus which is 8.33% of the salary or wage earned by the employee during the accounting year or ₹100, whichever is higher. Contravention of the provisions of the Payment of Bonus Act by a company is punishable with imprisonment for a term of up to six months or a fine of up to ₹1,000 or both, against persons in charge of, and responsible to the company for the conduct of the business of the company at the time of contravention, as well as the company. The Payment of Bonus Act was amended by way of the Payment of Bonus (Amendment) Act, 2015 ("Amendment Act"), through which the scope of applicability of the Act was extended from employees' employed on a salary or wage of ₹ 10,000 per mensem to those earning a salary or wage of ₹ 21, 000 per mensem. Further, in relation to the calculation of the bonus under Section 12 of the Payment of Bonus Act, the salary or wage of the employee was revised from ₹ 3,500 to ₹ 7,000. The Amendment Act also provided that the expression "scheduled employment" would now be required to have same meaning as assigned under Section 2(g) of the Minimum Wages Act, 1948.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 as amended (the "**Payment of Gratuity Act**") provides for payment of gratuity to an employee at the time of termination of services. Payment of Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in establishments in which ten or more persons are employed or were employed on any day of the preceding 12 months; and as the Central Government may, by notification, specify. Gratuity under the Payment of Gratuity Act, is payable to an employee after he has rendered his services for a period not less than five years: (a) on his / her superannuation; (b) on his / her retirement or resignation; or (c) on his / her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply). Under the Payment of Gratuity Act, the maximum gratuity payable may not exceed ₹1,000,000.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 as amended (the "**Payment of Wages Act**") has been enacted to regulate the payment of wages in a particular form at regular intervals without unauthorised deductions and to ensure a speedy and effective remedy to employees against illegal deductions and / or unjustified delay caused in paying wages. It applies to the persons employed in a factory, industrial or other establishment, whether directly or

indirectly, through a sub-contractor and provides for the imposition of fines and deductions and lays down wage periods. The Payment of Wages Act is applicable to factories and industrial or other establishments where the monthly wages payable are less than ₹ 6,500 per month.

State specific applicable labour legislations

Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 (“ISMW Act”)

The ISMW Act regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to ₹ 2,000 or with both.

The Maharashtra Workmen’s Minimum House Rent Allowance Act, 1983

The Maharashtra Workmen’s Minimum House Rent Allowance Act, 1983, as amended (“**MWMHRA Act**”) provides for payment of minimum house rent allowance to workmen employed in industries in the state of Maharashtra. The MWMHRA Act is applicable to the factories and establishment employing 50 and more workmen in the areas as classified by the Government of Maharashtra from time to time. It is further provided that once a factory or establishment falls under the MWMHRA Act, it shall be subjected to MWMHRA Act even if the number of workmen are below 50. Under the MWMHRA Act, every employer shall pay to workmen human resource allowance at 5% of wages payable per month or ₹ 20 whichever is higher. In case of default in payments, an imprisonment of up to one year or fine of ₹ 2000 or both shall be imposed.

The Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971

The Maharashtra Recognition Of Trade Unions And Prevention Of Unfair Labour Practices Act, 1971, as amended (“**MRTUPULP Act**”) provides for recognition of trade unions to facilitate collective bargaining for certain undertakings, to state their rights and obligations, to confer certain powers on unrecognised unions, to provide for declaring certain strikes and lock-outs as illegal strikes and lock-outs, to define and provide for the prevention of certain unfair labour practices. The MRTUPULP Act is applicable to an undertaking which employs 50 or more employees, who are or were employed for a continuous immediately preceding period of 12 months. This also provides for the process for recognition, cancellation, obligations and rights of the unions.

The West Bengal Workmen’s House Rent Allowance Act, 1974

The West Bengal Workmen’s House Rent Allowance Act, 1974, as amended (“**WBHRA Act**”) provides for payment of house rent allowances to workmen employed in industries in West Bengal. WBHRA Act applies to the industrial establishments in West Bengal where 20 or more workmen are employed. Once applicable, the provision of the WBHRA Act shall continue to apply to the establishment even if the number of workmen falls below the required minimum. The WBHRA Act provides for payment of house rent allowance to a workman at 5% of the wages or ₹ 15, whichever is higher. Even temporary, casual or badli workmen rendering services for less than six days in a month are entitled to a pro-rata house rent allowance.

Tax related legislations

Profession Tax Acts

The tax on professions, trades, callings and employments is regulated by state specific. Hence, we are subject to the provisions of the Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987, the Jharkhand Tax on Professions, Trades, Callings and Employments Act, 2011, the Karnataka Tax on Professions, Traders, Callings and Employment Act, 1976, the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975, the Gujarat Panchayats, Municipalities, Municipal Corporations and State Tax on Professions, Traders, Callings and Employment Act, 1976, the Tamil Nadu Panchayats Act, 1994, the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 and the rules prescribed thereunder. The State specific profession tax legislations provides for the levy and collection of a tax on professions, trades, callings and employment for the benefit of the particular State. Such Regulations provide for

the employers liability to deduct and pay taxes on behalf of their employees, meeting employers registration and enrolment requirement, filing of returns, payment of advance taxes and other matter regarding payment of tax or in case of non-payment.

Legislations applicable to TLEF and TLSU

Gujarat Private Universities Act 2009

The Gujarat Private Universities Act, 2009 as amended (the “**Gujarat Private Universities Act**”) provides for the establishment and incorporation of private universities in the state of Gujarat, with an emphasis to provide for qualitative and industry relevant higher education by the universities established under the legislation and to regulate their functions. A sponsoring body intending to establish a university under the Gujarat Private Universities Act may make an application by submitting a ‘project report’ containing the prescribed particulars along with the relevant fee. A scrutiny committee has been set up under the legislation to consider applications received and make a report to the Government of Gujarat, which if satisfied, may allow for the establishment of the proposed university by bringing appropriate legislation to include the name of the university in the schedule of the Gujarat Private Universities Act. Mandatory governing bodies that are required to be set up and the constitution of such bodies as well as the have also been prescribed by the Gujarat Private Universities Act in relation to universities established under it. In addition to regulation in accordance with the Gujarat Private Universities Act, the governing bodies of a university are required to submitted ‘first statutes’ which will govern the regulation of the university to the Government of Gujarat for its approval and publication in the official gazette. TeamLease Skills University has been established as a university and included in the schedule of universities under the Gujarat Private Universities Act, in accordance with the Gujarat Private Universities (Amendment) Act, 2013.

UGC (Establishment of and Maintenance of Standards in Private Universities) Regulations 2003

The UGC (Establishment of and Maintenance of Standards in Private Universities) Regulations 2003 (“**UGC Regulations**”) have been introduced for regulating the establishment and operation of private universities established under any state or central legislation in India. The UGC Regulations seek to provide a suitable regulatory mechanism and safeguard the interests of the student community by ensuring emphasis on quality of education. Periodic inspections at the discretion of the University Grants Commission are provided for under the UGC Regulations and a fine which may extend to ₹1,000 is prescribed for contravention of these regulations.

All India Council for Technical Education (National Employability Enhancement Mission (NEEM) Regulations, 2013

The All India Council for Technical Education (National Employability Enhancement Mission (NEEM)) Regulations, 2013 (“**Neem Regulations**”) was introduced to enhance employability of persons pursuing graduation/diploma in technical or non-technical streams or persons who have discontinued studies of degree or diploma courses. The main objective of the regulations is to provide on the job practical training through registered NEEM agents in certain designated trades and industries.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 on February 02, 2000 with Registrar of Companies, Mumbai, Maharashtra, India under the name India Life Chakravarti Actuarial Services Private Limited. The name of our Company was changed to Team Lease Services Private Limited and a fresh certificate of incorporation consequent upon change of name was issued on January 24, 2002. Our Company was converted into a public limited company and the name of our Company was changed to Team Lease Services Limited and a fresh certificate of incorporation was issued on May 15, 2015. Further, the name of our Company was changed to TeamLease Services Limited and a fresh certificate of incorporation was issued on July 24, 2015. The changes in the name of our Company were made to align ourselves with the brand name 'TeamLease' and leverage the value of the brand.

Our Company has 136 Shareholders as of the date of filing of this Red Herring Prospectus.

For information on our Company's business profile, activities, services, managerial competence, and clients, please refer to "Our Management", "Our Business" and "Industry Overview" on pages 156, 131 and 110, respectively.

Changes in Registered Office

The Company's Registered Office address was changed from 202 Dalamal Towers, B Wing, Nariman Point, Mumbai 400 021, to Office No. 6, 3rd Floor, 'C' Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India with effect from August 25, 2010 due to operational reasons.

Major events and milestones of our Company

The table below sets forth the key events in the history of our Company

Year	Particulars
2000	Our Company was incorporated as India Life Chakravarti Actuarial Services Private Limited
2002	The name of our Company was changed to Team Lease Services Private Limited
2005	Reached turnover of ₹ 1,000 million for the year ended Mar 31, 2005
2006	Reached 30,000+ associates on our rolls
2008	Our Company's presence was spread across multiple locations
2009-2010	GCIF, GAPL and GIL made investments of ₹ 500 million in our Company
2010	Acquired IIJT
2011	Co-founded the 'Indian Staffing Federation' to professionalise the Indian staffing industry
2011	GCIF, GAPL, GIL made second round of investments of ₹ 250 million and IAF made investments of ₹ 750 million in our Company
2011	Our Company entered into a memorandum of understanding with the Government of Gujarat to establish a private university
2013	TLSU was established as a university under the Gujarat Private Universities Act
2014	Classes for TeamLease Skills University commenced
2014	Established public private partnership project for apprenticeship (NETAP)

Awards and Accreditations

We have been given the following awards and accreditations:

Year	Awards and Accreditations
2007	Awarded as the top tax payer for the Fiscal 2005-06 on Central Excise Day by Office of the Chief Commissioner of Central Excise, Bengaluru Zone, Ministry of Finance, Department of Revenue, Government of India
2009	Awarded the 'Samman Patra' for outstanding revenue performance in the Bengaluru Central Excise Zone for the year 2007-08 by the Office of the Chief Commissioner of Central Excise, Bengaluru Zone, Ministry of Finance, Department of Revenue, Government of India
2009	The London School of Economics published a case study in relation to our Company titled 'Concept Arbitrage in India'
2010	The Harvard Business School published a case study in relation to our Company titled 'TeamLease Putting India to Work'

Year	Awards and Accreditations
(II) Legally'	

Main Objects of our Company

The main objects contained in the MOA of our Company are as follows:

- “1. To carry on in India or elsewhere the business of technical, legal, financial and management consultants, advisers, innovators, software, designer, marketers, fund managers, administrators, agents, recruitment and placement consultancy service providers, impart training in various fields, areas and subjects including but not limited to vocational training through any form viz. classroom, electronic media or training by correspondence and to carry of the business of conceptualizing, designing, execution and operation of all activities pertaining or relating to contract employees or of employee leasing by offering services from time to time for outsourcing administration of employees and all administrative activities related thereto and to enter into collaborations, joint venture agreements in India and with companies abroad and to do all other incidental things acts necessary for the attainment of the main object.; and
2. To act as consultants, advisors, innovators, system designers, designers developers and implementers of new products, calculations and fixation of premium rates, surrender values, profit testing, valuation of portfolio, recommendations for re-structuring of portfolios, arrange and advise on reinsurance, valuation of liabilities.”

The main objects as contained in the MOA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of the Offer. For further details, please refer to “Objects of the Offer” on page 90.

Amendments to the MOA

Set out below are the amendments to our MOA since the incorporation of our Company.

Date of Shareholders' Resolution	Particulars
December 22, 2001	Alteration of main objects clause as described below: “to carry on in India and elsewhere the business of technical, legal, financial and management consultants, advisers, innovators, software designer, markets, fund managers, administrators, agents and to carry on the business of conceptualizing, designing, execution and operation of all activities pertaining or relating to contract employees or of employee leasing by offering services from time to time for outsourcing administration of employees and all administrative activities related thereto and to enter into collaborations, joint venture agreements in India and with companies abroad and to do all other incidental things and acts necessary for the attainment of main object.”
March 29, 2005	Increase in authorised share capital from ₹ 5 million comprising 500,000 Equity Shares of ₹ 10 each to ₹ 27 million comprising 500,000 Equity Shares of ₹ 10 each and 220,000 redeemable preference shares of ₹ 100 each
November 03, 2006	Sub-division of Equity shares of the face value of ₹ 10 each into Equity Shares of face value ₹ 1 each
November 03, 2006	Alteration of authorised share capital from ₹ 27 million comprising 500,000 Equity Shares of ₹ 10 each and 220,000 redeemable preference shares of ₹ 100 each to ₹ 27 million comprising of 5 million Equity Shares of ₹ 1 each and 220,000 redeemable preference shares of ₹ 100 each
November 12, 2009	Alteration of main objects clause to include “recruitment and consultancy services and training”
March 18, 2011	Reorganisation of authorised share capital to ₹ 27 million comprised of 10 million Equity Shares of ₹ 1 each and 170,000 12% cumulative convertible redeemable preference shares of ₹ 100 each
April 2, 2015	Increase in authorised share capital from ₹ 27 million comprising of 10 million Equity Shares of ₹ 1 each and 170,000 12% cumulative convertible redeemable preference shares of ₹ 100 each to ₹ 150 million comprising of 133 million Equity shares of ₹ 1 each and 170,000 at 12% cumulative convertible redeemable preference shares of ₹ 100 each
June 25, 2015	Increase in authorised share capital from ₹ 150 million comprising of 133 million Equity shares of ₹ 1 each and 170,000 at 12% cumulative convertible redeemable preference shares of ₹ 100 each to ₹ 250 million comprising of 233 million Equity shares of ₹ 1 each and 170,000 at 12% cumulative convertible redeemable preference shares of ₹ 100 each
July 10, 2015	Reorganisation and reclassification of authorised share capital from ₹ 250 million comprising of 233 million Equity Shares of face value of ₹ 1 each and 170,000 at 12% cumulative convertible redeemable preference shares of face value of ₹ 100 each to ₹ 250 million comprising of 23.3 million Equity Shares of face value of ₹ 10 each and 170,000 at 12% cumulative convertible redeemable preference shares of face value of ₹ 100 each

Other Details Regarding our Company

For details regarding the description of our Company's business profile, activities, services, the standing of our Company in relation to the prominent competitors with reference to its products, management, major clients, segment, capacity / facility creation, market capacity build-up and marketing, please refer to "Our Business" and "Industry Overview" on pages 131 and 110 respectively. There have been no lock-outs or strikes at any time in the Company and our Company is not operating under any injunction or restraining order.

For details regarding our management and its managerial competence, please refer to "Our Management" on page 156.

We do not have any foreign operations.

Details regarding acquisition of business/ undertakings, mergers, amalgamation, revaluation of assets, if any

Except as mentioned in "Other Material Contracts" on page 153, our Company has neither acquired any entity, business or undertakings nor has undertaken any mergers, amalgamation or revaluation of assets.

Capital raising activities through equity and debt

Except as mentioned in "Capital Structure" on page 73, our Company has not raised capital through equity. For details on the debt facilities of our Company, please refer to "Financial Indebtedness" on page 342.

Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity

There have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders. For details in relation to rescheduling of borrowings from our current lenders see "Financial Indebtedness" on page 342. For details of loans of the Company that have been converted into equity, please refer to "Capital Structure" on page 73.

Time and cost overruns

There have been no time and cost overruns in the development or construction of any of our projects or establishments.

Lock-outs and Strikes

There have been no lock-outs or strikes at any time in our Company and our Company is not operating under any injunction or restraining order.

Changes in the activities of our Company during the last five years

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profit/ loss account of our Company including discontinuance of line of business, loss of agencies or markets and similar factors.

Accumulated Profits or Losses

There are no accumulated profits or losses of any of our Subsidiaries that are not accounted for by our Company in the Restated Consolidated Financial Information, except in case of TLEF and NEAS which are not consolidated with the Company.

Partnership Firm

Our Company is not a partner in any partnership firm.

Interest in our Company

None of our Subsidiaries have any interest in our Company's business.

Our Shareholders

Our Company has 136 Shareholders, as of the date of this Red Herring Prospectus. For further details regarding our Shareholders, please refer to "Capital Structure" on page 82.

Strategic or Financial Partners

Our Company does not have any strategic or financial partners.

Our Holding Company*

HROV is the holding company of our Company. For details of our holding company, please refer to "Our Promoters" on page 172.

** Effective July 31, 2015, HROV's shareholding in the Company has been reduced to less than 50%*

Our Subsidiaries

Our Company has four Subsidiaries. Unless stated otherwise, information in relation our Subsidiaries is as on July 31, 2015.

1. IIJT Education Private Limited ("IIJT")

Corporate Information

IIJT was incorporated on July 03, 2006 as a public limited company under the Companies Act, 1956 under the name IIJT Computer Education Limited. IIJT was converted into a private limited company and a fresh certificate of incorporation consequent upon change of name on conversion to a private limited company was issued to IIJT on June 28, 2010. The name was subsequently changed from "IIJT Computer Education Private Limited" to "IIJT Education Private Limited" and a fresh certificate of incorporation consequent upon change of name was issued to IIJT on January 07, 2011. The registered office of IIJT was changed from the state of West Bengal to Maharashtra by an order of the Company Law Board, Kolkata dated April 7, 2011. It has its registered office at Office No. 6, 3rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

IIJT is authorised to engage in the business of, designing and development, sale supply and education of all kinds of software and hardware peripherals, education and training services and liaison work for IT job recruiters and IT service placement and consultancy. However, IIJT is not carrying out any commercial operations as of date. For further details with regard to acquisition of IIJT please refer to "Other Material Contracts" on page 153.

Capital Structure

The authorised share capital of IIJT is ₹ 100,000,000 divided into 10,000,000 equity shares of ₹ 10 each, and the issued and paid up share capital of IIJT is ₹ 80,000,000 divided into 8,000,000 equity shares of ₹ 10 each.

Shareholding

Our Company holds 7,600,000 equity shares of ₹ 10 each aggregating to 95% of the issued paid up share capital of IIJT and Ashok Kumar Nedurumalli holds 400,000 equity shares of ₹ 10 each aggregating to 5% of the issued paid up share capital of IIJT as a nominee of our Company.

2. TeamLease Education Foundation ("TLEF")

Corporate Information

TLEF was incorporated on June 27, 2011 as a Section 25 company under the Companies Act, 1956. It

has its registered office at Office No. 6, 3rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

The main object of TLEF is to promote a vocational education foundation dedicated, to providing domain specific, workplace relevant and allied life skills training at a low cost, to enhance employability, work culture, productivity, economic development, social harmony and social life of students. In this regard, TLSU a university established under the Gujarat Private Universities Act is sponsored by TLEF.

Capital Structure

The authorised share capital of TLEF is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each and the issued and paid up share capital of TLEF is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding

Our Company holds 9,999 equity shares of ₹ 10 each aggregating to 99.99% of the issued and paid up share capital of TLEF. Manish Mahendra Sabharwal holds 1 equity share of ₹ 10 aggregating to 0.01% of the issued and paid up share capital of TLEF as a nominee of our Company.

3. Indian Tourism and Hospitality Skills Education Private Limited (“ITHS”)

Corporate Information

ITHS was incorporated on June 28, 2011 as a private limited company under the Companies Act, 1956. It has its registered office at Office No. 6, 3rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

ITHS is authorised to engage *inter alia*, in the business of providing education and improvement in the fields of hospitality, tourism and related areas, through its own centres or through franchises, authorised partners, by offering training, placement and consultancy services. However, ITHS is not carrying out any commercial operations as of date.

Capital Structure

The authorised share capital of ITHS is ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each and the issued and paid up share capital of ITHS is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding

Our Company holds 9,999 equity shares of ₹ 10 each aggregating to 99.99% of the issued and paid up share capital of ITHS. Ashok Kumar Nedurumalli holds 1 equity share of ₹ 10 aggregating to 0.01% of the issued and paid up share capital of ITHS as a nominee of our Company.

4. National Employability Apprenticeship Services (“NEAS”)

Corporate Information

NEAS was incorporated on February 13, 2013 as a Section 25 company under the Companies Act, 1956. It has its registered office at 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bengaluru 560 095.

The main object of NEAS is to engage *inter alia* in the business of apprenticeship programmes including training, enhance employability, enhance number of apprenticeship academic and various other apprenticeship exchanges. However, NEAS is not carrying out any commercial operations as of date.

Capital Structure

The authorised share capital of NEAS is ₹ 5,000,000 divided into 5,00,000 equity shares of ₹ 10 each and the issued and paid up share capital of NEAS is ₹ 100,000 divided into 10,000 equity shares of ₹ 10 each.

Shareholding

Our Company holds 9,999 equity shares of ₹ 10 each aggregating to 99.99% of the issued and paid up share capital of NEAS. Ashok Kumar Nedurumalli holds 1 equity share of ₹ 10 aggregating to 0.01% of the issued and paid up share capital of NEAS.

Associate Companies

As on the date of this Red Herring Prospectus, our Company does not have any associate companies.

Summary of Key Agreements

Share Subscription and Shareholders Agreement between our Company, Ashok Kumar Nedurumalli , Manish Mahendra Sabharwal and Mohitkaran Virendra Gupta (together “Individual Promoters”), HROV, ILCHPL, Kavitha Sabharwal, Gaja Trustees Private Limited (“GTPL”) (in the capacity as the trustee of Gaja Capital India Fund-I (“GCIF”), Gaja Advisors Private Limited (“GAPL”), GPE (India) Ltd. (“GIL”) and IDBI Trusteeship Limited in the capacity as trustee of India Advantage Fund S3 I (“IAF”)

The Company, the Individual Promoters, HROV, certain members of the Promoter Group, namely ILCHPL , Kavitha Sabharwal (“KS”), and GTPL (*in the capacity as the trustee of GCIF*), GAPL, GIL (together “**Gaja Selling Shareholders**”) and IAF have entered into a share subscription and shareholders agreement dated March 30, 2011 (“SSSA”), pursuant to which GCIF, GAPL and GIL were issued and allotted 57,347, 14,196 and 212,384 Equity Shares respectively, at an issue price of ₹ 880.51 per Equity Share and IAF was issued and allotted 851,781 Equity Shares at an issue price of ₹ 880.51 per Equity Share.

Gaja Selling Shareholders and IAF enjoy certain rights including but not limited to, right of first offer, tag along right, right to appoint a nominee director, anti-dilution right, affirmative voting rights and pre-emptive rights, as mentioned in and as per the terms and conditions provided under, SSSA. Such rights of Gaja Selling Shareholders and IAF under the SSSA will cease to exist upon the commencement of trading and listing of the Equity Shares on the Stock Exchanges.

Guarantees:

For details on the guarantees issued by us and our Subsidiaries, please refer to “Financial Indebtedness” on page 344. Our Individual Promoters, HROV, have not issued any guarantees to any third party as of the date of filing this Red Herring Prospectus.

Other Material Contracts

Share Purchase, Share Subscription and Shareholder’s Agreement dated March 12, 2010, entered into between our Company, Devesh Srivastava, Manisha Srivastava, Saisha Electronics Private Limited and IIJT Computer Education Limited (“IIJT SSPA”)

IIJT Computer Education Limited is engaged in the business of computer education and allied activities.

Our Company entered into the IIJT SSPA to acquire 45.25% stake in IIJT by purchasing 295,000, 775,000 and 2,550,000 fully paid up equity shares of ₹ 10 from Saisha Electronics Private Limited, Devesh Srivastava and Manisha Srivastava, respectively. The aggregate investment being 3,620,000 fully paid up equity shares of ₹ 10, at the agreed price of ₹ 43.75 per share.

Additionally, our company also subscribed to 1,765,714 optionally convertible cumulative preference shares of nominal value ₹ 43.75 per share for cash at par. Devesh Srivastava agreed to subscribe to 291,429 optionally

convertible preference shares of nominal value ₹ 43.75 each for cash at par. As of March 31, 2010, Share Application Money of ₹ 150 million has been paid to IIJT.

Share Purchase Agreement dated March 12, 2010, entered into between our Company, Tiger Global Four IIJT Holdings, and IIJT Computer Education Limited ("IIJT SPA ")

Our Company entered into the IIJT SPA to acquire 23.75% stake in IIJT by purchasing 1,900,000 fully paid up equity shares of ₹ 10 from Tiger Global Four IIJT Holdings, at the agreed price of ₹ 43.75 per share.

Supplementary Share Purchase Agreement dated March 11, 2011, entered into between our Company, Devesh Srivastava, Manisha Srivastava and IIJT Computer Education Limited ("IIJT Supplementary SPA ")

Our Company entered into the IIJT Supplementary SPA to acquire 26% stake in IIJT by purchasing 2,080,000 fully paid up equity shares of ₹ 10 from Devesh Srivastava for a share purchase consideration of ₹ 19.75 million. Additionally, by way of board resolution dated April 05, 2010, Manisha Srivastava and Tiger Global Four IIJT Holdings agreed to transfer 300,000 and 100,000 fully paid up equity shares respectively, subscribed by them to the IIJT Employee Stock Option Trust, to Ashok Kumar Nedurumalli and Devesh Srivastava for the beneficial vesting unto Ashish Prasad (the CEO of IIJT). Our Company made total non-current investments of ₹ 243.35 million as of March 31, 2011 in IIJT against which provisions for diminution in the value of investments of ₹ 219.84 million was made in the year 2011.

Scheme of Arrangement between our Company, IIJT and their respective shareholders ("Demerger Scheme")

As per a Demerger Scheme entered into between our Company, IIJT and their respective shareholders on October 7, 2011, the retail training business of IIJT consisting of vocational training imparted to students and authorized training centers across the country, stood transferred to our Company together with all the assets and liabilities relating to such business. Pursuant to this scheme, a deficit of ₹ 35.47 million arising out of the excess of liabilities over assets acquired by the Company has been debited to the Profit and Loss account. The assets transferred to our Company pursuant to this Demerger Scheme comprised of all tangible and intangible property of IIJT relating to its Retail Training Business including backlog of business, licenses and approvals; and all the employees of IIJT working for or in relation to the retail training business. On the Demerger Scheme becoming operative, the transferred employees ceased being employees of IIJT and became employees of our Company. As on the date of this scheme, IIJT was the wholly owned subsidiary of our Company.

This Demerger Scheme was presented before the High Court of Bombay under Sections 391 to 394 read with Sections 78, 100 to 103 and other applicable provisions of the Companies Act, 1956.

Business transfer agreement dated April 01, 2012 entered into between IIJT and our Company

Our Company entered into a business transfer agreement dated April 01, 2012, whereby IIJT transferred its corporate and institutional training business to our Company as a going concern together with all assets and liabilities relating to such business, on a slump sale basis, for a purchase price of ₹ 0.30 million. The assets transferred to our Company pursuant to the business transfer agreement comprised of all tangible and intangible property of IIJT relating to its corporate and institutional training business including backlog of business, licenses and approvals; and all employees of IIJT working exclusively for or in relation to the corporate and institutional training business. The transferred employees ceased being employees of IIJT and became employees of our Company as on the closing date of the business transfer agreement.

Business transfer agreement dated May 15, 2012 entered into between Press Enterprises Private Limited ("PEPL"), Footprints Collateral Services Private Limited ("FCSPL") and our Company.

Our Company entered into a business transfer agreement dated May 15, 2012 with PEPL and FCSPL, whereby PEPL agreed to sell and transfer to our Company its business of staffing and manpower services, as a going concern together with its assets and liabilities, on a slump sale basis, for a purchase price of ₹ 4 million which was to be paid by our Company in tranches. FCSPL, held eighty percent of the shares in PEPL provided our Company with a guarantee to return the purchase price paid by our Company, along with additional interest and other expenses incurred by our Company, in the event that PEPL or FCSPL failed to perform any of their obligations under the business transfer agreement by the dates set out for their completion.

Bombay High Court order dated March 27, 2015 pertaining to reduction of share capital of TeamLease

The Bombay High Court, by way of an order dated March 27, 2015 in company scheme petition no. 147 of 2015 connected with company summons for direction no. 178 of 2015 approved the reduction of the share capital (securities premium account) of TeamLease Services Private Limited. TeamLease had sought the reduction in order to give a true and fair picture of the financial condition of the company and for better presentation of its balance sheet. The reduction of the share capital (securities premium account) had been approved by the Equity Shareholders of the Company by way of a special resolution dated January 15, 2015. The approval of the Shareholders allowed the Company to reduce/utilise ₹ 382.25 million from the securities premium account for adjusting the entire debit balance in the profit and loss account of the Company as on March 31, 2014 and that the entire debit balance in the profit and loss account to the extent of ₹ 382.25 million be adjusted against the securities premium account. The procedure prescribed under section 101(2) of the Companies Act, 1956 was dispensed with by way of an earlier order dated February 27, 2014 since the Company claimed that the proposed reduction would not (i) prejudice creditors; (ii) result in financial outlay; (iii) result in diminution of any liability, and (iv) result in any amount payable to the creditors. The High Court accepted the undertakings of the Company and accepted the petition in view of no opposition being made to the proposed reduction.

Appointment letter dated July 31, 2015 entered between our Company and Mohitkaran Virendra Gupta for appointment as an advisor to our Company.

Mohitkaran Virendra Gupta was appointed as the advisor to our Company effective from August 01, 2015 until the Equity Shares are listed on a recognized stock exchange or March 30, 2016, whichever is earlier pursuant to appointment letter dated July 31, 2015. The terms and conditions of his appointment are as follows:

Particulars	Remuneration
Compensation Payable	₹ 475,000 per month
Other material clauses	Confidentiality: He should not divulge or disclose to any person whomsoever any of the information or knowledge obtained by him from our Company during the said association. All information obtained during the course of this agreement will remain confidential and will continue to have to remain confidential even after the termination of this agreement; Protection of interest: Our Company shall retain the ownership of all intellectual property rights to material developed and provided to Mohit Karan Virendra Gupta during the period of this agreement and he should cooperate fully in transferring, registering or securing the rights to such content. Termination: This Agreement will commence from 01 August, 2015, and will be valid till the Equity Shares are listed on a recognized stock exchange or March 30, 2016, whichever is earlier. Our Company shall pay Mohit Karan Virendra Gupta the aforesaid compensation, on an irrevocable basis;

OUR MANAGEMENT

Board of Directors

In terms of the Articles of Association, our Company is required to have not less than five Directors and not more than 15 Directors. As on the date of this Red Herring Prospectus, our Board comprises of six Directors.

The following table sets forth details regarding our Board:

S.No.	Name, designation, father's name, residential address, occupation, nationality, term and DIN	Age (years)	Other directorships/ partnerships/ trusteeships/ proprietorship
1.	Manish Mahendra Sabharwal <i>Father's name:</i> Mahendra Sabharwal <i>Designation:</i> Chairman <i>Address:</i> 48, Hatkesh Society, N/S Road no. 7, Juhu, Mumbai 400 049 Maharashtra, India <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Five years i.e. from July 20, 2015 till June 1, 2020 <i>DIN:</i> 00969601	45	Other Directorships Indian companies - ICAP India Private Limited; - India Life Capital Private Limited; - Lupin Ventures Private Limited; - Neev Schools Private Limited; - Pennar Engineered Building Systems Limited; - Pennar Industries Limited; and - TeamLease Education Foundation. Foreign companies - Global Crossover Venture Pte. Ltd; and - HROV. Partnerships - MKS Management Consultancy Services LLP. Trusteeships - Neev Trust; - Noor Higher Education Trust; - Dhruv Higher Education Trust; - Noor Marriage Beneficiary Trust; and - Dhruv Marriage Beneficiary Trust.
2.	Ashok Kumar Nedurumalli <i>Father's name:</i> Janardhan Reddy Nedurumalli <i>Designation:</i> Managing Director <i>Address:</i> 11A, Sky Gardens, 12/1 Rhenius Street, Richmond Town, Bengaluru 560 001 <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Five year i.e. from July 20, 2015 till June 1, 2020 <i>DIN:</i> 00151814	45	Other Directorships Indian companies - ICAP India Private Limited; - IIJT Education Private Limited; - India Life Capital Private Limited; - India Insure Risk Management and Insure Broking Services Private Limited; - India Tourism Hospitality Skills Education Private Limited; - National Employability Apprenticeship Services; and - TeamLease Education Foundation.

S.No.	Name, designation, father's name, residential address, occupation, nationality, term and DIN	Age (years)	Other directorships/ partnerships/ trusteeships/ proprietership
			Foreign companies Nil Partnerships NED Consultants LLP. Trusteeships Nil
3.	Gopal Jain Father's name: Johrilal Jain Designation: Non-Executive Nominee Director Address: 1/E, 1 st Floor, Ramalyam, 46 Peddar Road, Mumbai 400 026, Maharashtra, India Occupation: Professional Nationality: Indian Term: Liable to retire by rotation. He was appointed on September 29, 2010 DIN: 00032308	44	Other Directorships Indian companies - Bakers Circle (India) Private Limited; - Bonanza Portfolio Limited; - Career Launcher Infrastructure Private Limited; - CL Educate Limited; - EK Education and Research Foundation; - Eurokids International Private Limited; - Euroschool International Private Limited; - Euroschool Foundation; - Gaja Advisors Private Limited; - IJT Education Private Limited; - Shivani Mercantile Private Limited; S. V. Edusports Private Limited; and - TeamLease Education Foundation. Foreign companies Nil Partnerships - Gaja Investments. Trusteeships Nil
4.	Latika Prakash Pradhan Father's name: Surendranath Gupte Designation: Non-Executive, Independent Director Address: B 1102, Chaitanya Towers, Appasaheb Marathe Marg Prabhadevi, Mumbai, 400 025, Maharashtra, India Occupation: Professional Nationality: Indian Term: Five years i.e., from July 2015 to July 2020	60	Other Directorships Indian companies Mafatlal Industries Limited. Foreign companies Nil Partnerships Nil Trusteeships Nil

S.No.	Name, designation, father's name, residential address, occupation, nationality, term and DIN	Age (years)	Other directorships/ partnerships/ trusteeships/ proprietorship
5.	DIN: 07118801 Narayan Ramachandran Father's name: Ramachandran V Designation: Non-Executive , Independent Director Address: D-51, Sobha Ivory 2, 7, St. John's Road, Ulsoor, Bengaluru 560 042, Karnataka, India Occupation: Service Nationality: Indian Term: Five years i.e. from July 2015 to July 2020 DIN: 01873080	52	Other directorships Indian companies - Action Foundation of Social Services; - Beer Works Restaurants and Micro Brewery Private Limited; - Caspian Impact Investments Private Limited; - Fab India Overseas Private Limited; - F.S.N.E Commerce Ventures Private Limited; - InKlude Labs Private Limited; - Janalaxmi Financial Services Limited; - Ocean Sparkle Limited; and - RBL Bank Limited. Foreign companies Nil Partnerships Nil Trusteeships Nil
6.	V Raghunathan Father's name: AM Vishwanathan Designation: Non-Executive , independent Director Address: #25, Wisper Valley, Jubilee Hills, Hyderabad 500 008 Telangana, India Occupation: Service Nationality: Indian Term: Five years i.e. from July 2015 to July 2020 DIN: 00254091	60	Other directorships Indian companies - Raxa Securities Services; and - York University Private Limited. Foreign companies Nil Partnerships Nil Trusteeships Nil

Relationship between our Directors

None of our Directors are related to each other.

Brief biographies of Directors

Manish Mahendra Sabharwal

Manish Mahendra Sabharwal is the co-founder and currently the Chairman of our Company as appointed by appointment letter dated September 03, 2015. He holds a master's degree in management from the Wharton School in 1996 and is an alumnus of Mayo College, Ajmer. Manish provides leadership at the Board level and sets our strategies and directions. He is also our chief external spokesperson. In 1996 he co-founded India Life,

a human resource outsourcing company that was acquired by Hewitt associates in 2002. He was chief executive officer of Hewitt Outsourcing (Asia) in Singapore. Manish also serves on various state and central government committees on education, employment and employability and has written articles which have featured in the Indian Express, Financial Express, Live Mint, Business Today, Business Standard and Economic Times. Manish headed the sub-committee for planning commission on remodelling of apprenticeship training as another mode for on the job training as the Chairman for the committee. He is currently a nominated member on the board of management of the Indira Gandhi National Open University ("IGNOU") and of the Central Advisory Board of Education – the highest advisory body to advise the Centre and State Governments in the field of education. Additionally, he serves on the executive committee of the chief minister's advisory council, planning department of the Government of Rajasthan. Manish is also part of the expert committee on innovation (Niti Aayog). Manish has been nominated as a member of the board of Indira Gandhi National Open University.

Ashok Kumar Nedurumalli

Ashok Kumar Nedurumalli is the co-founder and Managing Director of our Company as appointed by appointment letter dated September 03, 2015. Ashok oversees our operations and represents our Company in forums with major clients. Ashok holds a bachelors degree in commerce from the Shri Ram College of Commerce, University of Delhi and a diploma in management from Indian Institute of Management, Bengaluru. He is a first generation entrepreneur with 17 years of experience in the industry of human resource services. Prior to his current position, he was a director of India Life Capital Private Limited, a pension and provident fund asset management company. He has been awarded the "Skills Champion of India" award in the category of Skills Champion: Emerging Warrior for his outstanding contribution to the field of skills development.

Gopal Jain

Gopal Jain is a non-executive, nominee Director, nominated pursuant to the SSSA. He holds a bachelor's degree in electrical engineering from the Indian Institute of Technology, Delhi. He is one of the co-founders of Gaja Capital. He was initially appointed as an additional, non-executive nominee Director of our Company on November 13, 2009 and was appointed as a non-executive, nominee Director by a resolution passed by our Shareholders on September 29, 2010.

Latika Prakash Pradhan

Latika Prakash Pradhan is an Independent Director of our Company. She is a qualified chartered accountant, cost and management accountant, company secretary and bachelor of laws, with an experience spanning over 35 years in various industries, heading finance, legal and secretarial, internal audit and information technology functions. She is also an independent director on the board of Mafatlal Industries Limited. In the past, she has been associated with Voltas Limited, Blue Star Limited, Cummins Group, Park Davis India Limited and Pidilite Industries Limited in various capacities. She has been an Independent Director of our Company since July 09, 2015.

Narayan Ramachandran

Narayan Ramachandran is an Independent Director of our Company. He holds a bachelor's degree in technology from the Indian Institute of Technology, Mumbai, a master's degree in business administration from the University of Michigan and is a qualified Chartered Financial Analyst. He has wide experience in the field of finance and banking and until February, 2010, he was the country head and chief executive officer of Morgan Stanley India. Prior to that he was the co-head of the emerging markets division of Morgan Stanley Investment Management, Singapore. He has been an Independent Director of our Company since July 09, 2015.

V. Raghunathan

V. Raghunathan is an Independent Director of our Company. He is an academic, corporate executive, author and columnist and a hobbyist and features among the top 50 Global Indian Management Thinkers of Thinkers Magazine, 2013 and 2014. He was conferred the title of fellow of the Indian Institute of Management, Calcutta, in the field of finance and control. He was a professor at the Indian Institute of Management, Ahmedabad, for nearly two decades, until 2002. Since January 2005, he has been the chief executive office of GMR Varalakshmi Foundation. He has authored several books and currently also blogs for the Times of India. He has been an Independent Director of our Company since July 09, 2015.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE during the term of their directorship in such Company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange.

Except, Bonanza Portfolio Limited, no proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprise any of the Directors of our Company. For details, please refer to “Other Regulatory and Statutory Disclosures - Prohibition by SEBI or other Governmental Authorities” on page 371. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

Terms of appointment of our Executive Directors

Manish Mahendra Sabharwal was appointed as the Chairman of our Company on September 03, 2015 until June 01, 2020 pursuant to appointment letter dated September 03, 2015. The terms and conditions of his appointment are as follows:

Particulars	Remuneration
Basic Salary	₹ 140,000 per month.
Other Allowances and Reimbursements	₹56,000 per month towards house rent allowance. ₹ 149,150 per month towards special allowance. ₹1600 per month towards conveyance/fuel allowance. ₹1,250 per month towards medical reimbursement. ₹2,000 per month towards leave travel allowance.

Ashok Kumar Nedurumalli was appointed as the Managing Director of our Company on September 03, 2015 until June 01, 2020 pursuant to appointment letter dated September 03, 2015. The terms and conditions of his appointment as stipulated in his appointment letter dated September 03, 2015 are as follows:

Particulars	Remuneration
Basic Salary	₹183,333 per month.
Other Allowances and Reimbursements	₹73,333 per month towards house rent allowance. ₹118,663 per month towards special allowance. ₹36,921 per month towards vehicle lease. ₹12,500 per month towards driver's salary. ₹8,333 per month towards conveyance/fuel allowance. ₹1,250 per month towards medical reimbursement. ₹2,000 per month towards leave travel allowance. ₹22,000 per month towards employer's provident fund. ₹1,650,000 (maximum) p.a. towards performance incentive (at met expectations/on target)

Payment or benefit to Directors of our Company

The sitting fees other remuneration paid to our Directors in financial year 2015 are as follows:

1. Remuneration to our Executive Directors:

The aggregate value of the remuneration paid to Executive Directors in financial year 2015 is as follows:

Name of Director	Remuneration (₹ in millions)
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Name of Director	Remuneration (₹ in millions)
Manish Mahendra Sabharwal	4.03
Ashok Kumar Nedurumalli	4.21

2. **Sitting fees to our Non-Executive Directors:**

Each of the Independent Directors of our Company is entitled to a sitting fee of ₹0.03 million per meeting attended, being the maximum allowed as per the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. In addition to the above, the Independent Directors would be entitled to reimbursement of the expenditure that may be incurred in travelling to the place of Board meetings and other committee meetings of our Company and back to their normal place of residence. However, non-independent non-executive Directors are not entitled to any sitting fees. The details of the sitting fees paid to the Independent Directors in Financial Year 2015 are as follows:

Name of Director	Sitting Fees (₹ in millions)
Gopal Jain	Nil
Latika Prakash Pradhan	Nil
Narayana Ramachandran	Nil
V Raghunathan	Nil

No amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

No remuneration has been paid, or is payable, by our Subsidiaries to the Directors of our Company.

Arrangement or understanding with major Shareholders, clients, suppliers or others

Gopal Jain has been nominated to the Board by our Shareholders, namely, GTPL, GAPL and GIL pursuant to the Share Subscription and Shareholders' Agreement dated October 30, 2009 and the resolution passed by our Shareholders on September 29, 2010. For further details, please refer to "History and Certain Corporate Matters" on page 153.

Except as disclosed above, there is no arrangement or understanding with the major shareholders, clients, suppliers or others, pursuant to which any of our Directors were appointed on our Board.

Details of Service Contracts

There are no service contracts entered into by our Company with any Director for the provision of benefits or payments of any amount upon termination of employment or retirement.

Changes in the Board in the last three years

Name	Date of Appointment/ Change/ Cessation	Reason
Kudigram Ravindra	July 09, 2015	Resignation
Mohitkaran Virendra Gupta	July 31, 2015	Resignation
Latika Prakash Pradhan	July 09, 2015	Appointment as an Independent Director
Narayan Ramachandran	July 09, 2015	Appointment as an Independent Director
V Raghunathan	July 09, 2015	Appointment as an Independent Director

Borrowing Powers of Board

Our Company can borrow or lend any amount as per the provisions of Companies Act, 2013.

Corporate Governance

The Corporate Governance provisions of the Listing Regulations shall be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. We have complied with the corporate governance requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the time of filing

the Red Herring Prospectus.

We are in compliance with the requirements of the applicable regulations, including the Listing Regulations, the Companies Act and the SEBI ICDR Regulations, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and the Listing Regulations. The Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides the Board detailed reports on its performance periodically.

Currently, our Board has six Directors. In compliance with the requirements of Regulation 17 of the Listing Regulations, our Company has two Executive Directors, four Non-Executive Directors, including three Independent Directors on the Board.

Committees of the Board

In addition to the committees of the Board detailed below, our Board may, from time to time, constitute committees for various functions.

Audit Committee

The members of the Audit Committee are:

1. Latika Prakash Pradhan, (Non-Executive, Independent Director) *Chairman*;
2. Gopal Jain; (Non-Executive, Nominee Director) and
3. Narayan Ramachandran (Non-Executive, Independent Director).

The Audit Committee was constituted by a meeting of the Board held on January 21, 2011 and further reconstituted on July 09, 2015. The Audit Committee is required to meet at least four times in a year (with not more than 120 days of gap between two meetings) under Regulation 18 (2)(b) of the Listing Regulations. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations and its terms of reference include the following:

- (a) The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (b) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- (c) Examination of the financial statement and the auditors report thereon;
- (d) Approval or any subsequent modification of transactions of the company with related parties;
- (e) Scrutiny of inter-corporate loans and investments;
- (f) Valuation of undertakings or assets of the company, wherever it is necessary;
- (g) Evaluation of internal financial controls and risk management systems; and
- (h) Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

Pursuant to amendment to the SEBI Listing Regulations, our Board, through Board resolution dated January 17, 2016, has elaborated the terms of reference of the Audit Committee to include the following in terms of reference:

- I. Review of statement of deviations:
 - (b) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32 (1); and
 - (c) Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7).
- II. Disclosure of related party transactions.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

- 1. Narayan Ramachandran, (Non-Executive, Independent Director) *Chairman*;
- 2. Latika Prakash Pradhan (Non-Executive, Independent Director); and
- 3. Gopal Jain (Non-Executive, Nominee Director).

The Nomination and Remuneration Committee was constituted by a meeting of the Board held on July 09, 2015. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include:

- (a) Periodically oversee an evaluation of the Board, and recommend desirable changes in Board size, composition, Committees structure and processes, and other aspects of the Board's functioning;
- (b) Recommend new Board members in light of resignation of current members or a planned expansion of the Board;
- (c) Review stockholder proposals relating to Board's composition and recommend an appropriate course of action;
- (d) Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;
- (e) formulate criteria for determining qualifications, positive attributes and independence of Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- (f) Review and recommend to the Board the appointment and fixation of compensation payable to KMPs, whole time Directors, Non Executive Directors and draw up the policy on ESOP and recommend the same to the Board for its adoption.
- (g) Review and recommend the compensation and variable pay for Executive Directors to the Board, KMPs and Senior Management Cadre;
- (h) Draw up a policy on Delegation of Authority and recommend the same in consultation with Audit Committee to the Board for its approval; and
- (i) Perform other activities related to its charter as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

Pursuant to amendment to the SEBI Listing Regulations, our Board, through Board resolution dated January 17, 2016, has elaborated the terms of reference of the Nomination and Remuneration Committee to include the following in terms of reference:

"Review extension or continuation the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors"

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. V Raghunathan (Non-Executive, Independent Director) *Chairman*;
2. Manish Mahendra Sabharwal; (Chairman) and
3. Ashok Kumar Nedurumalli, (Managing Director).

The Stakeholders' Relationship Committee was constituted by the Board at their meeting held on July 09, 2015. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee of our Company include:

- (a) Redressal of shareholders'/investors' grievances;
- (b) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (c) Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- (d) Non-receipt of declared dividends, balance sheets of the Company or any other documents or information to be sent by the Company to its shareholders; and
- (e) Carrying out any other function as prescribed under in the Listing Regulations.

Pursuant to amendment to the SEBI Listing Regulations, our Board, through Board resolution dated January 17, 2016, has elaborated the terms of reference of the Stakeholder's Relationship Committee to include the following in terms of reference:

"Consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non- receipt of declared dividends"

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

1. V. Raghunathan, (Non-Executive, Independent Director) *Chairman*;
2. Manish Mahendra Sabharwal; (Chairman) and
3. Ashok Kumar Nedurumalli (Managing Director).

The Corporate Social Responsibility Committee was constituted by the Board at their meeting held on March 30, 2015 and reconstituted on July 09, 2015. The terms of reference of the Corporate Social Responsibility Committee of our Company include the following:

- (a) Formulate and recommend to the Board a Corporate Social Responsibility Policy ("**CSR Policy**") which will indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, which are as follows:
 - (i) Eradicating the extreme hunger and poverty;

- (ii) Promotions of education;
 - (iii) Promoting gender equality and empowering women;
 - (iv) Reducing child mortality and improving maternal health;
 - (v) Combating human immunodeficiency, virus, acquired immune deficiency syndrome, malaria and other diseases;
 - (vi) Ensuring environmental sustainability;
 - (vii) Employment enhancing vocational skills;
 - (viii) Social business projects;
 - (ix) Contributions to the Prime Minister's Relief Fund or any other fund set up by the Central Government or the State Government for socio-economic development and relief and funds for the welfare of the SC/ST, other backward classes minorities and women; and
 - (x) Such other matters as may be prescribed.
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (i);
 - (c) Monitor the Corporate Social Responsibility Policy of the company from time to time; and
 - (d) Monitor the amount approved by the Board is spent for the purpose and report the same to the Board.

Risk Management Committee

The members of the Risk management Committee are:

1. Ashok Kumar Nedurumalli, (Managing Director) *Chairman*;
2. Latika Prakash Pradhan; (Non-Executive, Independent Director) and
3. Manish Mahendra Sabharwal (Chairman).

The Risk Management Committee was constituted by our Board at their meeting held on July 09, 2015. The terms of reference of the Risk Management Committee of our Company include monitoring and reviewing of the risk management plan and fixing the strategies to mitigate such risk and appraise the Board and such other functions that the Board that may deem fit.

IPO Committee

The members of the IPO Committee are:

1. Ashok Kumar Nedurumalli, (Managing Director) *Chairman*;
2. Manish Mahendra Sabharwal; (Chairman) and
3. Latika Prakash Pradhan (Non-Executive, Independent Director).

The IPO Committee was constituted by the Board at their meeting held on March 09, 2015 and reconstituted on September 03, 2015. The terms of reference of the IPO Committee of our Company include the following:

The IPO Committee be and is hereby authorized on behalf of the Board to undertake the following acts:

- (a) To decide on the size, timing, pricing and all the terms and conditions of the issue and transfer of the Equity Shares for the Issue, including the number of the Equity Shares to be offered pursuant to the Issue (including any reservation, green shoe option and any rounding off in the event of any oversubscription), price and any discount as allowed under Applicable Laws that may be fixed and determined in accordance with the applicable law, and to accept any amendments, modifications, variations or alterations thereto;
- (b) To appoint and enter into arrangements with the book running lead managers for the Issue ("BRLMs"), underwriters to the Issue, syndicate members to the Issue, brokers to the Issue, escrow collection bankers to the Issue, refund bankers to the Issue, registrar(s), legal advisors, advertising agency(ies) and any other agencies or persons or intermediaries to the Issue and to negotiate and finalise the terms

of their appointment, including but not limited to execution of the mandate letter with the BRLMs, negotiation, finalization and execution of the offer agreement with the BRLMs, etc.;

- (c) To negotiate, finalize, settle, execute and deliver or arrange the delivery of the syndicate agreement, underwriting agreement, escrow agreement, agreements with the Registrar to the Issue and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever with the Registrar to the Issue, legal advisors, auditors, stock exchange(s), BRLMs and any other agencies/intermediaries in connection with the Issue with the power to authorize one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;
- (d) To finalize, settle, approve and adopt the DRHP, the RHP, the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto;
- (e) for the issue of Equity Shares and take all such actions as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities;
- (f) To make applications to, seek clarifications and obtain approvals from, if necessary, the Reserve Bank of India, the SEBI, the Foreign Investment Promotion Board, the relevant Registrar of Companies or any other statutory or governmental authorities in connection with the Issue and, wherever necessary, incorporate such modifications / amendments / alterations / corrections as may be required in the DRHP, the RHP and the Prospectus;
- (g) To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under Applicable Law and the listing agreement to be entered into by the Company with the relevant stock exchanges;
- (h) To approve any corporate governance requirements, code of conduct for the Board, officers and other employees of the Company that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the listing agreement to be entered into by the Company with the relevant stock exchanges;
- (i) Taking all actions as may be necessary or authorized in connection with any Offer for Sale;
- (j) To seek, if required, the consent of the lenders to the Company and its subsidiaries, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Issue or any actions connected therewith;
- (k) To open and operate bank account(s) of the Company in terms of the escrow agreement for handling of refunds for the Issue and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (l) To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (m) To determine and finalize the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Issue (including issue price for anchor investors), approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and the selling shareholders (to the extent applicable) and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Issue including any alteration, addition or making any variation in relation to the Issue;
- (n) To issue receipts/allotment letters/confirmations of allotment notes either in physical or electronic mode representing the underlying equity shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to

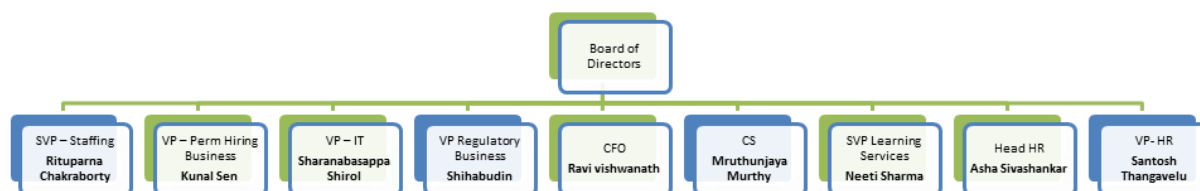
authorize one or more officers of the Company to sign all or any of the afore stated documents;

- (o) To make applications for listing of the shares in one or more recognized stock exchange(s) for listing of the equity shares of the Company and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing, including, without limitation, entering into the listing agreements;
- (p) To do all such deeds and acts as may be required to dematerialize the equity shares of the Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorize one or more officers of the Company to execute all or any of the afore stated documents;
- (q) To authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue;
- (r) To authorize and approve notices, advertisements in relation to the Issue in consultation with the relevant intermediaries appointed for the Issue;
- (s) To settle any question, difficulty or doubt that may arise in connection with the Issue including the issue and allotment of the Equity Shares as aforesaid and to further delegate the powers conferred hereunder subject to such restrictions and limitations as it may deem fit and in the interest of the Company and to the extent allowed under applicable laws and to do all such acts and deeds in connection therewith and incidental thereto, as the Committee may in its absolute discretion deem fit; and
- (t) To execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Issue and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

Quorum

Two directors shall form the quorum for a meeting of the IPO Committee. The chief financial officer will be the permanent invitee for such meeting and Company Secretary will be the Secretary for such Committee Meetings.

Management Organisation Chart



Key Management Personnel

The details of our Key Management Personnel are as follows:

Rituparna Chakraborty is the senior vice president, Staffing of our Company. She holds a post-graduation diploma in management from Goa Institute of Management, Ribandar, Goa. She has over 14 years of experience in marketing and sales. Prior to joining our Company, she was the client manager at India Life Pension Services Private Limited and key accounts manager (sales) at Monster.com (India) Private Limited. She has been with our Company since January 06, 2003. For the financial year 2015, her remuneration was ₹ 6.19 million. Her term of employment continues till March 24, 2033.

Neeti Sharma is the senior vice president, institutional learning services and distance learning departments of our Company. She holds a masters degree in arts from the Shreemati Nathibai Damodar Thackersey Women's University, Mumbai and post-graduation diploma in business administration from Symbiosis Centre for Distance Learning, Pune. She has over 15 years of experience in the field of human resources. Prior to joining our Company, She was an assistant manager at APTECH India. She has been with our Company since July 19, 2004. For the financial year 2015, her remuneration was ₹ 3.17 million. Her term of employment continues till February 16, 2029.

Sharanabasappa Shirol is the vice president-information technology of our Company. He has 12 years of experience. Prior to joining our Company, he was the senior software engineer at Hewitt Outsourcing India Limited, Bengaluru. He has been with our Company since March 01, 2005. For the financial year 2015, his remuneration was ₹ 3.87 million. His term of employment continues till May 31, 2033.

N. Ravi Vishwanath is the chief financial officer of our Company. He holds a bachelor's degree in commerce from Bangalore University, and is a fellow of the ICAI. He has over 21 years of experience in the finance sector. Prior to joining our Company, he worked at Sun Microsystems India Private Limited and was the Vice President – Finance at Global Symphony Software India Private Limited. He has been with our Company since February 14, 2011. For the financial year 2015, his remuneration was ₹ 6.68 million. His term of employment continues till June 29, 2021.

Mruthunjaya Murthy C is the Company Secretary of our Company. He holds a bachelor of commerce degree from Bangalore University and also holds a diploma in Financial Management from St. Joseph College of Business Administration. He is an associate member of the Institute of Company Secretaries in India since January 10, 1997. He has over 18 years of professional experience in corporate governance and statutory compliance. Prior to joining our Company he was the Company Secretary of NSL Sugars Limited. He was appointed as Company Secretary of our Company on May 07, 2015. Since he joined our Company in the financial year 2016, he was not paid any remuneration during the financial year 2015. His term of employment continues till September 16, 2020.

Asha Sivashankar is the head of human resources of our Company. She holds a bachelor's degree in education from Annamalai University and a bachelors degree in Science from the University of Delhi. She holds a masters degree in science from the University of Delhi. She has over 26 years of experience in the field of human resources. Prior to joining our Company, she was the director of learning and development at Schneider Electric. She has been with our Company since June 11, 2013. For the financial year 2015, her remuneration was ₹ 4.56 million. Her term of employment continues till August 27, 2017.

Santosh Thangavelu is the Vice President, Human Resources of our company. He holds a bachelor's degree in mechanical engineering from Bharathiar University, Coimbatore. He has over 17 years of experience in human resource management. Prior to joining our company, Santosh was Senior Director – Human Resources with Cognizant Technology Solutions India Private Limited. Prior to that, he has worked with Infosys Technologies Limited, Motor Industries Company Limited, and P4P Consulting Private Limited. He has been with our company since January 04, 2016. His term of employment continues till August 08, 2034.

Shihabudin M Abdulkhader is the vice president of the regulatory and compliance consulting department of our Company. He holds a bachelor's degree in law from Mahatma Gandhi University, Kottayam. Prior to joining our Company, he was a director and senior counsel, compliance at OCWEN Financial Solutions Private Limited. He has been an employee of our Company since December 16, 2013. For the financial year 2015, his remuneration was ₹ 3.83 million. His term of employment continues till July 09, 2031.

Kunal Sen is the senior vice president in the sourcing department of our Company. He holds a post-graduation diploma in management from Xaviers Labour Relations Institute, Jamshedpur. He has over 15 years of experience in sales and marketing. Prior to joining our Company, Kunal was the director of sales and marketing at StoveKraft Private Limited. He has been with our Company since May 19, 2014. For the financial year 2015, his remuneration was ₹ 4.28 million. His term of employment continues till September 30, 2021.

None of the Key Management Personnel are related to each other.

All the Key Management Personnel are permanent employees of our Company.

Details of Service Contracts

There are no service contracts entered into by our Company with any Key Managerial Personnel for the provision of benefits or payments of any amount upon termination of employment or retirement.

Shareholding of Key Management Personnel

Except as disclosed below, none of our Key Management Personnel hold any Equity Shares as of the date of this Red Herring Prospectus:

S.No.	Name of the Key Management Personnel	No. of Equity Shares	Percentage (%)
1.	Rituparna Chakraborty	95,577	0.62
2.	Neeti Sharma	66,516	0.43
3.	Ravi Vishwanathan	36,300	0.24
4.	Sharanbasappa S Shirol	24,117	0.16
5.	Asha Shivashankar	1,500	0.01
Total		224,010	1.46

Bonus or profit sharing plan of the Key Management Personnel

None of the Key Management Personnel is party to any bonus or profit sharing plan of our Company other than the performance linked incentives given to each of the Key Management Personnel.

Interests of Key Management Personnel

The Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and Equity Shares, if any, held by them. The Key Management Personnel may be regarded as interested in the Equity Shares that may be subscribed by or Allotted to them under the Employee Reservation Portion. The Key Management Personnel may also be deemed

to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any.

None of the Key Management Personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as disclosed in this Red Herring Prospectus, no amount of compensation has been paid and no benefits in kind have been granted to any of the Key Management Personnel by our Company for services in all capacities to our Company during the financial year 2015 and no such amount is accrued for the financial year 2015.

Further, there is no arrangement or understanding with the major Shareholders, customers, suppliers or others, pursuant to which any Key Management Personnel were appointed as member of senior management.

No loans have been availed by the Key Management Personnel from our Company.

Changes in the Key Management Personnel

The changes in the Key Management Personnel in the last three years are as follows:

Name	Designation	Date of change	Reason for change
Asha Sivashankar	Head-human resource	June 11, 2013	Change in designation
Zarir Batliwala	Head-human resource	June 11, 2013	Change in designation
Kunal Sen	Senior Vice President, Permanent recruiting	May 19, 2014	Appointment
Sangeeta Lala / Surabhi Mathur	Senior Vice President, Permanent recruiting	May 19, 2014	Resignation
P Davuluri	Senior Vice President, Enterprise learning service	April 30, 2015	Resignation
Shihabudin M. Abdulkhader	Vice President, Legal	December 16, 2013	Appointment
Amitava Ghosh	Vice President, Legal	December 16, 2013	Resignation
Mruthunjaya Murthy C	Company Secretary	April 02, 2015	Appointment
Mohitkaran Virendra Gupta	Co-head, Permanent recruiting	July 31, 2015	Resignation
Santosh Thangavelu	Vice President, Human Resources	January 04, 2016	Appointment

Payment or Benefit to officers of our Company

Except as stated otherwise in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary related amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any officer of our Company.

Employee Stock Option Schemes

Our Company instituted two employees stock option schemes: the ESOP 2011 scheme with effect from July 27, 2011, pursuant to Board resolution dated July 27, 2011 and the ESOP 2015 scheme pursuant to the Board and shareholders' resolutions dated July 09, 2015 and July 10, 2015, respectively. However, pursuant to the Board resolution dated July 09, 2015 and the shareholders' resolution date July 10, 2015, the ESOP Scheme 2011 has been cancelled by our company. For details please refer to "Capital Structure" on pages 84 and 85.

OUR PROMOTERS

Our Promoters

Our Promoters are Manish Mahendra Sabharwal, Ashok Kumar Nedurumalli, Mohitkaran Virendra Gupta, HR Offshoring Ventures Pte. Ltd, MKS Management Consultancy Services LLP, NED Consultants LLP and Dhana Management Consultancy LLP.

Individuals

Manish Mahendra Sabharwal, Ashok Kumar Nedurumalli and Mohitkaran Virendra Gupta are the Individual Promoters of our Company.

The details of our Individual Promoters are provided below:

Manish Mahendra Sabharwal



UIN: 887042115681
PAN: AGVPS6333F
Passport Number: Z2472663
Voter ID Number: ZLW4583340
Driving License: JK0219980000013

Manish Mahendra Sabharwal does not hold any Equity Shares in our Company.

For a complete profile of Manish Mahendra Sabharwal, *i.e.* his age, personal address, educational qualifications, experience, positions/ posts held in the past and other directorships and special achievements, please refer to “Our Management” on page 158 of this Red Herring Prospectus.

Ashok Kumar Nedurumalli



UIN: 427227061389
PAN: AABPN5151G
Passport Number: Z1927016
Voter ID Number: TDZ0115782
Driving License: DLFAP009324822002

Ashok Kumar Nedurumalli does not hold any Equity Shares in our Company.

For a complete profile of Ashok Kumar Nedurumalli, *i.e.* his age, personal address, educational qualifications, experience, positions/ posts held in the past and other directorships and special achievements, please refer to “Our Management” on page 159 of this Red Herring Prospectus.

Mohitkaran Virendra Gupta



UIN: 329891947305
PAN: AAIPG0501G
Passport Number: Z1884024
Voter ID Number: ZLW1400878
Driving License: MH0119880029002

Mohitkaran Virendra Gupta does not hold any Equity Shares in our Company.

Mohitkaran Virendra Gupta

Mohitkaran Virendra Gupta, aged 46, residing at Flat no. 002, A wing Prestige Elgin Apartments, Langford Road, Hosur Road, Bengaluru 560 025, Karnataka, India is a co-founder of our Company. Mohitkaran holds a bachelors degree in Arts with Economics from St. Xavier’s College, Mumbai and a masters degree in management from the University of

Western Sydney, Australia. He is a director at India Insure Risk Management Services Private Limited, and a partner at Dhana Management Consultancy LLP.

Corporate Promoters

HR Offshoring Ventures Pte. Ltd.

Corporate Information

HROV was incorporated under the laws of Singapore on July 25, 2003 as a limited exempt private company by the name of HR Offshoring Ventures Pte. Ltd bearing registration number 200307078Z. HROV currently holds 6,434,700 Equity Shares, equivalent to 41.97% of the pre- Offer capital of our Company.

HROV is engaged in the business of carrying on investments in human resources outsourcing companies in India and overseas or to carry on any other business which may seem to the company capable of being conveniently carried on in connection with its business or calculated directly or indirectly to enhance the value of or render profitable any of the company's property or rights.

HROV is promoted by Manish Mahendra Sabharwal.

Registered office:HR Offshoring Ventures Pte. Ltd.

#04-00, 66 Horne Road

Singapore 209073

UEN: 200307078Z

PAN: AADCH6193F

As on the date of this Red Herring Prospectus, the equity shares of HROV are not listed on any stock exchange.

Board of directors

The board of directors of HROV are as under:

S.No.	Name	Designation
1.	Manish Mahendra Sabharwal	Director
2.	Kavita Deshbandhu Gupta	Director
3.	Sujata Vithalrao Cowlagi	Director

For details in relation to the shareholding of the directors of HROV in our Company, please refer to "Capital Structure" on page 73.

Shareholding pattern

The authorised capital of HROV is SGD 5,000,000. The issued, subscribed and paid-up share capital of HROV is SGD 1863.

On February 24, 2014, 818 equity shares were allotted to Bharat Kumar Nedurumalli and 45 equity shares were allotted to Anupama Gupta at an allotment price of SGD 100 each thereby increasing the issued, subscribed and paid up share capital of HROV from SGD 1000 to SGD 1863. Further, on March 03, 2014, one equity share held by GIL was transferred to Abdool Azize Owasil for a consideration of SGD 1. On March 16, 2015, 818 equity shares of HROV held by Bharat Kumar Nedurumalli were transferred by way of gift to Ashok Kumar Nedurumalli. Except for the foregoing, there has been no change in control or management of HROV in the three years preceding this Red Herring Prospectus.

On July 29, 2015, HROV has gifted 1,379,886 Equity Shares to Dhana Management Consultancy LLP, 300 Equity Shares to MKS Management Consultancy Services LLP and 300 Equity Shares to NED Consultants LLP (being our Corporate Promoters) and gifted 198,114 Equity Shares to TeamLease Employee Stock Plan Trust as a part of the corporate restructuring of our Company's holding structure.

The equity shareholding pattern of HROV as on the date of this Red Herring Prospectus is as follows:

Shareholders	No. of equity shares of face value SGD 1 each	% shareholding
Manish Mahendra Sabharwal	998	53.57
Kavita Gupta	1	0.05
Abdool Azize Owasil	1	0.05
Anupama Gupta	45	2.42
Ashok Kumar Nedurumalli	818	43.91
Total	1,863	100

Changes in the management and control

Other than the corporate restructuring as stated above, there have not been any changes in the management and control of HROV.

MKS Management Consultancy Services LLP

MKS Management Consultancy Services LLP was incorporated under the under the laws of Republic of India on April 22, 2015 bearing LLP identification number AAD-8078. The capital of MKS Management Consultancy LLP is ₹ 100,000. The partners of MKS Management Consultancy LLP are Manish Mahendra Sabharwal and Kavita Gupta. MKS Management Consultancy Services LLP currently holds 300 Equity Shares, being less than 0.01% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company.

Registered Office: C/05, 3rd Floor, Laxmi Towers
C-25, G Block, Behind ICICI Bank Limited
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051

LLP ID: AAD-8078

PAN: ABAFM6498D

Changes in the management and control

MKS Management Consultancy Services LLP was incorporated on April 22, 2015 and there has been no change in the management and control of MKS Management Consultancy Services LLP in the three years preceding the date of this Red Herring Prospectus.

NED Consultants LLP

Corporate Information

NED Consultants LLP was incorporated under the laws of Republic of India on March 25, 2015 bearing LLP identification number AAD-6187. The capital of NED Consultants LLP is ₹ 100,000. The partners of NED Consultants LLP are Ashok Kumar Nedurumalli and Pooja Reddy. NED Consultants LLP currently holds 300 Equity Shares, being less than 0.01% of the pre- Offer issued, subscribed and paid-up Equity Share capital of our Company.

Registered Office: 11A, Sky Gardens, 12/1
Rhenius Street, Richmond Town
Bengaluru 560 001

LLP ID: AAD-6187

PAN: AALFN7491H

Changes in the management and control

NED Consultants has been incorporated on March 25, 2015 and there has been no change in the management and control of NED Consultants LLP in the three years preceding the date of this Red Herring Prospectus.

Dhana Management Consultancy LLP

Corporate Information

Dhana Management Consultancy LLP was incorporated under the laws of Republic of India on March 27, 2015 bearing LLP identification number AAD-6519. The capital of Dhana Management Consultancy LLP is ₹ 100,000. The partners of Dhana Management Consultancy LLP are Mohitkaran Virendra Gupta and Arati Menon. Dhana Management Consultancy LLP currently holds 1,379,886 Equity Shares, equivalent to 9.00% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company.

Registered Office: 9062, Innsbrook Point
6th Floor, Block 9
Whitefield Road
Near ITPL Whitefield
Bengaluru 560 048
LLP ID: AAD-6519
PAN: AALFD1470G

Changes in the management and control

There has been no change in the management and control of Dhana Management Consultancy LLP in the three years preceding the date of this Red Herring Prospectus.

Other understandings and confirmations

Our Company confirms that the PAN, bank account numbers and passport number of each of its individual Promoters, and the PAN, bank account numbers, company registration numbers of its Corporate Promoters as well as the address of the registrar of companies, where its Corporate Promoters are registered, were submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Further, our Promoters, Group Companies and relatives of the Promoters have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

There are no violations of securities laws committed by our Promoters, relatives of our Promoters or Promoter Group in the past or currently pending against them. Further, none of our Promoters or members of our Promoter Group or any company of which they are promoters, directors or persons in control have been debarred, or restricted from accessing the capital markets for any reasons, by SEBI or any other authorities.

Change in the management and control of our Company

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

Interest of our Promoters

In addition to the disclosure stated in this section, our Promoters are interested in our Company and our Group Companies with which our Company transacts during the course of its operations to the extent of its shareholding. For details please see “History and Certain Corporate Matters” and “Our Group Companies” on pages 151 and 181, respectively of this Red Herring Prospectus.

Our Promoters are not interested as members of a firm or company and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company except as disclosed in this Red Herring Prospectus.

Interest of our Promoters in the promotion of our Company

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them. For details on shareholding of our Promoters in our Company, please refer to “Capital Structure” and “Our Promoters” on pages 76 and 174, respectively.

Interest in Property, Land and Construction

Our Promoters do not have any interest in any property acquired by our Company or the Subsidiaries within two years preceding the date of filing this Red Herring Prospectus with SEBI or any property proposed to be acquired by the Company or the Subsidiaries or in any transaction with respect to the acquisition of land, construction of building or supply of machinery except as discussed in the section “Financial Statements” on page 189 of this Red Herring Prospectus.

Interest as members of the Company

Our Promoters are interested to the extent of their shareholding and the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer to “Capital Structure” on page 73 of this Red Herring Prospectus.

Other interests

Except as stated in this section and the section “Related Party Transaction” on page 187 our Promoters are not directly or indirectly interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

One of our Promoters, Mohitkaran Virendra Gupta, has been appointed as an advisor to our Company pursuant to an appointment letter dated July 31, 2015. The appointment letter is valid with effect from August 1, 2015 until the Equity Shares are listed on recognized stock exchange or March 30, 2016, whichever is earlier. Mohitkaran holds interest in our Company to the extent of compensation payable to him in terms of the appointment letter. For further details in relation to Mohitkaran’s appointment as an advisor to our Company, see “History and Certain Corporate Matters” on page 155.

Except as stated in “Financial Statements” on page 189 of this Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Promoters.

Payment of benefits to our Promoters and Promoter Group during the last two years

Except as stated in the section “Financial Statements” on page 189 of this Red Herring Prospectus, there have been no amounts or benefits paid or given or intended to be paid or given to our Promoters or the Promoter Group within the two years preceding the date of this Red Herring Prospectus.

Interest of Promoters in Sales and Purchases

Other than as disclosed in section “Related Party Transactions” on page 187, there are no sales/ purchases between our Company and Promoter Group, Group Companies and our Subsidiaries when such sales or purchase exceed in value the aggregate of 10% of the total sales or purchases of our Company or any business interest between our Company, our Promoter Group, our Subsidiaries and Group Companies as on the date of the last financial statements.

Sick Company

No winding up proceedings have been initiated against any of our Promoters.

Neither our Promoters nor any of our Promoter Group companies have become defunct in the five years preceding the date of this Red Herring Prospectus.

Disassociation by the Promoters in the last three years

Except as disclosed herein below, our Promoters have not disassociated from any of the companies in the last three years:

S.No.	Name of Promoter	Name of entity from which disassociated	Reason for disassociation	Date of disassociation
1.	Manish Mahendra	ICAP Institutional	Due to preoccupation	December 15, 2014

	Sabharwal		Stock Exchange of India Limited		
			IIT Education Private Limited	Due to preoccupation	June 01, 2014
			TeamLease Consulting Private Limited	Due to preoccupation	March 31, 2014
			India Tourism And Hospitality Skills Education Private Limited	Due to preoccupation	June 01, 2014
			Bamboo Management Capital Pte. Limited	Due to preoccupation	December 15, 2014
2.	Ashok Nedurumalli	Kumar	TeamLease Consulting Private Limited	Due to preoccupation	April 30, 2015
			TeamLease Contract Services Private Limited	Due to preoccupation	April 30, 2015
3.	Mohitkaran Gupta	Virendra	TeamLease Consulting Private Limited	Due to preoccupation	April 30, 2015
			TeamLease Contract Services Private Limited	Due to preoccupation	April 30, 2015
			India Life Capital Private Limited	Due to preoccupation	September 12, 2015

Litigation involving our Promoters

For details of legal and regulatory proceedings involving our Promoters, please refer to “Outstanding Litigation and Material Developments” on page 362 of this Red Herring Prospectus.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Offer against our Promoters, except as disclosed under section “Outstanding Litigation and Material Developments” on page 362.

Confirmations

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

Except as disclosed in section “Related Party Transactions” on page 187, our Promoters are not related to any of the sundry debtors of our Company.

Promoter Group

Our Promoter Group constitutes the following:

S.No.	Promoter	Relationship	Entities in which shareholding is 10% or more	Entity in which a company holds 10% or more
1.	Manish Mahendra Sabharwal		Companies: (i) India Life Capital Private Limited (ii) HROV (iii) Global Crossover Ventures Pte Limited (iv) Neev Schools Private Limited (v) ICAP India Private Limited Partnerships: Nil	(i) Hansini Management Consultant Private Limited (ii) Global Crossover Ventures (India) Private Limited (iii) ICAP Institutional Stock Exchange of India Limited
		(a) Kavitha Gupta Sabharwal (Spouse of Manish Mahendra Sabharwal)	Companies: (i) Neev Schools Private Limited (ii) Lupin Ventures Private Limited Partnerships: Nil	
		(b) Mahendra Sabharwal (Father of Manish Mahendra Sabharwal)	Companies: (i) India Life Broking Services Private Limited (ii) Paterson & Co., Forex Brokers Partnerships: Nil	
		(c) Vina Sabharwal (Mother of Manish Mahendra Sabharwal)	Companies: (i) India Life Broking Services Private Limited (ii) Hansini Management Consultant Private Limited (iii) Paterson & Co., Forex Brokers Partnerships: Nil	SRBMA Leasing and Finance Pvt. Ltd.
		(d) Miti Ghei (Sister of Manish Mahendra Sabharwal)	-	-
		(e) Dhruv Sabharwal (Son of Manish Mahendra Sabharwal)	-	-
		(f) Noor Sabharwal (Daughter of Manish Mahendra Sabharwal)	-	-
		(g) Deshbandhu Gupta (Father-in-law of Manish Mahendra Sabharwal)	Companies: (i) Lupin International Private Limited (ii) Lupin Investments Private Limited (iii) Novamed Investments Private Limited (iv) Synchem Properties Private Limited Partnerships: (i) Bharat Steel Fabrication and Engineering Works (ii) D B Estates (iii) D B Promoters (iv) Orgo Pharm Chemicals	Companies: (i) Lupin Properties Limited; (ii) Lupin Holdings Private Limited; (iii) Rahas Investments Private Limited; (iv) Rahas Mercantile Private Limited; (v) Synchem Investments Private Limited (vi) Visiomed Investments Private Limited; and (vii) Zyma Laboratories Limited

S.No.	Promoter	Relationship	Entities in which shareholding is 10% or more	Entity in which a company holds 10% or more
		(h) Manju Gupta (Mother-in-law of Manish Mahendra Sabharwal)	Companies: (i) Lupin Investments Private Limited (ii) Novamed Investments Private Limited (iii) Synchem Properties Private Limited Partnerships: (i) Bharat Steel Fabrication and Engineering Works; (ii) D.B. Estates; (iii) D.B. Promoters; and (iv) Orgo Pharm Chemicals.	Companies: (i) Lupin Holdings Private Limited; (ii) Lupin Properties Limited; (iii) Rahas Investments Private Limited; (iv) Rahas Mercantile Private Limited; (v) Synchem Investments Private Limited; and (vi) Visiomed Investments Private Limited
		(i) Nilesh Gupta (Brother-in-law of Manish Mahendra Sabharwal)	Companies: (i) Element 119 Leasing and Finance Private Limited Partnerships: Nil	
		(j) Vinita Sharma (Sister-in-law of Manish Mahendra Sabharwal)	-	-
		(k) Richa S (Sister-in-law of Manish Mahendra Sabharwal)	-	-
		(l) Anuja Kapoor (Sister-in-law of Manish Mahendra Sabharwal)	-	-
2.	Ashok Nedurumalli	Kumar	Companies: (i) India Life Capital Private Limited Partnerships: Nil	
		(a) Pooja Reddy Konda (Spouse of Ashok Kumar Nedurumalli)	Companies: (i) Ushika Invests Private Limited (ii) Usha Kanth Projects Private Limited Partnerships: (i) Stonehenge	
		(b) Janardhan Reddy N (Father of Ashok Kumar Nedurumalli)	-	-
		(c) Rajyalakshmi Nedurumalli (Mother of Ashok Kumar Nedurumalli)	-	-
		(d) Gautam Kumar Reddy (Brother of Ashok Kumar Nedurumalli)	Companies: (i) Seven Islands Craft Brewery Private Limited (ii) Buy Forex Online(India) Private Limited (iii) NED Energy Private Limited (iv) NED Ventures LLP (v) Swarnamukhi Aqua Farms Private Limited (vi) Acropolis Granites Limited Partnerships: (i) KV Constructions (ii) Nedscape (iii) Veera Sports (iv) GSR Constructions	

S.No.	Promoter	Relationship	Entities in which shareholding is 10% or more	Entity in which a company holds 10% or more
		(e) Ram Kumar Reddy (Brother of Ashok Kumar Nedurumalli)	Companies: (i) Acropolis Granites Limited (ii) Swarnamukhi Aqua Farms Private Limited (iii) Swarnamukhi Thermal Projects Private Limited (iv) Viki Avenues Private Limited (v) Mack Infrahousing Private Limited Partnerships: (i) Hawk Estates & Developers (ii) Mack Holdings (iii) GSR Constructions (iv) Surya Ventures	
		(f) Bharat Kumar Reddy (Brother of Ashok Kumar Nedurumalli)	Companies: Nil Partnerships: (i) GSR Constructions	
		(g) Ira Reddy N (Daughter of Ashok Kumar Nedurumalli)	-	-
		(h) Capt. B. Laxmi Kanth Reddy (Father-in-law of Ashok Kumar Nedurumalli)	Companies: (i) Ushika Invests Private Limited (ii) Usha Kanth Projects Private Limited (iii) Sri Padmanabha Estates Private Limited Partnerships: (i) Stonehenge	
		(i) Usha Kanth Reddy (Mother-in-law of Ashok Kumar Nedurumalli)	Companies: (i) Hacienda Club and Resorts Private Limited (ii) Ushika Invests Private Limited (iii) Hansa Elite Luxe Interiors Private Limited (iv) Hansa Aviation Private Limited (v) Usha Kanth Projects Private Limited (vi) Sri Padmanabha Estates Private Limited Partnerships: (i) Hansa Holidays (ii) Hansa Amrapali (iii) Hansa Café	
		(j) Arjun Reddy Konda (Brother-in-law of Ashok Kumar Nedurumalli)	Companies: (i) Hacienda Club and Resorts Private Limited (ii) Usha Kanth Projects Private Limited (iii) Sri Padmanabha Estates Private Limited Partnerships: Nil	
3.	Mohitkaran Virendra Gupta		Companies: Nil	

S.No.	Promoter	Relationship	Entities in which shareholding is 10% or more	Entity in which a company holds 10% or more
			Partnerships: Nil	
		(a) Arati Menon Gupta (Spouse of Mohitkaran Virendra Gupta)	-	-
		(b) Virendra Gupta (Father of Mohitkaran Virendra Gupta)	Companies: (i) Abhnav S.A. de C.V	-
			Partnerships: Nil	
		(c) Aruna Virendra Gupta (Mother of Mohitkaran Virendra Gupta)	Companies: (i) Abhinav S.A. de C.V	-
			Partnerships: Nil	
		(d) Reema Gupta (Sister of Mohitkaran Virendra Gupta)	-	-
		(e) Abhinav Gupta (Son of Mohitkaran Virendra Gupta)	-	-
		(f) Anakkaravadakkath Balakrishna Menon (Father-in-law of Mohitkaran Virendra Gupta)	-	-
		(g) Nediymveettil Sharada Menon (Mother-in-law of Mohitkaran Virendra Gupta)	-	-
		(h) Anupama Gupta (Sister-in-law of Mohitkaran Virendra Gupta)	-	-

OUR GROUP COMPANIES

Unless otherwise specified, all information in this section is as of the date of this Red Herring Prospectus.

The definition of ‘group companies’ was amended pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2015, to include companies covered under applicable accounting standards and such other companies as are considered material by the Board. Pursuant to a Board resolution dated September 03, 2015, our Board formulated a policy with respect to companies which it considered material to be identified as group companies, pursuant to which the following entities are identified as Group Companies of our Company.

Except as stated below, there are no companies which are considered material by the Board to be identified as group companies.

1. Details of the five largest Group Companies (based on turnover)

(a) ICAP India Private Limited (“ICAPIPL”)

Corporate Information

ICAPIPL was incorporated on July 11, 1994 under the Companies Act, 1956 under the name of Pennar Investments Private Limited at Mumbai, Maharashtra. The name of the company was subsequently changed to Garban Intercapital Private Limited and a fresh certificate of incorporation was issued on February 02, 2000. The name of the company was further changed to ICAPIPL and a fresh certificate of incorporation was issued on June 06, 2003.

ICAPIPL is engaged *inter alia* in the business of investing and dealing/trading in shares, debentures, bonds and mortgages and dealing/trading/broking in foreign exchange and act as administrators or managers of investment trusts or funds.

Interest of our Promoters

Manish Mahendra Sabharwal holds 2,303,020 equity shares of face value of ₹ 10 each, constituting 49% of issued and paid up equity share capital of ICAPIPL.

Financial Information

Particulars	(in ₹ million, except per share data)		
	For the Financial Year ending at		
	2015	2014	2013
Equity Capital	47.00	47.00	47.00
Reserves (excluding revaluation reserves) and Surplus	84.83	88.63	78.79
Revenue from Operations and Other Income (Sales)	226.57	244.17	226.56
Profit / (Loss) after Tax	(3.36)	10.35	14.67
Basic EPS (in ₹)	(0.71)	2.09	3.01
Diluted EPS (in ₹)	(0.71)	2.09	3.01
Net asset value per share (in ₹)	40.95	41.76	39.67

Significant Notes: Nil

(b) India Life Capital Private Limited (“ILCPL”)

Corporate Information

ILCPL was incorporated on September 26, 2002 under the Companies Act, 1956 under the name of India Life Team Investments Private Limited at Hyderabad, Andhra Pradesh. The name of the company was subsequently changed to India Life Capital Private Limited and a fresh certificate of

incorporation was issued on March 28, 2005.

ILCPL is engaged *inter alia* in carrying on the business of an investment company and to invest in, acquire, hold, resell and deal in investments in any shares, stocks, bonds, securities and debentures whether convertible or otherwise, issued by public limited companies or private limited companies.

Interest of our Promoters

Manish Mahendra Sabharwal and Ashok Kumar Nedurumalli hold 12,000 equity shares of face value ₹ 10 each, constituting 100% of the issued and paid up equity share capital of ILCPL in aggregate.

Financial Information

Particulars	(in ₹ million, except per share data)		
	For the Financial Year ending at		
	2015	2014	2013
Equity Capital	0.64	0.64	0.64
Reserves (excluding revaluation reserves) and Surplus	30.56	28.05	24.15
Revenue from Operations and Other Income (Sales)	32.53	30.11	25.23
Profit / (Loss) after Tax	2.64	3.90	1.97
Basic EPS (in ₹)	40.95	60.54	30.61
Diluted EPS (in ₹)	40.95	60.54	30.61
Net asset value per share (in ₹)	487.5	445.47	384.88

Significant Notes: Nil

(c) **Lupin Ventures Private Limited ("Lupin")**

Corporate Information

Lupin was incorporated on November 30, 2004 under the Companies Act, 1956 at Bengaluru, Karnataka. Lupin shifted its registered office from Karnataka to Maharashtra on September 27, 2013.

Lupin is engaged *inter alia* in the business of investing in companies, firms and individuals operating in the sphere of education, child development and biotechnology.

Interest of our Promoters

Manish Mahendra Sabharwal holds 5,000 equity shares of face value of ₹ 10 per equity share, constituting 50% of the issued, subscribed and paid-up equity share capital of Lupin.

Financial Information

Particulars	(in ₹ million, except per share data)		
	For the Financial Year ending at		
	2015	2014	2013
Equity Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserves) and Surplus	16.81	10.46	1.62
Revenue from Operations and Other Income (Sales)	22.00	20.66	8.92
Profit / (Loss) after Tax	8.36	11.31	(1.27)
Basic EPS (in ₹)	634.63	884.23	(127.31)
Diluted EPS (in ₹)	634.63	884.23	(127.31)
Net asset value per share (in ₹)	1691.10	1,056.00	172.00

Significant Notes: Nil

(d) **Hansini Management Consultant Private Limited ("Hansini")**

Corporate Information

Hansini was originally incorporated as India Life Credit and Holdings Private Limited on January 01, 1999 under Companies Act, 1956. On June 07, 2012, the name of the company was changed from India Credit and Holdings Private Limited to Hansini Management Consultant Private Limited and a new certificate of incorporation was issued in light of this change. Further, the registered office was changed from Kolkata to Mumbai pursuant to a certificate of registration dated August 8, 2013.

Hansini is engaged in the business of investments and deal/ trade in shares, debentures, debenture stock, bonds, mortgage obligations, stocks, units, notes warrants, participation certificates, government and quasi government public sector units, deposit certificates, warrants, exim scripts units of other mutual funds.

Interest of our Promoters

Manish Mahendra Sabharwal holds 27,970 equity shares of face value ₹ 10 each, constituting 19% of the issued and paid up equity share capital of Hansini.

Financial Information

Particulars	For the Financial Year ending at		
	2015	2014	2013
Equity Capital	1.48	1.48	1.48
Reserves (excluding revaluation reserves) and Surplus	57.20	54.71	60.80
Revenue from Operations and Other Income (Sales)	39.77	20.51	16.50
Profit / (Loss) after Tax	2.58	(3.29)	(4.58)
Basic EPS (in ₹)	17.51	(41.28)	(30.49)
Diluted EPS (in ₹)	17.51	(41.28)	(30.49)
Net asset value per share (in ₹)	397.75	380.87	422.15

Significant Notes: Nil

(e) **Neev Schools Private Limited (“Neev”)**

Corporate Information

Neev was incorporated on January 10, 2005 under the Companies Act, 1956 at Bengaluru, Karnataka.

Neev is engaged *inter alia* in the business of running preschools, schools, childcare services, primary schools and high schools and carrying on the business of promoting, setting up and running all types of holiday camps for children.

Interest of our Promoters

Manish Mahendra Sabharwal hold 5,000 equity shares of face value ₹ 10 each, constituting 30% of the issued and paid up equity share capital of Neev.

Financial Information

Particulars	(in ₹ million, except per share data) For the Financial Year ending at		
	2015	2014	2013
Equity Capital	0.17	0.17	0.17
Reserves (excluding revaluation reserves) and Surplus	(8.16)	(17.9)	(23.23)
Revenue from Operations and Other Income (Sales)	NA	NA	NA
Profit / (Loss) after Tax	NA	NA	NA
Basic EPS (in ₹)	NA	NA	NA
Diluted EPS (in ₹)	NA	NA	NA
Net asset value per share (in ₹)	(470.00)	(1,064.1)	(1,384.02)

Significant Notes: Nil

2. Details of Group Companies with negative net worth

In addition to Neev, the following Group Companies have a negative network:

ICAP Institutional Stock Exchange of India Limited (“ICAP Stock Exchange”)

Corporate Information

ICAP Stock Exchange was incorporated on February 02, 2010 under the Companies Act, 1956 at Mumbai, Maharashtra.

ICAP Stock Exchange is engaged *inter alia* in the business of operating, regulating, maintaining and managing stock exchange facilities in Mumbai and elsewhere in India and abroad.

Interest of our Promoters

Manish Mahendra Sabharwal holds 2,500 equity shares of face value ₹ 10 each, constituting 50% of the issued and paid up equity share capital of ICAP Stock Exchange.

Financial Information

Particulars	(in ₹ million, except per share data)		
	For the Financial Year ending at		
	2015	2014	2013
Equity Capital	0.50	0.50	0.50
Profit / (Loss) after Tax	(0.15)	(0.19)	(1.90)
Net asset value per share (in ₹)	(78.88)	(75.83)	(72.01)

3. Details of other Group Companies

Foreign Group Companies

(a) Global Crossover Venture Pte. Ltd. (“GCOV”)

Corporate Information

GCOV was incorporated on January 14, 2004 as a private limited company under the Companies Act (Cap 50) in Singapore.

GCOV is engaged in the business of business management and consultancy and other investment holding companies.

Interest of our Promoters

Manish Mahendra Sabharwal holds 185,001 equity shares of face value 1 SGD, constituting 99.99% of the equity share capital of GCOV.

Financial Information

Particulars	(in SGD)		
	For the Financial Year ending at		
	2015	2014	2013
Equity Capital	185,002	185,002	185,002
Reserves (excluding revaluation reserves) and Surplus	509,874	511,414	333,689
Revenue from Operations and Other Income (Sales)	0	-	100,213
Net asset value per share	3.76	3.76	2.80

Nature and Extent of Interest in Group Companies

In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

Except as discussed in the section “Financial Statements” on page 189 of this Red Herring Prospectus, none of our Group Companies, Subsidiaries or associate companies have any business interest in our Company.

In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Red Herring Prospectus with SEBI

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Red Herring Prospectus.

In transactions for acquisition of land, construction of building and supply of machinery

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Disassociation of Group Companies

Except TeamLease Consulting Private Limited and TeamLease Contracts Private Limited, our Company has not disassociated from any other Group Companies, since incorporation.

Disassociation by the Promoters in the last three years

Except as disclosed herein below, our Promoters have not disassociated from any of the Group Companies in the last three years:

S.No.	Name of Promoter	Name of entity from which disassociated	Reason for disassociation	Date of disassociation
1.	Manish Mahendra Sabharwal	ICAP Institutional Stock Exchange of India Limited	Due to preoccupation	December 15, 2014
		IJT Education Private Limited	Due to preoccupation	June 01, 2014
		TeamLease Consulting Private Limited	Due to preoccupation	March 31, 2014
		India Tourism And Hospitality Skills Education Private Limited	Due to preoccupation	June 01, 2014
		Bamboo Capital Management Pte. Limited	Due to preoccupation	December 15, 2014
2.	Ashok Nedurumalli Kumar	TeamLease Consulting Private Limited	Due to preoccupation	April 30, 2015
		TeamLease Contract Services Private Limited	Due to preoccupation	April 30, 2015
3.	Mohitkaran Virendra Gupta	TeamLease Consulting Private Limited	Due to preoccupation	April 30, 2015
		TeamLease Contract Services Private Limited	Due to preoccupation	April 30, 2015
		India Life Capital Private Limited	Due to preoccupation	September 12, 2015

Common Pursuits among the Group Companies with our Company

There are no common pursuits between any of our Group Companies and our Company.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

For more information, please refer to “Related Party Transactions” on page 187.

Significant Sale/Purchase between Group Companies and our Company

None of our Group Companies is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Business Interest of Group Companies

We have entered into certain business contracts with our Group Companies. For details, see “Related Party Transactions” on page 187 .

Other than as stated above, none of our Group Companies have any business interest in our Company.

Defunct Group Companies

Except as stated below, none of our Group Companies remain defunct and no application has been made to any registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Red Herring Prospectus with SEBI. Further, none of our Group Companies fall under the definition of sick companies under SICA and none of them is under winding up.

Loss making Group Companies:

The following table sets forth the details of our Group Companies which have incurred loss in the last Financial Year and profit/(loss) made by them in the last three Financial Years:

S.No.	Name of the entity	Profit/(Loss) (Amount in ₹ million)		
		For the Financial Year		
		2015	2014	2013
1.	ICAP Institutional Stock Exchange	(0.15)	(0.19)	(1.90)
2.	Hansini	2.58	(3.29)	(4.58)
3.	ICAP India Private Limited	(3.36)	10.35	14.67

Group Companies disassociated:

S.No.	Name of the companies	Reason for disassociation	Date of disassociation
1.	TeamLease Consulting Services Private Limited	Strategic decision	March 24, 2011
2.	TeamLease Contracts Private Limited	Strategic decision	April 26, 2015

Other Confirmations

None of the securities of our Group Companies are listed on any stock exchange and none of our Group Companies have made any public or rights issue of securities in the preceding three years.

None of the Group Companies have been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

None of the Group Companies have been identified as wilful defaulters by the RBI or other authorities.

Litigation

For details relating to the legal proceedings involving the Group Companies, please refer to “Outstanding Litigations and Material Developments” on page 362.

None of the Group Companies have been identified as wilful defaulters by the RBI or other authorities.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five fiscal years ending on March 31, 2015, as per the requirements under Accounting Standard 18 'Related Party Disclosures' issued by the Institute of Chartered Accountants in India and as reported in the Restated Financial Information, please refer to Annexure V in the "Financial Statements" on page 213.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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To
The Board of Directors
TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”)
BMT Commercial Complex, 6th Floor,
80 Feet Road, Koramangala,
Bangalore- 560095

Auditors’ Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”)

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated June 03, 2015 and addendums thereof dated September 03, 2015 and January 13, 2016.
2. The accompanying restated consolidated financial information, expressed in Indian Rupees, in Millions of **TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”)** (hereinafter referred to as the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”) comprising Consolidated Financial Information in paragraph A below and Other Consolidated Financial Information in paragraph B below (hereinafter together referred to as “Restated Consolidated Financial Information”), has been prepared by the Management of the Company in accordance with the requirements of Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013, as amended (hereinafter referred to as the “Act”) and item (IX) of Part (A) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”) issued by the Securities and Exchange Board of India (the “SEBI”) in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the “Issue”) and has been approved by the Board of Directors of the Company and initialled by us for identification purposes only. For the purposes of our examination, we have placed reliance on the audited consolidated financial statements of the Group for the six months periods ended September 30, 2015 and September 30, 2014 and the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (which were expressed in Indian Rupees), on which we have expressed unmodified audit opinions vide our reports dated January 17, 2016, September 03, 2015 and September 03, 2015 respectively.

Management’s Responsibility for the Restated consolidated Financial Information

3. The preparation of the Restated Consolidated Financial Information, which is to be included in the Red Herring Prospectus (“RHP”) and the Final Prospectus, is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company, at its meeting held on January 17, 2016, for the purpose set out in paragraph 14 below. The Management’s responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as "TeamLease Services Private Limited")

Auditors' Responsibilities

4. Our work has been carried out in accordance with the Standards on Auditing, (Revised) Guidance Note on Reports in Company Prospectuses and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable provisions within Rules 4 to 6 of the Rules and the SEBI Regulations.

Our examination of the Restated Consolidated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S."), standards of the US Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

A. Consolidated Financial Information as per audited consolidated financial statements:

5. We have examined the following summarized financial statements of the Group contained in Restated Consolidated Financial Information of the Group:
- a) the "Restated Consolidated Statement of Assets and Liabilities " as at as at September 30, 2015, September 30, 2014, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011. (enclosed as Annexure I);
 - b) the "Restated Consolidated Statement of Profit and Loss" for the six months periods ended September 30, 2015 and September 30, 2014 and the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 (enclosed as Annexure II) and
 - c) the "Restated Consolidated Statement of Cash Flows" for the six months periods ended September 30, 2015 and September 30, 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 (enclosed as Annexure III).
6. The Restated Consolidated Financial Information, expressed in Indian Rupees, in Millions has been derived from the audited consolidated financial statements of the Group read with paragraphs 7 and 8 below, as at September 30, 2015, September 30, 2014, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 , all of which expressed in Indian Rupees and for the six months periods ended September 30, 2015 and September 30, 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 , all of which expressed in Indian Rupees .

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as "TeamLease Services Private Limited")

7. The audits of the financial information of two subsidiaries included in the Restated Consolidated Financial Information of the Group were conducted by other auditors and whose financial statements reflect the Group's share of total assets of Rs. 30.89 million, Rs. 29.80 million, Rs. 30.99 million, Rs. 31.78 million, Rs. 33.17 million, Rs. 43.79 million and Rs. 22.47 million and net assets of Rs 28.14 million, Rs 26.98 million, Rs. 28.29 million, Rs. 28.94 million, Rs. 31.68 million, Rs. 25.36 million and Rs. 21.33 million as at September 30, 2015, September 30, 2014, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and total revenue of Rs. 2.13 million, Rs. 2.22 million, Rs. 4.29 million, Rs. 3.37 million, Rs. 19.45 million, Rs. 18.63 million and Rs. 12.14 million, net profit/(net loss) of Rs. 1.66 million, Rs. (0.99) million, Rs 0.59 million, Rs (0.83) million, Rs. 2.61 million, Rs. (15.92) million and Rs. (25.91) million and net cash inflows/ (outflows) of Rs 0.51 million, Rs. (1.61) million, Rs 0.38 million, Rs. 0.24 million, Rs. 2.08 million, Rs. 0.93 million and Rs. (5.38) million for the aforesaid six months periods and years then ended. Accordingly, our opinion on examination of the Consolidated Financial Information and Other Consolidated Financial Information of the Group, in so far as it relates to the amounts included in these Restated Consolidated Financial Information relating to these subsidiaries is based solely on the audit reports furnished to us by other firms of Chartered Accountants/ other auditors, after making necessary adjustments.
8. We draw your attention to the following:
- a) the Restated Consolidated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph 10 (i);
 - b) the Restated Consolidated Financial Information does not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
9. We have not audited any consolidated financial statements of the Group as of any date or for any period subsequent to September 30, 2015 . Accordingly, we do not express any opinion on the financial position, results of operation or cash flows of the Company as of any date or for any period subsequent to September 30, 2015 .

B. Other Consolidated Financial Information:

10. At the Company's request, we have also examined the following Other Consolidated Financial Information relating to the Company as at September 30, 2015, September 30, 2014, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and for the six months periods ended September 30, 2015 and September 30, 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, proposed to be included in the RHP and the Final Prospectus, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:
- i) Basis of preparation and Significant Accounting Policies as enclosed in Annexure IV;
 - ii) Notes to the Restated Consolidated Financial Information as enclosed in Annexure V;
 - iii) Statement of adjustments to Audited Financial Statements as enclosed in Annexure VI;
 - iv) Restated Consolidated Statement of Secured Borrowings as enclosed in Annexure VII;

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as "TeamLease Services Private Limited")

- v) Restated Consolidated Statement of Unsecured Borrowings as enclosed in Annexure VIII;
 - vi) Restated Consolidated Statement of Other Long Term Liabilities as enclosed in Annexure IX;
 - vii) Restated Consolidated Statement of Investments as enclosed in Annexure X;
 - viii) Restated Consolidated Statement of Trade Receivables as enclosed in Annexure XI;
 - ix) Restated Consolidated Statement of Loans and Advances as enclosed in Annexure XII;
 - x) Restated Consolidated Statement of Other Income as enclosed in Annexure XIII;
 - xi) Restated Consolidated Statement of Accounting Ratios as enclosed in Annexure XIV;
 - xii) Restated Consolidated Statement of Capitalization as enclosed in Annexure XV;
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Opinion

12. In our opinion:
- (i) the Restated Consolidated Financial Information of the Group, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act and the SEBI Regulations;
 - (ii) adjustments have been made with retrospective effect to reflect the changes in accounting policies of the Company (as disclosed in Annexure IV to this report) to reflect the same accounting treatment as per the accounting policies as at September 30, 2015 for all the reporting periods;
 - (iii) the material adjustments relating to previous years / periods have been adjusted in the year / periods to which they relate;
 - (iv) there are no qualifications in the Auditors' Report which require any adjustments; and
 - (v) there are no extra-ordinary items which need to be disclosed separately.
13. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the consolidated financial statements of the Company.

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as "TeamLease Services Private Limited")

Restriction on Use

14. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the RHP and the Final Prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchanges.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S / S- 200012
Chartered Accountants

Place: Mumbai
Date: January 17, 2016

Partha Ghosh
Partner
Membership Number 055913

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Annexure I-Restated Consolidated Statement of Assets and Liabilities of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Notes / Annexures	As at						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Equity and Liabilities								
Shareholder's Funds								
Share capital	Annexure V, Note 1	153.32	5.11	5.11	5.11	5.11	5.11	3.97
Reserves and surplus	Annexure V, Note 2	1,441.68	1,355.41	1,480.18	1,183.27	1,004.70	1,041.70	214.58
Non-current liabilities								
Long-term borrowings	Annexure VII	-	-	-	-	0.35	0.75	0.15
Other long term liabilities	Annexure IX	51.10	56.47	52.34	58.07	53.91	47.07	46.34
Long-term provisions	Annexure V, Note 3	252.15	135.51	175.67	129.73	91.06	64.28	53.94
Current liabilities								
Short-term borrowings	Annexure VII & VIII	-	-	-	8.22	120.41	79.84	28.36
Other current liabilities	Annexure V, Note 4	2,582.68	1,680.84	1,701.88	989.71	927.70	702.59	607.82
Short-term provisions	Annexure V, Note 5	102.90	77.42	90.01	58.72	39.05	27.65	10.29
Total		4,583.83	3,310.76	3,505.18	2,432.83	2,242.29	1,968.99	965.45
Assets								
Non Current Assets								
Fixed Assets	Annexure V, Note 6							
Tangible assets		18.36	39.81	14.94	52.01	65.82	141.91	155.35
Intangible assets		36.15	37.81	37.78	38.68	41.62	37.92	46.81
Intangible assets under development		70.52	25.80	41.87	16.38	-	14.98	9.12
Non Current Investments	Annexure X	0.20	0.20	0.20	0.20	0.20	0.10	-
Deferred Tax Asset	Annexure V, Note 16	69.61	63.04	56.12	-	-	-	-
Long term loans and advances	Annexure XII	542.27	406.31	435.90	254.62	308.69	209.68	97.77
Other Non Current Assets	Annexure V, Note 7	277.93	125.64	167.17	146.05	94.29	66.13	64.17
Current assets								
Current Investments	Annexure X	-	40.00	-	-	-	-	-
Inventories	Annexure V, Note 8	2.11	2.53	2.15	2.45	5.31	8.92	15.01
Trade receivables	Annexure XI	1,185.49	816.05	804.83	594.50	617.86	543.24	344.70
Cash and bank balances	Annexure V, Note 9	1,216.68	1,194.91	1,147.00	847.25	779.88	822.10	180.16
Short-term loans and advances	Annexure XII	119.13	47.47	77.92	260.02	83.10	76.09	40.91
Other current assets	Annexure V, Note 10	1,045.38	511.19	719.30	220.67	245.52	47.92	11.45
Total		4,583.83	3,310.76	3,505.18	2,432.83	2,242.29	1,968.99	965.45

The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.

Annexure II-Restated Consolidated Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Notes / Annexures	For the period/year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Revenue								
Revenue from Operations		13,696.25	10,579.52	22,504.09	17,168.85	14,034.50	10,205.14	7,556.64
Less: Service Tax		1,599.79	1,143.78	2,433.39	1,872.36	1,527.18	946.86	688.26
Revenue from Operations	Annexure V, Note 11	12,096.46	9,435.74	20,070.70	15,296.49	12,507.32	9,258.28	6,868.38
Other Income	Annexure XIII	61.47	63.20	113.90	78.76	109.60	82.61	114.86
Total Revenue (A)		12,157.93	9,498.95	20,184.60	15,375.25	12,616.91	9,340.89	6,983.24
Expenses								
Employee Benefits Expense	Annexure V, Note 12	11,791.90	9,148.17	19,444.80	14,838.99	12,164.82	9,031.17	6,583.50
Finance Costs	Annexure V, Note 13	1.76	0.81	1.39	2.31	5.13	3.39	1.59
Depreciation and Amortization Expense	Annexure V, Note 14	9.05	17.11	27.15	19.20	36.30	37.54	66.29
Other Expenses	Annexure V, Note 15	191.66	198.24	385.37	337.07	453.38	434.27	674.53
Total Expenses (B)		11,994.37	9,364.33	19,858.71	15,197.57	12,659.63	9,506.37	7,325.91
Profit / (Loss) before Taxation (A-B) (C)		163.56	134.61	325.89	177.68	(42.71)	(165.48)	(342.67)
Exceptional items (D)	Annexure V, Note 17	-	-	-	-	-	-	(35.48)
Profit / (Loss) before Taxation (C-D) (E)		163.56	134.61	325.89	177.68	(42.71)	(165.48)	(378.15)
Tax Expenses (F)								
Current Tax		69.15	23.27	75.24	-	-	-	-
Current Tax under MAT		-	-	-	20.88	-	-	-
MAT Credit Entitlement		-	-	-	(20.88)	-	-	-
Deferred Tax charge/(benefit)	Annexure V Note 16	(12.41)	(63.48)	(57.20)	-	-	-	-
Total (F)		56.75	(40.21)	18.04	-	-	-	-
Net Profit/(Loss) after taxation and before Restatement Adjustments (E-F) (G)		106.81	174.82	307.85	177.68	(42.71)	(165.48)	(378.15)
Material Restatement Adjustments (H)	Annexure VI-A (ii)	(1.81)	2.24	9.86	(0.89)	(5.71)	(0.51)	(0.54)
(ii) Deferred Tax adjustments (I)	Annexure VI-A (iii)	(1.08)	0.44	1.08	-	-	-	-
Net Profit/(Loss) before the adjustments on account of changes in accounting policies (G-H-I) (J)	Annexure VI A (ii)	109.72	172.14	296.90	178.57	(37.00)	(164.97)	(377.61)
Adjustments on account of changes in accounting policies (K)	Annexure VI B	-	-	-	-	-	-	(17.26)
Net Profit/(Loss) before Minority Interest (I-K)(L)		109.72	172.14	296.90	178.57	(37.00)	(164.97)	(394.87)

Annexure II-Restated Consolidated Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Notes / Annexures	For the period/year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Available to Minority Shareholders	Annexure V Note 2(iii)	-	-	-	-	-	-	(8.47)
Transfer from Minority shareholders		-	-	-	-	-	-	8.47
Net balance available to Minority Interest (K)		-	-	-	-	-	-	-
Net Profit/(Loss) as Restated (L-M)(N)		109.72	172.14	296.90	178.57	(37.00)	(164.97)	(394.87)
The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.								

Annexure III-Restated Consolidated Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
A. Cash Flow from Operating Activities:							
Restated Net Profit/(loss) before tax, after restatement adjustments	165.38	132.37	316.02	178.57	(37.00)	(164.97)	(394.87)
Adjustments for:							
Depreciation and amortisation	9.05	17.11	27.15	19.20	36.30	37.54	66.29
Interest on Bank Loans and others	1.76	0.81	1.39	2.31	5.13	3.39	1.59
Dividend Income on Mutual Fund Investments	(1.49)	(1.99)	(3.30)	(2.03)	(1.22)	(2.43)	(3.26)
Interest Income on Fixed Deposits	(41.88)	(38.99)	(79.80)	(66.14)	(68.89)	(73.23)	(8.57)
Interest Income on loans to Related Parties	(4.41)	(0.80)	(3.14)	(0.35)	-	(0.48)	(0.35)
Interest Income on Tax Refunds	-	(15.56)	(15.56)	(4.76)	-	(2.88)	(1.25)
Loss on sale of Fixed Assets (Net)	-	0.34	0.34	7.49	62.02	21.88	0.01
Loss on Demerger	-	-	-	-	-	-	35.48
Profit on slump sale	-	(0.60)	(0.60)	-	-	-	-
Sundry balances written back (net)	(5.02)	1.18	-	0.01	(34.57)	0.18	(74.05)
Provision for doubtful debts no longer required written back	(7.53)	-	-	-	-	-	-
Bad Debts written off (net of related provision for doubtful debt written back)	6.61	0.12	0.61	6.49	6.96	9.87	79.90
Sundry Balances Written off	0.62	0.51	0.36	0.03	1.90	3.00	-
Provision for Bad and Doubtful Debts	14.73	6.07	20.95	26.43	27.94	13.39	37.71
Service Tax Written off	-	-	-	-	-	-	3.40
Provision for Gratuity	4.73	2.88	5.36	4.76	3.96	6.23	4.35
Provision for Leave Encashment	5.20	4.06	8.49	10.20	6.02	10.43	0.44
Write off of Course ware Materials	-	-	0.12	1.91	1.02	1.48	-
Impairment of Goodwill	-	-	-	-	-	-	181.21
Operating Profit/ (Loss) before Working Capital Changes	147.76	107.51	278.40	184.12	9.57	(136.58)	(71.98)
Adjusted for:							
Increase in other current/non-current liabilities	884.58	697.11	706.44	66.16	266.52	95.32	281.85
Increase in Short term and Long term provisions	79.43	17.54	63.38	43.38	28.20	11.04	55.49
(Increase) in Other Non-Current assets	(73.21)	(5.77)	(43.95)	(39.84)	(21.07)	(0.52)	(47.66)
(Increase) / Decrease in Other Current assets	(349.20)	(274.54)	(443.60)	24.42	(204.72)	(16.18)	(5.96)
(Increase) in Trade Receivable	(394.47)	(235.90)	(231.89)	(9.57)	(109.51)	(221.81)	(224.84)
(Increase) / Decrease in Inventories	0.05	(0.08)	0.17	0.95	2.59	4.61	(15.01)
(Increase)/ Decrease in Short term loans and advances	(50.42)	(13.58)	(6.27)	(5.25)	36.20	(25.55)	(17.20)
(Increase)/ Decrease in long term loans and advances	(1.72)	0.77	3.61	(22.52)	(15.01)	(11.05)	(8.61)
Cash generated from/ (used in) operations	95.04	185.55	47.88	57.74	(16.80)	(164.14)	18.07
	242.80	293.06	326.28	241.85	(7.24)	(300.73)	(53.91)

Annexure III-Restated Consolidated Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Direct Taxes paid (net of refund)	(129.87)	88.29	16.52	(78.12)	(85.89)	(103.86)	(23.29)
Net cash generated from/ (used in) Operating Activities (A)	112.93	381.34	342.80	163.74	(93.13)	(404.59)	(77.20)
B. Cash Flow from Investing Activities:							
Purchase of Tangible, Intangible and Intangible assets under development	(39.52)	(14.39)	(37.76)	(28.86)	(16.85)	(46.24)	(158.26)
Proceeds from sale of tangible and intangible fixed assets	-	0.57	0.58	2.54	5.90	3.30	0.08
Proceeds from sale of Mutual fund units	721.49	786.99	1,378.30	932.03	811.22	1,092.43	1,233.26
Purchase of Mutual fund units	(720.00)	(825.00)	(1,375.00)	(930.00)	(810.00)	(1,090.00)	(1,230.00)
Investment in Subsidiaries	-	-	-	-	(0.10)	(0.10)	-
Proceeds /(Investment) in Fixed Deposits (Net)	33.92	(176.21)	(189.44)	(377.12)	47.38	(310.91)	(109.13)
Loans and Advances given to Related Parties (Net)	(35.31)	(38.37)	(88.03)	(16.99)	(43.21)	(9.64)	(0.47)
Interest received on loans to Related Parties	-	-	0.48	0.35	-	0.48	0.35
Interest received on income tax refunds	-	15.56	15.56	4.76	-	2.88	1.25
Interest received on Deposits/ loans	64.59	27.86	51.81	64.85	74.47	51.69	7.04
Net Cash generated from/ (used in) Investing Activities (B)	25.17	(222.99)	(243.50)	(348.44)	68.81	(306.11)	(255.88)
C. Cash Flow from Financing Activities:							
Proceeds from fresh issue of equity	-	-	-	-	-	993.22	100.00
Proceeds/(Repayment) from/of Short term and long term Borrowings (Net)	-	(8.22)	(8.22)	(112.53)	40.17	52.08	(20.16)
Interest paid on Bank Loans and others	(1.76)	(0.81)	(1.39)	(2.31)	(5.13)	(3.39)	(1.59)
Net Cash generated from/ (used in) in Financing Activities (C)	(1.76)	(9.03)	(9.61)	(114.84)	35.04	1,041.91	78.26

Annexure III-Restated Consolidated Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	136.34	149.32	89.69	(299.55)	10.72	331.20	(254.83)
Cash and cash equivalents (Opening Balance)	218.49	128.80	128.80	428.35	417.64	86.43	341.26
Cash and cash equivalents (Closing Balance)	354.83	278.12	218.49	128.80	428.35	417.64	86.43
Cash and cash equivalents comprise of:							
Cash on hand	0.21	0.17	-	-	0.08	0.28	0.82
Cheques on Hand	-	-	-	0.38	-	-	4.07
In Fixed Deposit Accounts	-	-	-	-	370.00	350.45	21.07
In Current Accounts	354.62	277.95	218.49	128.42	58.27	66.91	60.47
Total	354.83	278.12	218.49	128.80	428.35	417.64	86.43

Notes:

- 1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements'.
- 2)The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.
- 3) Non-cash item: There is an increase in Share Capital during the period ended September 30, 2015 due to capitalization of reserves by way of issue of bonus shares.Refer footnote number 2 to note 1 to Annexure V for details of changes in share capital.

Annexure IV- Basis of Preparation and Significant Accounting Policies

1. Basis of preparation

The Restated Consolidated Financial Information relate to the Company and two of its Subsidiary Companies incorporated in India (hereinafter Collectively referred to as the “Group”).

The Restated Consolidated Statement of Assets and Liabilities of the TeamLease Services Limited (formerly known as ‘TeamLease Services Private Limited’) (‘the Company’) as at September 30, 2015 and 2014 and March 31, 2015, 2014, 2013, 2012 and 2011 and the Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Statement of Cash flows, for the six months periods ended September 30, 2015 and 2014 and the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (together referred as ‘Restated Consolidated Financial Information’) and Other Consolidated Financial Information have been extracted by the Management from the Audited Consolidated Financial Statements of the Company for the corresponding period/year (“ Audited Consolidated Financial Statements”).

The Audited Consolidated Financial Statements of the Company for the years ended March 31, 2014, 2013, 2012 and 2011 have been prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis and comply in all material aspects with the accounting standards issued by The Institute of Chartered Accountants of India, in particular Accounting Standard 21 - 'Consolidated Financial Statements', to the extent considered relevant by it for the purpose for which the Audited Consolidated Financial Statements have been prepared.

Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the Audited Consolidated Financial Statements for the six months periods ended September 30, 2015 and 2014 and the year ended March 31, 2015 have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The special purpose audited consolidated financial statements for the six months periods ended September 30, 2015 and September 30, 2014 have been prepared in accordance with the recognition, measurement and disclosure provisions of Accounting Standard 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006. These special purpose audited consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements of the Company as at and for the year ended March 31, 2015. The accounting policies followed in preparation of these special purpose audited consolidated financial statements are consistent with those followed in the preparation of the annual audited consolidated financial statements. These special purpose audited consolidated financial Statements are not the statutory financial statements of the Company.

The Restated Consolidated Financial Information and other consolidated financial information were approved by the Board of Directors of the Company on January 17, 2016.

Annexure IV- Basis of Preparation and Significant Accounting Policies

The Restated Consolidated Financial Information have been prepared by the Management in connection with the proposed listing of equity shares of the Company (referred to as the "Issue"), in accordance with the requirements of:

- (a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and
- (b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time (the "SEBI Regulations");

These Restated Consolidated Financial Information and other consolidated financial information have been extracted by the Management from the Audited Consolidated Financial Statements:

- there were no audit qualifications on these financial statements,
- the changes in accounting policies during the periods/years of these financial statements have been appropriately reflected,
- the material amounts related to adjustment for previous periods/years have been appropriately adjusted,
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited consolidated financial statements of the Company as at and for the six months period ended September 30, 2015 and the requirements of the SEBI Regulations, and
- the resultant impact of tax due to these adjustments.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services rendered and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2. Significant accounting policies

i) Principles of consolidation:

(a) The Restated Consolidated Financial Information relate to the Company and two of its Subsidiary Companies incorporated in India (hereinafter Collectively referred to as the "Group").

(b) The Restated Consolidated Financial Information have been prepared on the following basis :

(i) The financial statements of the subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and inter-group transactions resulting in unrealized Profit or loss in accordance with Accounting Standard 21 (AS 21) on 'Consolidated Financial Statements' notified under Section 211 3C and other relevant Provision of the Companies Act, 2013 'Companies (Accounting Standards) Rules, 2006 ("Accounting Standards Rules") as amended.

(ii) Investments in subsidiaries are eliminated and differences between the cost of investments over the net assets on the date of investments or on the date of the financial statements immediately preceding the date of investments in subsidiaries are recognised as Goodwill or Capital Reserve, as the case may be.

Annexure IV- Basis of Preparation and Significant Accounting Policies

(iii) The excess of the cost of acquisition over the Company's portion of equity and reserves of the subsidiary company at each time an investment is made in a subsidiary is recognized in the financial statements as Goodwill. Negative Goodwill is recognized as Capital Reserve.

(iv) Using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented in the same manner as the standalone financial statements of the Company.

Details of subsidiaries with respective holdings thereof:

Sl. No.	Name of Subsidiary	Country of Incorporation	Date of Incorporation/ Acquisition	Percentage of holding(%) as at						
				September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
1	IJIT Education Private Limited	India	April 4, 2010 - 69% March 11, 2011 - 31%	100	100	100	100	100	100	100
2	India Tourism and Hospitality Skills Education Private Limited	India	June 28, 2011 - 100%	100	100	100	100	100	100	N.A.

(c) TeamLease Education Foundation (TLEF) and National Employability Apprenticeship Services (NEAS), companies incorporated under Section 25 of the Companies Act, 1956 primarily with an objective of education and apprenticeship promotion in India, are wholly owned subsidiary of the Company since their incorporation. TLEF and NEAS cannot transfer any funds or profits to TeamLease Services Limited and accordingly these entities have not been considered for consolidation in accordance with Accounting Standard 21 (AS 21) 'Consolidated Financial Statements. Investment held by the company in equity share capital of these subsidiaries have been accounted for as long term investment in accordance with AS 13- 'Accounting for Investments' in compliance with para 23 of AS 21.

(d) Minority interest in the subsidiaries consists of

(A) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made and

(B) The minority's share of movements in equity since the date the parent subsidiary relationship comes into existence.

ii) Use of Estimates:

The preparation of Financial Statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results may differ from those estimates. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which results are known or materialized.

Annexure IV- Basis of Preparation and Significant Accounting Policies

iii) Tangible Assets:

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use or held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation is calculated on a pro-rata basis from/upto the date of add/deletion on the straight-line method over the useful lives of the assets prescribed under Schedule II to the Companies Act, 2013. The company has changed the estimates of useful life from the useful life being followed earlier under the Schedule XIV of the Companies Act, 1956 and to Schedule II of the Companies Act 2013. Accordingly the carrying amount of the asset as on April 1, 2014, is depreciable over the remaining useful life of the asset. Where the remaining useful life of an asset on April 1, 2014 is nil, the carrying amount of the asset is fully depreciated and charged to the Statement of Profit and Loss. The residual value of all assets is assumed as zero based on historical trend of the Company. Leasehold Improvements are amortized over the period of lease. Assets costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

iv) Intangible Assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Internal development of intangible assets are capitalised either individually or as a knowledge bank in the form of software, once their technical feasibility and ability to generate future economic benefits is established in accordance with the requirement of Accounting Standard 26. Expenditure directly attributable to the development of an Intangible asset in accordance with the requirements of Accounting Standard 26 are capitalized.

Gain or loss arising from the retirement or disposal of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Annexure IV- Basis of Preparation and Significant Accounting Policies

v) Borrowing Costs:

Borrowing costs include interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

vi) Impairment of Assets:

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible or intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash flows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount.

Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and its disposal at the end of its useful life. Assessment is done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

vii) Investments:

Investments are classified into long term investments and current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

In case of investments in units of a mutual fund, the net asset value of units is considered at the market / fair value.

viii) Valuation of Inventories:

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average method and includes applicable costs incurred in bringing the inventory to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Annexure IV- Basis of Preparation and Significant Accounting Policies

ix) Foreign Currency Translation

Initial Recognition:-

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:-

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

x) Revenue Recognition:

- Revenue from Manpower services is accounted on accrual basis on performance of the service agreed in the Contract / Mandate Letter between the Company and its customer.

- Revenue from Recruitment Services, Skills & Developments, Regulatory Services and Payroll is recognized on accrual basis upon execution of the service.

- Revenue from the Tuition Fees and Corporate Training is recognized over the period of the course commencing from the start of the batch. Revenue in respect of short term programme are recognized on commencement of the respective programme.

- Unearned Income:

Tuition Fees are recognized over the period of the services as per terms of the respective contract. The proportionate part of the tuition fees for which services are yet to be rendered and such services extends beyond the accounting period is recognised as unearned income and shown under other Current Liabilities.

- Revenue from Royalty and Affiliation fees from Franchisee is recognized on the basis of moneys collected by the Franchisees.

- Other Income:

Interest income on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Interest on tax refunds is recognized on actual receipt of the refund money or on communication from Income Tax department, whichever is earlier.

Dividend: Dividend income is recognized when the right to receive dividend is established.

Annexure IV- Basis of Preparation and Significant Accounting Policies

Rental Income : Rental Income is accounted on accrual basis as per the terms of the agreement. Rent equalization is considered only if the agreement is non-cancellable for more than one year and the incremental rent is fixed over the term of the agreement.

Profit/ (Loss) arising from the sale of investments is recognized on trade date basis; net of expenses. The cost of investment is computed on weighted average basis.

· Net Revenue excludes Service Tax and Value Added Tax (VAT).

xi) Employee Benefits:

a) Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The Group's liability is actuarially determined (Projected Unit Credit method) at the end of the year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Contribution to Provident Fund consists of i) contribution to Family Pension Fund and ii) Other. 'Family Pension Fund' contribution is made to the Government whereas 'Other' contribution is made to a Trust set up by the Company.

(i) Contribution to Team Lease Provident Fund

The Group has a defined benefit plan for post employment benefits in the form of provident fund. The Group makes contribution for provident fund to the trust set up by the Company and administered by the trustees. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, is made good by the Group.

The contributions made to the trust are recognized as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

The Institute of Actuaries of India has issued the guidance note on valuation of interest rate guarantee on exempt provident funds under AS 15 (revised) which is effective from April 1, 2011. Accordingly, the provident fund liability has been determined by an independent actuary as at March 31, 2015. The actuarial valuation approach used by the independent actuary for measuring the liability is the Deterministic Approach which calculates the defined benefit obligation of all accrued and accumulated provident fund contributions as at the valuation date. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Annexure IV- Basis of Preparation and Significant Accounting Policies

(ii) Contribution to Government Provident Fund

The Group has Defined Contribution Plan for Post employment benefits in the form of Provident Fund for all employees, which is administered by Regional Provident Fund Commissioner. Provident Fund is classified as a defined contribution plan as the Group has no further obligation beyond making the contributions to the regulatory authorities. The Group's contributions to the Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

b) Gratuity

The Group's gratuity scheme (the "Gratuity Plan") is a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined (using the projected unit credit method) at the end of each year.

Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

In addition to the above, the Group recognises its liability in respect of gratuity for associate employees and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to associate employees and reimbursement right is presented in accordance with AS 15 - Employee Benefits.

c) Leave Encashment

The employees of the Company are entitled to be compensated for unavailed leave as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation (using the projected unit credit method) at the end of each year. Accumulated unavailed leave, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits and those expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The company's liability is actuarially determined (using Product Unit Credit Method) at the end of each year. Actuarial gains / losses in the Statement of Profit and Loss in the year in which they arise.

The employees of the subsidiary Company are entitled for compensated for unavailed leave as per the policy of the Company. The liability in respect of unutilised leave balance that accrues to employees as at the year-end is charged to the Statement of Profit and Loss on an undiscounted basis.

Termination Benefits: Termination benefits in the nature of voluntary retirement are recognized in the Statement of Profit and Loss as and when incurred.

xii) Current and Deferred Tax:

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Annexure IV- Basis of Preparation and Significant Accounting Policies

i. Current tax is determined as the amount of tax expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions. Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and the liabilities on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

ii. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax asset, on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized in books of accounts only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized by the Group. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Group re-assesses unrecognized deferred tax assets, if any.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing the current tax and where the deferred tax and liabilities relate to taxes on income levied by the same governing taxation laws.

iii. Minimum Alternate Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Group will pay normal income tax during the specified period.

xiii) Provisions and Contingent Liabilities:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Annexure IV- Basis of Preparation and Significant Accounting Policies

xiv) Goodwill on Consolidation

The excess of cost to the Group of its investments in the subsidiaries consolidated over its share in the equity of the subsidiaries consolidated, at the dates on which the investments in the subsidiaries are made, is recognised as ‘Goodwill’ being an asset in the Restated Consolidated Financial Statements. Goodwill arising on consolidation is not amortised.

Goodwill is reviewed for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. If impairment is indicated, the asset is written down to its fair value.

xv) Leases:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

xvi) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies followed for the Company . Revenue and expenses, have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under “Unallocated corporate expenses/income”.

xvii) Cash and Cash Equivalents

In the Cash Flow Statement, Cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

xviii) Earnings Per Share:

The Basic earnings per share is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Earnings considered in ascertaining the Group’s earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted earnings per share the net profit for the year attributable to equity shareholders and weighted average number of shares outstanding during the reporting year is adjusted for the effects of all dilutive potential equity shares.

Annexure V-Notes to the Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 1 - Share Capital	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Authorised:							
Equity Share Capital							
23,300,000 (September 30, 2014: 10,000,000 and previous years: 10,000,000 of Re 1 each) Equity shares of Rs. 10 each, refer note 1	233.00	10.00	10.00	10.00	10.00	10.00	10.00
170,000 (September 30, 2014: 1,70,000 and previous year: 170,000) 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each	17.00	17.00	17.00	17.00	17.00	17.00	17.00
	250.00	27.00	27.00	27.00	27.00	27.00	27.00
Issued, Subscribed and Paid up:							
15,332,064 (2012-2015 & Sep'14: 5,110,688 & 2010-2011: 3,974,980 of Re 1 each) Equity Shares of Rs. 10 each fully paid up (Refer Note 2 and 3)	153.32	5.11	5.11	5.11	5.11	5.11	3.97
Total	153.32	5.11	5.11	5.11	5.11	5.11	3.97

(₹ in millions, except number of shares)

a) Reconciliation of Number of Equity Shares	As at		As at		As at		As at		As at		As at		As at	
	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2011	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the period/year	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	3,974,980	3.97	3,478,109	3.48
Add: Shares allotted during the period/year (refer note 2)	148,209,952	148.21	-	-	-	-	-	-	-	-	-	-	-	-
Less: Consolidation of Equity shares (Refer note 3 below)	(137,988,576)	-	-	-	-	-	-	-	-	-	-	-	-	-
Add: Equity Shares issued	-	-	-	-	-	-	-	-	-	-	1,135,708	1.14	496,871	0.49
Balance as at the end of the period/year	15,332,064	153.32	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	3,974,980	3.97

Annexure V-Notes to the Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Notes :

(1) The shareholders of the Company on April 02, 2015 approved for an increase in the Authorized Share Capital from Rs. 27 million to Rs. 150 million divided into 133,000,000 equity shares of Re. 1 each and 170,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each by way of additional 123,000,000 equity shares of Re. 1 each. Further, on June 25, 2015, the shareholders of the Company approved for increase in the Authorized Share Capital from Rs. 150 million to Rs. 250 million divided into 233,000,000 equity shares of Re. 1 each and 170,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each by way of additional 100,000,000 equity shares of Re. 1 each. Accordingly, the Authorized Share Capital of the Company is increased to Rs. 150,000,000 effective from April 02, 2015 and further increased to Rs.250,000,000 effective from June 25, 2015 comprising 23,300,000 equity shares of Rs. 10 each and 1,70,000 preference shares of Rs.100 each.

(2)On June 25, 2015, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 29 Bonus Equity Shares of Rs. 1/- each for every equity share of Rs. 1/- each held by the members as on that date of this meeting and accordingly a sum of Rs. 148.21 million is capitalized out of the Company's Securities Premium Account outstanding as on June 30, 2015 and transferred to the Share Capital Account towards issue of fully paid-up bonus shares pursuant to which the paid-up Capital of the Company has increased from Rs.5.11 million to Rs.153.32 million. and the balance in the Securities Premium account reduced to Rs.1,003.22 million.

(3)Pursuant to the approval of Shareholders of the Company, effective July 10, 2015, every 10 equity shares of the Company are consolidated to 1 equity share thereby increasing the face value of the equity share to Rs.10 per share. Accordingly the Authorized Equity Share Capital of the Company comprise of 23,300,000 equity shares of Rs. 10 each.

(4)Subsequent to the year ended March 31, 2015, Directors of the Company i.e., Ashok Reddy, Manish Sabharwal and Mohit Gupta formed three Limited Liability Partnership firms namely NED Consultants LLP, MKS Management Consultancy Services LLP and Dhana Management LLP. On July 31, 2015, HR Offshoring Ventures Pte Limited, Singapore (HROV) transferred 1,379,886 equity shares to Dhana Management LLP, 300 equity shares to NED Consultants LLP, 300 equity shares to MKS Management Consultancy Services LLP, 201,114 equity shares to the ESOP Trust of the Company. Pursuant to these transfers, the shareholding of HROV in the Company reduced from 52.28% to 41.97% and the company ceased to be a subsidiary.

(5)As of March 31, 2015, total number of equity shares held by the employees of the Company amounts to 265,321 equity shares of Rs. 1 each and all such shares have been transferred to employees by way of dilution of shareholding of India Life Credit and Holdings Private Limited ('ILCHPL') and Ashok Reddy over the years ended March 31, 2009, 2010, 2012, 2013, 2014 and 2015 . The Board of Directors of the Company on July 09, 2015 approved to cancel the previous ESOP Scheme which was issued by the Company on July 27, 2011 and to implement new "TeamLease Employee Stock Option Plan 2015" ("ESOP 2015 scheme") which has been formulated and the existing ESOP Trust has been re-constituted in line with the Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014, provisions of the Articles of Association of the Company and Companies Act, 2013 and Rules. The shareholders of the Company approved the ESOP 2015 Scheme on July 10, 2015. All unvested and unexercised ESOPs granted to employees under the previous ESOP scheme have been cancelled with effect from July 09, 2015. Since the shares are not issued by the Company, there is no impact to the consolidated financial statements.

(6)During FY 2011-12, the Company has issued 11,35,708 shares at Rs.880.51 per share (including securities premium of Rs.879.51 per share) pursuant to the Share Subscription and Shareholders Agreement entered into by the Company on March 30, 2011.

(7)During FY2010-11, the Company has re-classified the Authorized Share Capital by cancelling unissued 50,000 12% Cumulative Convertible Redeemable Preference Shares of Rs.100 each and creating 50,00,000 Equity shares of Re.1 each. During FY2010-11, the Company has issued 496,871 shares at Rs.503.15 per share (including securities premium of Rs.502.15 per share) by converting the Share Application Money received during the previous year.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

b) Equity Shareholders holding shares more than 5%	As at		As at		As at		As at		As at		As at		As at	
	September 30,2015		September 30,2014		March 31,2015		March 31,2014		March 31,2013		March 31,2012		March 31,2011	
	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
Equity Shares :														
HR Offshoring Ventures Pte Limited and its nominees	6,434,700	41.97	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	67.22
GPE (India) Limited	2,951,868	19.25	960,994	18.80	960,994	18.80	960,994	18.80	960,994	18.80	960,994	18.80	748,610	18.83
Dhana Management Consultancy LLP	1,379,886	9.00	-	-	-	-	-	-	-	-	-	-	-	-
IDBI Trusteeship Services Limited (India Advantage Fund S3 I)	2,555,343	16.67	851,781	16.67	851,781	16.67	851,781	16.67	851,781	16.67	851,781	16.67	-	-

c) Shares held by holding company	As at		As at		As at		As at		As at		As at		As at	
	September 30,2015		September 30,2014		March 31,2015		March 31,2014		March 31,2013		March 31,2012		March 31,2011	
	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
Equity Shares :														
HR Offshoring Ventures Pte Limited and its nominees	6,434,700	41.97	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	67.22

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

d) Rights, Preference and Restrictions attached to shares

(8)Equity Shares: The company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(9)There are no shares reserved for issue under options except held by "Teamlease Employee Stock Plan Trust"

(10)There are no shares allotted as fully paid up pursuant to contact(s) without payment being received in cash during the period of five years immediately preceding the six month period

(11)The Company has converted 216,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each into 85,018 equity shares of Re.1 each at a premium of Rs.253.06 each during the year ended March 31, 2010. The company has re-classified the Authorized Share Capital by cancelling unissued 50,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each and creating 5,000,000 Equity Shares of Re. 1 each during the year ended March 31, 2011. There are no other shares allotted as fully paid up pursuant to contact(s) without payment being received in cash during the period of five years immediately preceding the period/year ended September 30, 2015, 2014, March 31, 2011, 2012, 2013, 2014 and 2015.

(12)There are no shares bought back by the Company during the period of five years immediately preceding the six month period ended September 30, 2015.

(13)There are no securities that are convertible into equity / preference shares.

(14) As of March 31, 2015, total number of equity shares held by the employees of the Company amounting to 265,321 equity shares of Re. 1 each and all such shares have been transferred to employees by way of dilution of shareholding of ILCHPL and HROV over the years ended March 31, 2009, 2010, 2012, 2013, 2014 and 2015 . The Board of Directors of the Company on August 03, 2015 approved to cancel the previous ESOP Scheme which was issued by the Company on July 27, 2011 and to implement new "TeamLease Employee Stock Option Plan 2015" ("ESOP 2015 scheme") which has been formulated and the existing ESOP Trust has been re-constituted in line with the Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014, provisions of the Articles of Association of the Company and Companies Act, 2013 and Rules. The shareholders of the Company approved the ESOP 2015 Scheme on July 10, 2015. All unvested and unexercised ESOPs granted to employees under the previous ESOP scheme have been cancelled with effect from August 03, 2015. Since the shares are not issued by the Company, there is no impact on the Financial Statements of the Company towards grant / allotment of ESOP.

The company has not granted any ESOP during the six months period ended September 30, 2015. Pursuant to the ESOP 2015 scheme, the company has granted 32,390 options on October 01, 2015 to the employees at an exercise price of Rs 10 each. All 32,390 options are unvested and unexercised as of date.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 2 -Reserves and Surplus	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Securities Premium Account							
Balance as at the beginning of the period/year	1,151.43	1,151.43	1,151.43	1,533.69	1,533.69	541.60	292.10
Add : Securities Premium Credited on issue of Equity Shares	-	-	-	-	-	998.87	249.50
Less : Share issue Expenses (Refer Note 2 (ii))	-	-	-	-	-	(6.78)	-
Less : Issue of Bonus Shares (Refer Foot Note 2 of Note 1)	(148.21)	-	-	-	-	-	-
Less : Transfer to Surplus/(Deficit) on account of Capital Reduction (Refer Note 2 (i) below)	-	-	-	(382.26)	-	-	-
Balance as at the end of the period/year	1,003.22	1,151.43	1,151.43	1,151.43	1,533.69	1,533.69	541.60
Surplus/Deficit in Statement of Profit and Loss							
Balance as at the beginning of the period/year (Refer Annexure VI.3)	328.74	31.84	31.84	(528.99)	(491.99)	(327.02)	67.85
Add/(Less): Profit/ (Loss) for the period/year	109.72	172.14	296.90	178.57	(37.00)	(164.97)	(394.87)
Add: Transfer from Securities Premium on account of Capital Reduction (Refer Note 2 (i))	-	-	-	382.26	-	-	-
Balance as at the end of the period/year	438.46	203.98	328.74	31.84	(528.99)	(491.99)	(327.02)
Total	1,441.68	1,355.41	1,480.18	1,183.27	1,004.70	1,041.70	214.58

Note 2(i): During the financial year 2014-15, the Company has passed a special resolution in its Extraordinary General Meeting held on January 15, 2015 and made an application to the High Court of Judicature at Bombay to approve for the reduction of the Securities Premium Account of the Company from Rs. 1,533.69 million to Rs. 1,151.43 million and to affect such reduction by adjusting the entire debit balance in the Surplus/ (Deficit) in the Statement of Profit and Loss Account amounting to Rs. 382.26 million as on 31st March, 2014. The Order of the High Court was passed on March 27, 2015 and the minutes approved by the Court were registered by the Registrar of Companies on May 29, 2015. Accordingly, Securities Premium as on March 31, 2014 has been adjusted with the debit balance of profit and loss to the extent of Rs. 382.26 million in accordance with Accounting Standard (AS)-4” Contingencies and events occurring after the Balance Sheet Date.

Note 2(ii): During the financial year 2011-12, the Company has issued and allotted 1,135,708 shares of Re.1 each at a premium of Rs.879.51 per share, aggregating Rs.1,000 million. Share issue expenses incurred for aforesaid allotment of Rs.6.78 million has been adjusted with securities premium in accordance with the provisions of section 78 of the Companies Act, 1956.

Note 2 (iii): Pursuant to the Share Purchase, Share Subscription and Shareholders Agreement dated March 12, 2010 entered with IIJT Education Private Limited ("IIJT"), the Company has acquired 69% of the holding in IIJT on April 4, 2010. The Company has acquired the remaining 31% of the holding in IIJT on March 11, 2011 and accordingly IIJT has become a wholly owned subsidiary of the Company. 31% of the profit or loss earned by IIJT for the period ended March 11, 2011 is attributable to the Minority shareholders and the same has been acquired by the Company before March 31, 2011.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 3 - Long Term Provisions	As at							(₹ in millions)
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	
Provision for employee benefits								
Gratuity Payable								
- Core Employees (Refer note 21 a)	14.11	11.15	11.76	11.38	14.28	8.71	5.14	
- Associate Employees (Refer note 21 d)	226.25	114.86	153.04	109.09	69.25	48.18	47.66	
Leave Encashment Payable *	11.79	9.50	10.87	9.26	7.53	7.39	1.14	
Total	252.15	135.51	175.67	129.73	91.06	64.28	53.94	

* Leave Encashment liability is provided as per the Actuarial valuation reports obtained for the period/year ended September 30, 2015, 2014, March 31, 2015, 2014, 2013, 2012 and 2011.

Note 4 - Other Current Liabilities	As at							(₹ in millions)
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	
Current Maturity of Long Term Loans	-	0.14	-	0.35	0.37	0.46	0.11	
Sundry Creditors#	81.50	83.40	68.92	71.87	11.63	25.87	30.65	
Employees Benefits Payable	1,469.03	744.73	907.58	465.71	541.72	366.71	239.48	
Statutory dues	675.15	490.63	334.23	219.47	195.67	135.39	130.84	
Advance from Customers	88.64	104.64	88.37	73.71	53.88	83.43	25.16	
Unearned Revenue	-	-	-	-	3.05	7.60	15.50	
Book Overdraft	75.35	129.18	134.28	50.13	4.89	6.49	122.60	
Security deposit of Building held for sale	2.10	-	2.10	-	-	-	-	
Other Liabilities	190.92	128.12	166.40	108.47	116.49	76.64	43.48	
Total	2,582.68	1,680.84	1,701.88	989.71	927.70	702.59	607.82	

#There are no amounts due and outstanding to be provided to the Investor Education and Protection Fund under section 205C of Companies Act, 1956 as at the period/year end.

Note 5 - Short Term Provisions	As at							(₹ in millions)
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	
Provision for employee benefits								
Gratuity Payable								
- Core Employees (Refer note 21 a)	7.18	6.33	7.04	5.23	0.61	3.95	2.37	
- Associate Employees (Refer note 21 d)	88.34	63.94	75.69	47.78	34.54	20.70	7.32	
Leave Encashment Payable *	7.38	7.15	7.28	5.71	3.90	3.00	0.60	
Total	102.90	77.42	90.01	58.72	39.05	27.65	10.29	

* Leave Encashment liability is provided as per the Actuarial valuation reports obtained for the period/year ended September 30, 2015, 2014, March 31, 2015, 2014, 2013, 2012 and 2011.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS SEPTEMBER 2015

₹ in millions

FIXED ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2015	Additions	Deletions/ Adjustment s	Cost as at 30.09.2015	As at 01.04.2015	For the year	On Deletions/ Adjustments	As at 30.09.2015	As at 30.09.2015	As at 31.03.2015
<u>A. Tangible assets</u>										
Office Equipments	29.24	5.75	-	34.99	21.65	3.20	-	24.85	10.14	7.59
Computers	58.71	2.20	-	60.91	57.76	0.55	-	58.31	2.60	0.95
Furniture & Fixtures	10.61	0.46	-	11.07	5.76	0.97	-	6.73	4.34	4.85
Vehicles	2.36	-	-	2.36	0.85	0.23	-	1.08	1.28	1.51
Total	100.92	8.41	-	109.33	86.02	4.95	-	90.97	18.36	14.90
<u>B. Intangible assets</u>										
COMS Software	16.37	-	-	16.37	16.33	0.04	-	16.37	-	0.04
Goodwill on consolidation	23.52	-	-	23.52	-	-	-	-	23.52	23.52
Goodwill	30.32	-	-	30.32	30.32	-	-	30.32	-	-
Software - Others	103.10	2.46	-	105.56	88.87	4.06	-	92.93	12.63	14.23
Total	173.31	2.46	-	175.77	135.52	4.10	-	139.62	36.15	37.79
<u>C. Intangible Assets under development</u>										
Software - ALCS	41.87	28.65	-	70.52	-	-	-	-	70.52	41.87
Total	41.87	28.65	-	70.52	-	-	-	-	70.52	41.87
Grand Total	316.10	39.52	-	355.62	221.54	9.05	-	230.59	125.03	94.55

Note:

- (1) There is no revaluation of assets during the period.
- (2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS SEPTEMBER 2014

₹ in millions

FIXED ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2014	Additions	Disposals/ Adjustment s	Cost as at 30.09.2014	As at 01.04.2014	For the year	On disposals/ Adjustments	As at 30.09.2014	As at 30.09.2014	As at 31.03.2014
A. Tangible assets										
Building	25.50	-	-	25.50	2.92	0.21	-	3.13	22.37	22.57
Office Equipments	27.57	0.40	-	27.97	6.86	9.05	-	15.91	12.06	20.71
Computers	58.29	0.24	-	58.53	57.11	0.34	-	57.45	1.08	1.18
Furniture & Fixtures	11.80	0.57	2.20	10.17	6.25	2.66	1.29	7.62	2.55	5.55
Vehicles	2.36	-	-	2.36	0.38	0.23	-	0.61	1.75	1.98
Total	125.52	1.21	2.20	124.53	73.52	12.49	1.29	84.72	39.81	51.99
B. Intangible assets										
COMS Software	16.37	-	-	16.37	13.03	1.66	-	14.69	1.68	3.35
Goodwill on consolidation	30.32	-	-	30.32	30.32	-	-	30.32	-	-
Goodwill	23.52	-	-	23.52	-	-	-	-	23.52	23.52
Software - Others	93.96	3.76	-	97.72	82.14	2.97	-	85.11	12.61	11.82
Total	164.17	3.76	-	167.93	125.49	4.63	-	130.12	37.81	38.68
C. Intangible Assets under development										
Software - ALCS	16.38	9.42	-	25.80	-	-	-	-	25.80	16.38
Total	16.38	9.42	-	25.80	-	-	-	-	25.80	16.38
Grand Total	306.07	14.39	2.20	318.26	199.01	17.12	1.29	214.84	103.42	107.05

Note:

(1) There is no revaluation of assets during the period.

(2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- Fixed Assets 2014-15

₹ in millions

FIXED ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 01.04.2014	Additions	Disposals/ Adjustment s	Cost as at 31.03.2015	As at 01.04.2014	For the year	On Deletions/ Adjustments	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<u>A. Tangible assets</u>										
Building (Refer Note 1)	25.49	-	25.49	-	2.93	0.40	3.33	-	-	22.56
Office Equipments	27.57	1.70	0.03	29.24	6.84	14.80	0.01	21.63	7.61	20.73
Computers	58.29	0.42	-	58.71	57.11	0.64	-	57.75	0.96	1.18
Furniture & Fixtures	11.80	1.01	2.20	10.61	6.25	0.81	1.29	5.77	4.84	5.55
Vehicles	2.36	-	-	2.36	0.37	0.46	-	0.83	1.53	1.99
Total	125.51	3.13	27.72	100.92	73.50	17.11	4.63	85.98	14.94	52.01
<u>B. Intangible assets</u>										
COMS Software	16.37	-	-	16.37	13.03	3.31	-	16.34	0.03	3.34
Goodwill	30.32	-	-	30.32	30.32	-	-	30.32	-	-
Goodwill on consolidation	23.52	-	-	23.52	-	-	-	-	23.52	23.52
Software - Others	93.96	9.14	-	103.10	82.14	6.73	-	88.87	14.23	11.82
Total	164.17	9.14	-	173.31	125.49	10.04	-	135.53	37.78	38.68
<u>C. Intangible Assets under development</u>										
Software - ALCS	16.38	25.49	-	41.87	-	-	-	-	41.87	16.38
Total	16.38	25.49		41.87	-	-	-	-	41.87	16.38
Grand Total	306.06	37.76	27.72	316.10	198.99	27.15	4.63	221.51	94.59	107.07

Note:

(1) Subsequent to the period ended March 31, 2015, the management of the company has intention to dispose off the building and discussion is at advanced stage. Accordingly, Building is classified as held for sale under "Other Current Assets" at book value as on the reporting date.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- Fixed Assets 2013-14

₹ in millions

FIXED ASSETS	GROSS BLOCK				DEPRECIATION /AMORTISATION				NET BLOCK	
	As at 01.04.2013	Additions	Disposals/ Adjustment s	Cost as at 31.03.2014	As at 01.04.2013	For the year	On disposals	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
<u>A. Tangible Assets</u>										
Building	25.49	-	-	25.49	2.51	0.42	-	2.93	22.56	22.98
Leasehold Improvements	7.17	-	7.17	-	7.17	-	7.17	-	-	-
Office Equipments	37.14	1.19	10.76	27.57	10.54	1.63	5.33	6.84	20.73	26.60
Computers	67.17	0.50	9.38	58.29	64.70	1.70	9.29	57.11	1.18	2.47
Furniture and Fixtures *	18.62	0.06	6.88	11.80	7.42	1.56	2.73	6.25	5.55	11.20
Vehicles	3.02	-	0.66	2.36	0.45	0.22	0.30	0.37	1.99	2.56
Total	158.61	1.75	34.85	125.51	92.79	5.53	24.82	73.50	52.01	65.82
<u>B. Intangible Assets</u>										
COMS Software	16.37	-	-	16.37	6.47	6.56	-	13.03	3.34	9.90
Goodwill	30.32	-	-	30.32	30.32	-	-	30.32	-	-
Goodwill on consolidation	23.52	-	-	23.52	-	-	-	-	23.52	23.52
Software - Others	83.23	10.73	-	93.96	75.03	7.11	-	82.14	11.82	8.20
Total	153.44	10.73	-	164.17	111.82	13.67	-	125.49	38.68	41.62
<u>C. Intangible Assets under development</u>										
Software - ALCS	-	16.38	-	16.38	-	-	-	-	16.38	-
Total	-	16.38	-	16.38	-	-	-	-	16.38	-
Grand Total	312.05	28.86	34.85	306.06	204.61	19.20	24.82	198.99	107.07	107.44

* Includes Tangible Fixed Assets held for sale with a Net Realisable Value (NRV) of Rs. 1.09 million. No gain/loss is recognised as the NRV is equivalent to the written down value of the assets held or sale.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- Fixed Assets 2012-13

₹ in millions

FIXED ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2012	Additions	Disposals/ Adjustment s	Cost as at 31.03.2013	As at 01.04.2012	For the year	On disposals	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
<u>A. Tangible Assets</u>										
Building	25.49	-	-	25.49	2.09	0.42	-	2.51	22.98	23.40
Leasehold Improvements	7.17	-	-	7.17	6.41	0.76	-	7.17	-	0.76
Office Equipments	53.16	0.69	16.71	37.14	11.72	1.89	3.07	10.54	26.60	41.44
Computers	93.46	1.71	28.00	67.17	84.55	6.24	26.09	64.70	2.47	8.91
Furniture and Fixtures	86.56	0.61	68.55	18.62	20.95	3.34	16.87	7.42	11.20	65.61
Vehicles	2.05	0.97	-	3.02	0.26	0.19	-	0.45	2.57	1.79
Total	267.89	3.98	113.26	158.61	125.98	12.84	46.03	92.79	65.82	141.91
<u>B. Intangible Assets</u>										
COMS Software	-	16.37	-	16.37	-	6.47	-	6.47	9.90	-
Goodwill *	26.32	4.00	-	30.32	26.32	4.00	-	30.32	-	-
Goodwill on consolidation	23.52	-	-	23.52	-	-	-	-	23.52	23.52
Software - Others	79.44	7.48	3.69	83.23	65.04	12.99	3.00	75.03	8.20	14.40
Total	129.28	27.85	3.69	153.44	91.36	23.46	3.00	111.82	41.62	37.92
<u>C. Intangible assets under development</u>	14.98	-	14.98	-	-	-	-	-	-	14.98
Total	14.98	-	14.98	-	-	-	-	-	-	14.98
Grand Total	412.15	31.83	131.93	312.05	217.34	36.30	49.03	204.61	107.44	194.81

* TeamLease entered into a business transfer agreement dated May 15, 2012 with Press Enterprises Private Limited ('PEPL') whereby PEPL agreed to sell and transfer its business of staffing and manpower services, as a going concern together with its assets and liabilities, on a slump sale basis, for a purchase price of Rs. 4,000,000 which was to be paid by TeamLease. Pursuant to this business transfer, goodwill of Rs. 4 million has been recognized and fully amortised during the year ended March 31, 2013.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- Fixed Assets 2011-12

₹ in millions

FIXED ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 01.04.2011	Additions	Disposals/ Adjustment s	Cost as at 31.03.2012	As at 01.04.2011	For the year (*)	On disposals	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
<u>A. Tangible Assets</u>										
Building	25.49	-	-	25.49	1.67	0.42	-	2.09	23.40	23.82
Leasehold Improvements	7.17	-	-	7.17	5.16	1.25	-	6.41	0.76	2.01
Office Equipments	51.61	11.08	9.53	53.16	10.60	3.07	1.95	11.72	41.44	41.01
Computers	96.72	7.03	10.29	93.46	84.77	9.14	9.36	84.55	8.91	11.95
Furniture and Fixtures	95.00	12.89	21.33	86.56	19.49	6.74	5.28	20.95	65.61	75.51
Vehicles	1.57	1.39	0.91	2.05	0.52	0.16	0.42	0.26	1.79	1.05
Total	277.56	32.39	42.06	267.89	122.21	20.78	17.01	125.98	141.91	155.35
<u>B. Intangible Assets</u>										
COMS Software	-	-	-	-	-	-	-	-	-	-
Goodwill	26.32	-	-	26.32	26.32	-	-	26.32	-	-
Goodwill on consolidation	23.52	-	-	23.52	-	-	-	-	23.52	23.52
Software - Others	71.71	7.99	0.26	79.44	48.42	16.76	0.14	65.04	14.41	23.29
Total	121.55	7.99	0.26	129.28	74.74	16.76	0.14	91.36	37.92	46.81
<u>C. Intangible assets under development</u>										
	9.12	5.86	-	14.98	-	-	-	-	14.98	9.12
Total	9.12	5.86	-	14.98	-	-	-	-	14.98	9.12
Grand Total	408.23	46.24	42.32	412.15	196.95	37.54	17.15	217.34	194.81	211.28

Note:

- (1) There is no revaluation of assets during the year.
- (2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- Fixed Assets 2010-11

₹ in millions

FIXED ASSETS	GROSS BLOCK					DEPRECIATION /AMORTISATION				NET BLOCK
	As at 01.04.2010	Additions on Merger	Additions	Disposals /Adjustmen ts ##	Cost as at 31.03.2011	As at 01.04.2010	For the year	On disposals	As at 31.03.2011	As at 31.03.2011
<u>A. Tangible Assets</u>										
Leasehold Improvements	5.82	-	1.35	-	7.17	3.30	1.86	-	5.16	2.01
Building	-	-	25.49	-	25.49	1.26	0.41	-	1.67	23.82
Office Equipments	16.50	21.67	13.58	0.13	51.61	7.22	3.42	0.04	10.60	41.01
Computers	48.35	29.47	18.94	0.04	96.72	48.16	36.65	0.04	84.77	11.95
Furniture and Fixtures	4.74	70.16	20.10	-	95.00	11.75	7.74	-	19.49	75.51
Vehicles	1.57	-	-	-	1.57	0.37	0.15	-	0.52	1.05
Total	76.98	121.30	79.46	0.17	277.56	72.06	50.23	0.08	122.21	155.35
<u>B. Intangible Assets</u>										
Goodwill	-	-	26.32	-	26.32	26.32	-	-	26.32	-
Goodwill on consolidation	-	-	204.73	181.21	23.52	-	-	-	-	23.52
Software - Others	36.99	15.15	19.57	-	71.71	32.36	16.06	-	48.42	23.29
Total	36.99	15.15	250.62	181.21	121.55	58.68	16.06	-	74.74	46.81
<u>C. Intangible assets under development</u>										
	-	-	9.12	-	9.12	-	-	-	-	9.12
Total	-	-	9.12	-	9.12	-	-	-	-	9.12
Grand Total	113.97	136.45	339.20	181.38	408.23	130.74	66.29	0.08	196.95	211.28

Includes impairment of Goodwill on consolidation of Rs.181.21 million.

Notes:

- (1) There is no revaluation of assets during the period/years ended September 30, 2015, 2014 and March 31, 2015, 2014, 2013, 2012 and 2011.
- (2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)
₹ in millions

Note 7 -Other Non Current Assets	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long-Term Trade Receivables:							
Unsecured considered doubtful	52.94	43.35	62.31	52.18	15.39	4.57	5.14
Less: Provision for Doubtful Debts	(52.94)	(43.35)	(62.31)	(52.18)	(15.39)	(4.57)	(5.14)
Fixed deposits with banks with a maturity period more than 12 months (Refer Note: 1 below)	43.65	9.40	10.92	31.53	21.33	15.78	15.59
Interest accrued on Fixed deposits	0.97	0.58	0.56	5.43	3.71	2.17	0.92
Interest accrued but not due on Loan to Related party (Refer Annexure V Note 22)	7.06	0.80	2.65	-	-	-	-
Reimbursement right for Gratuity (Annexure V, Note : 21 d)	226.25	114.86	153.04	109.09	69.25	48.18	47.66
Other Non Current Assets	277.93	125.64	167.17	146.05	94.29	66.13	64.17

Note :

1) Fixed deposits of Rs. 43.64 million, Rs 9.40 million, Rs. 10.92 million, Rs. 26.52 million, Rs. 21.27 million, Rs. 15.51 million and Rs. 15.19 millions are under lien with various banks for the Guarantees issued by the Bank on behalf of the Company for the aforesaid period/year.

Note 8 - Inventories (At Cost)	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Courseware	2.11	2.53	2.15	2.45	5.31	8.92	15.01
Total	2.11	2.53	2.15	2.45	5.31	8.92	15.01

Annexure V-Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 9 - Cash and Bank balances	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Cash and cash equivalents							
Cash on hand	0.21	0.17	-	-	0.08	0.28	0.82
Cheques on hand	-	-	-	0.38	-	-	4.07
In current accounts	354.62	277.95	218.49	128.42	58.27	66.91	60.47
Fixed Deposits (with less than 3 months maturity) **	-	-	-	-	370.00	350.45	21.07
	354.83	278.12	218.49	128.80	428.35	417.64	86.43
Other bank balances							
In Fixed Deposit Accounts (maturity within 12 months from the date of acquisition) *	416.08	550.01	270.62	716.44	141.10	404.46	93.73
Fixed Deposit Accounts (Maturity more than 12 months but within one year from the reporting date)**	445.77	366.78	657.89	2.01	210.43	-	-
	861.85	916.79	928.51	718.45	351.53	404.46	93.73
Total	1,216.68	1,194.91	1,147.00	847.25	779.88	822.10	180.16

Notes:

For the financial year ended March 31, 2011, fixed deposits of Rs.2.35 million and Rs. 111.11 million are under lien, kept as securities with various banks for the Guarantees on behalf of the Company and Over Draft facility respectively.

* Fixed deposits of Rs 66.08 million, Rs. 140.00, Rs. 0.69 million, Rs. 141.03 million, Rs. 141 million and Rs. 142 million are under lien, kept as securities with banks for Guarantees on behalf of the Company and Over Draft facility provided by the Banks for the period/financial years ended September 30, 2015, 2014, March 31, 2015, 2014, 2013 and 2012.

** Fixed deposits of Rs 145.77 million, Rs 26.77 million, Rs. 192.33 million, Rs. 1.71 million, Rs. 0.53 million and Rs. 12.70 million are under lien with various banks for the Guarantees on behalf of the Company and Over Draft facility provided by the Banksfor for the period/financial years ended September 30, 2015, 2014, March 31, 2015, 2014, 2013 and 2012.

₹ in millions

Note 10 - Other Current Assets	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Interest accrued on Fixed Deposits	25.39	31.63	48.51	15.65	16.08	23.20	2.91
Unbilled Revenue	909.48	415.62	572.93	157.24	194.90	4.02	1.22
Building held for sale	22.17	-	22.17	-	-	-	-
Reimbursement right for Gratuity (Annexure V Note 21 d)	88.34	63.94	75.69	47.78	34.54	20.70	7.32
Total	1,045.38	511.19	719.30	220.67	245.52	47.92	11.45

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 11 - Revenue from Operations (Net of Service Tax)	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Revenue from Operations							
Sale of Services	11,945.76	9,273.16	19,731.36	15,025.77	12,236.27	9,006.27	6,533.42
Other Operating Revenues							
Recruitment Services	82.03	64.88	137.71	112.95	116.79	122.61	133.42
Skills and Development	26.46	47.44	87.89	61.82	38.04	38.85	31.85
Tuition Fees	-	-	-	6.73	43.95	67.66	108.36
Royalty and Affiliation Income	5.38	18.38	55.83	12.90	8.29	5.50	52.33
Corporate Training	-	8.32	8.32	29.08	29.40	-	-
Income from Regulatory Services	32.54	21.51	44.91	44.16	31.44	17.39	9.00
Payroll Income	4.29	2.05	4.68	3.08	3.14	-	-
Revenue from operations (Net)	12,096.46	9,435.74	20,070.70	15,296.49	12,507.32	9,258.28	6,868.38

₹ in millions

Note 12 - Employee Benefit Expenses	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Salaries, Wages and Bonus	10,949.38	8,463.75	17,990.40	13,715.76	11,215.57	8,290.44	6,053.57
Contribution to Provident and Other Funds (Annexure V Note 21 c)	778.56	638.30	1,356.32	1,045.42	880.35	674.35	490.33
Gratuity (Net of Reimbursement Right) (Annexure V Note 21 a & d)	4.73	2.88	5.36	4.76	3.96	6.23	4.35
Leave Encashment (Refer Note-1 below)	5.20	4.06	8.49	10.20	6.02	10.43	0.44
Employee Insurance	46.99	33.73	71.52	51.57	44.42	36.86	23.60
Staff Welfare	6.15	4.70	11.00	9.96	11.59	11.26	10.22
Staff Training Expenses	0.89	0.75	1.71	1.32	2.91	1.60	0.99
Total	11,791.90	9,148.17	19,444.80	14,838.99	12,164.82	9,031.17	6,583.50

Note-1: Leave Encashment is expensed based on the Actuarial Valuation for the aforesaid period/year.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 13 - Finance Costs	For the Period/Year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
<u>Interest on Loans</u>							
- Banks	1.76	0.79	1.37	1.96	5.01	2.98	0.80
- Others	-	0.02	0.02	0.35	0.12	0.41	0.79
Total	1.76	0.81	1.39	2.31	5.13	3.39	1.59

₹ in millions

Note 14 - Depreciation and Amortisation Expenses	For the Period/Year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Depreciation on Tangible assets (Refer Annexure V (Note-6))	4.95	12.48	17.11	5.53	12.84	20.78	50.23
Amortisation on Intangible assets(Refer Annexure V (Note-6))	4.10	4.63	10.04	13.67	23.46	16.76	16.06
Total	9.05	17.11	27.15	19.20	36.30	37.54	66.29

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 15 -Other Expenses	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Courseware Consumed	0.54	1.12	2.13	2.88	5.27	18.07	9.47
Electricity	7.36	6.35	11.99	11.89	17.93	23.10	22.82
Fines and Penalties	0.58	-	-	0.36	0.10	-	-
Rates and Taxes	0.45	2.82	3.05	0.14	2.45	-	-
Rent	45.63	36.09	71.24	64.87	98.67	116.20	122.90
Travelling and Conveyance	18.47	17.00	36.93	34.65	34.82	35.82	29.50
<u>Repairs and maintenance</u>							
-Leasehold Premises	0.28	0.16	0.23	0.19	1.78	1.36	0.26
-Others	21.85	17.23	32.99	17.49	28.60	29.71	26.23
Advertisement and Business Promotion	5.75	2.75	8.98	7.69	16.27	29.20	29.04
<u>Auditors' Remuneration</u>							
Audit Fee	2.33	1.40	2.83	2.82	2.83	2.83	2.80
Out of pocket	0.12	0.14	0.16	0.12	0.03	0.14	0.03
Bank Charges	0.71	0.40	0.86	0.84	1.46	2.89	2.96
Brokerage	0.01	-	0.06	0.38	2.03	0.09	0.23
Communication	23.16	21.92	41.39	37.53	43.41	46.52	34.46
Directors' Remuneration	-	-	-	-	1.31	-	-
Legal and professional	15.73	16.31	27.28	33.05	66.10	54.97	36.06
Printing and Stationery	7.34	6.48	12.66	11.56	12.94	12.90	10.95
Security Charges	3.15	2.49	4.94	4.99	-	-	-
Sundry Balances Written off	0.62	0.51	0.36	0.03	1.90	3.00	-
Bad Debts written off	11.53	0.12	0.61	8.25	12.07	27.10	148.65
Less: Related Provision for Doubtful Debts Written Back	(4.92)	-	-	(1.76)	(5.12)	(17.23)	(68.74)
Fees and Certification Charges	1.23	1.59	3.99	6.61	0.26	0.43	14.77
Foreign Exchange Loss (Net)	-	-	-	-	0.07	0.03	-
Loss on sale of Fixed Assets (Net)	-	0.34	0.34	7.49	62.02	21.88	0.01
Office Expenses	1.12	0.33	0.73	0.46	0.58	3.72	1.36
Provision for Bad and Doubtful Debts	14.73	6.07	20.95	26.43	27.94	13.39	37.71
Service Tax written off	-	-	-	-	-	-	3.40
Training Expenses	13.76	56.63	100.55	56.20	16.61	6.62	-
Write off of Course ware Materials	-	-	0.12	1.91	1.02	1.48	-
Royalty Expenses	-	-	-	-	-	0.05	28.45
Directors' Sitting Fees	0.14	-	-	-	-	-	-
Impairment of Goodwill	-	-	-	-	-	-	181.21
Provision for Irrecoverable Advances	-	-	-	-	0.03	-	-
Total	191.66	198.24	385.37	337.07	453.38	434.27	674.53

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 16 - Deferred Tax Asset	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Deferred Tax Asset							
Provision for doubtful debts	24.39	22.52	21.74	-	-	-	-
Difference between book and tax depreciation	22.16	22.48	21.83	-	-	-	-
Provision for employee benefits:							
--Gratuity	7.37	5.94	5.92	-	-	-	-
--Leave Encashment	6.62	5.65	5.89	-	-	-	-
--Bonus	9.07	6.45	0.73	-	-	-	-
Deferred Tax Asset	69.61	63.04	56.12	-	-	-	-

Note: As per the provisions of Accounting Standard 22 (AS-22 Accounting for Taxes on Income), Deferred Tax Asset is not recognized prior to the period ended September 30, 2014 on account of unabsorbed tax losses.

₹ in millions

Note 17 - Exceptional Items	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Deficit on transfer of retail training business (Refer Note (a) below)	-	-	-	-	-	-	35.48
Total	-	-	-	-	-	-	35.48

Note (a): During FY2010-11, the Company entered into a scheme of Arrangement for the demerger of the Retail Training Business of IIJT (except Building and Goodwill) as approved by the Hon'ble High Court of Bombay. Pursuant to the aforesaid scheme, a deficit of Rs.35.48 million arising out of excess of liabilities over asset acquired by the Company has been debited to Profit and Loss account as an exceptional item.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)
Note 18- Contingent Liability

September 30, 2015

i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs.0.50 million which is pending for approval from ESI department.

ii. The Company had received Demand Order under section 201(1) and 201(1A) of the Income Tax Act, 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The Company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals).The matter is pending as on

iii.The Company had received a demand of Rs. 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax and the said demand was disposed off in Company's favor by Central Excise and Service Tax Appellate Tribunal (CESTAT). The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore ('High Court') . This petition was disposed off by the High court on April 2, 2014 in Company's favor. In May 2015, the Commissioner of Service Tax Department had filed a petition with Supreme Court of India for condonation of delay in filing the special leave to appeal. Against this petition, condonation is granted by Supreme Court of India and hearing is scheduled in the month of March 2016.

iv.The Company has provided a corporate guarantee on behalf of TeamLease Skills University ('TLSU') to Tata Capital Financial Services Limited ("TCFSL") whereby the Company has guaranteed all the obligations of TLSU under the Operating Lease Agreement between TCFSL and TLSU dated July 24, 2014 executed in relation to the lease of computer equipment by TCFSL to TLSU of value not exceeding Rs.15 million.

v. Income tax matter in respect of Financial Year 2010-11 for which an appeal has been filed with Commissioner of Income Tax (Appeals) on April 23, 2014 against demand notice of Rs. 2.28 million.

September 30, 2014

i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs.0.50 million which is pending for approval from ESI department.

ii. The Company had received Demand Order under section 201(1) and 201(1A) of the Income Tax Act, 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The Company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals).The matter is pending as on date.

iii.The Company had received a demand of Rs. 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax and the said demand was disposed off in Company's favor by Central Excise and Service Tax Appellate Tribunal (CESTAT). The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore ('High Court') . This petition was disposed off by the High court on April 2, 2014 in Company's favor. In May 2015, the Commissioner of Service Tax Department had filed a petition with Supreme Court of India for condonation of delay in filing the special leave to appeal.The matter is subjudice.

iv. During the period, the Company has provided a corporate guarantee on behalf of TeamLease Skills University ('TLSU') to Tata Capital Financial Services Limited ("TCFSL") whereby the Company has guaranteed all the obligations of TLSU under the Operating Lease Agreement between TCFSL and TLSU dated July 24, 2014 executed in relation to the lease of computer equipment by TCFSL to TLSU of value not exceeding Rs.15 million.

v. Income tax matter in respect of Financial Year 2010-11 for which an appeal has been filed with Commissioner of Income Tax (Appeals) on April 23, 2014 against demand notice of Rs. 2.28 million.

March 31, 2015

- i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs.0.50 million which is pending for approval from ESI department.
- ii. The Company had received Demand Order under section 201(1) and 201(1A) of the Income Tax Act, 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The Company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals).The matter is pending as on
- iii.The Company had received a demand of Rs. 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax and the said demand was disposed off in Company's favor by Central Excise and Service Tax Appellate Tribunal (CESTAT). The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore ('High Court') . This petition was disposed off by the High court on April 2, 2014 in Company's favor. In May 2015, the Commissioner of Service Tax Department had filed a petition with Supreme Court of India for condonation of delay in filing the special leave to appeal.The matter is subjudice.
- iv. During the year, the Company has provided a corporate guarantee on behalf of TeamLease Skills University ('TLSU') to Tata Capital Financial Services Limited ("TCFSL") whereby the Company has guaranteed all the obligations of TLSU under the Operating Lease Agreement between TCFSL and TLSU dated July 24, 2014 executed in relation to the lease of computer equipment by TCFSL to TLSU of value not exceeding Rs.15 million.
- v. Income tax matter in respect of Financial Year 2010-11 for which an appeal has been filed with Commissioner of Income Tax (Appeals) on April 23, 2014 against demand notice of Rs. 2.28 million.

March 31, 2014

- i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs. 0.50 million which is pending for approval from ESI department.
- ii.The Company had received a demand of Rs. 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax. The Company had filed an appeal with the Appellate Tribunal. This Appeal was upheld by the Tribunal and case was disposed off in Company's favour in the year 2012. The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore. This petition was disposed off by the Hon'ble High court on April 2, 2014 in Company's favour.
- iii. The company had received Demand Order under Section 201(1) and 201(1A) of the Income Tax Act, 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals).The matter is pending as on date.
- iv. Income tax matter in respect of Financial Year 2009-10 for which an appeal has been filed with commissioner of Income Tax (Appeals) on April 23, 2013 against demand notice of Rs. 19.48 million. This appeal was disposed off in company's favour by office of the commissioner of Income Tax (Appeals)-XII, Kolkata on Feb 21,
- v. Income tax matter in respect of Financial Year 2010-11 for which an appeal has been filed with commissioner of Income Tax (Appeals) on April 23, 2013 against demand notice of Rs. 2.28 million.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 18- Contingent Liability

March 31, 2013

- i. Pursuant to Employee state Insurance (ESI) demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs. 0.50 million which is pending for approval from ESI department.
- ii. The company had received a demand notice of Rs. 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax. The Company had filed an appeal to appellate tribunal. This appeal was upheld by the Tribunal and the case was disposed off in company's favour.
- iii. The Company has received Demand Order under section 201 (1) and 201 (1A) of the Income Tax Act, 1961 for tax deducted at source of Rs. 1.17 million and Rs. 0.77 million for the Assessment year 2009-10 and 2010-11 respectively. The company has filed against aforesaid demand with the Commissioner of Income Tax (Appeals).
- iv. Income tax matter in respect of Financial Year 2009-10 for which an appeal has been filed with commissioner of Income Tax (Appeals) of Rs. 19.48 million.

March 31, 2012

- i. Pursuant to Employee State Insurance demand raised in 2006, the Company has furnished documents to justify no Employee State Insurance liability for the balance amount of Rest. 0.50 million which is pending for approval from ESI department.
- ii. The Company has received a demand notice of Rs. 14.94 million inclusive of penalty from the Commissioner of Service Tax during the year. The Company has filed an appeal to appellate tribunal. There is no further communication received from the Tribunal.

March 31, 2011

- i. Pursuant to ESI demand raised in 2006, the Company has furnished documents to justify no ESI liability for the balance amount of Rs. 0.50 million which is pending for approval from ESI department.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)
Note 18(a) - Contingent Liability (Guarantees given by banks)

₹ in millions

	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Development Support Agency of Gujarat	-	15.19	15.19	15.19	15.19	15.19	15.19
Director General of Employment and Training	-	-	0.20	0.26	0.20	0.20	0.20
Gateway Rail Freight Limited	1.00	1.00	1.00	1.00	1.00	-	-
REC Power Distribution Company Limited	11.00	2.50	6.00	2.50	-	-	-
Section Officer(Cash) Dept of Economic Affairs	-	-	0.13	-	0.13	-	-
TATA Capital Financial Services Limited	7.63	2.61	7.29	6.30	0.73	-	-
The Centre for Entrepreneurship Development(CED)	0.50	0.50	0.50	0.50	-	-	-
The Chief Executive Officer Employment Generation & Marketing	-	0.50	0.50	0.50	-	-	-
The Director Municipal Admistrat Urban Development Dept, Govt. of Jharkhand,	-	-	0.51	0.51	-	-	-
The Mission Director, Mission for Elimination of Poverty in Municipal Areas (MEPMA)	0.50	0.50	0.50	0.50	1.00	-	-
The Mission Director, Mission for Elimination of Poverty in Municipal Areas (MEPMA) Telangana	1.00	-	1.00	-	-	-	-
The State Project Director Rastriya Madhyamaik Shiksha Abhiyan	1.06	1.06	1.06	-	-	-	-
Uttar Pradesh Skill Development Society	2.02	1.20	1.20	1.20	-	-	-
BSES Yamuna Power Limited.	-	-	-	-	0.30	0.90	0.90
BSES Rajdhani Power Limited.	-	-	-	-	-	1.20	1.20
TATA Capital Financial Services Ltd., (Previously Macquarie Finance (India) Pvt Ltd)	1.88	4.38	0.64	-	4.25	0.32	-
Employment Through Skills Training & Placement	0.14	-	-	-	-	-	-
Additional Skill Acquisition Program (ASAP)	0.26	-	-	-	-	-	-
Indian Post, The Sr. Superintendent of Post Office	-	-	-	-	-	-	0.05
UTTAR PRADESH SKILL DEVELOPMENT	-	-	0.62	-	-	-	-
The Chief Executive Officer, Municipal Corporation, Ranchi	-	0.07	0.07	0.81	-	-	-
Rural Electrification Corporation Limited (RECL)	2.00	-	2.00	-	-	-	-
Total	28.99	29.52	38.41	29.27	22.80	17.81	17.54

Refer Note 9 and Note 7 for Fixed deposits under lien.

Note-18 (b) : Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance, if any) Rs 28.10 million for September 30, 2015, Rs 9.89 million for September 30, 2014, Rs. Nil as at March 31, 2015, 2014, 2013 and Rs. 0.14 million for March 31, 2012 and Rs. 1.33 million for March 31, 2011.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 19- EARNINGS / EXPENDITURE IN FOREIGN CURRENCIES

₹ in millions

	For the period ended September 2015	For the period ended September 2014	For the year ended March 2015	For the year ended March 2014	For the year ended March 2013	For the year ended March 2012	For the year ended March 2011
a) <u>Earnings in Foreign Currencies</u>							
Staffing Income	-	-	0.31	5.99	1.33	1.32	1.95
Skills Income	-	-	-	-	-	-	2.22
Total	-	-	0.31	5.99	1.33	1.32	4.17
b) <u>Expenditure in Foreign Currencies</u>							
License Fees/ Affiliation Fee	0.24	-	0.15	0.01	0.21	0.63	3.19
Courseware Purchased	-	-	-	-	-	1.94	1.16
Total	0.24	-	0.15	0.01	0.21	2.57	4.35

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 20-Lease

(a) The Company has taken on operating lease office premises at various locations. The agreements are executed for a period ranging from 1 year to 9 years. Rents are accounted as per agreement and the effect of lease equalisation is not given as the increment in rent agreements are accepted based on the growth of business and inflation factor.

(b) Rent payments are recognized in the Statement of Profit and Loss under the head "Rent" in Notes : 15 "Other Expenses" amounting to Rs 45.63 and Rs 36.09 million for the period ended September 30, 2015 and 2014 and Rs. 71.24, Rs. 64.87, Rs. 98.67, Rs 116.20 and Rs 122.90 million for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 respectively.

The future minimum lease payments under non-cancellable operating lease are as below:

₹ in millions

Minimum Lease Rental Payable	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Within 1 year	56.73	48.30	45.93	44.42	38.62	51.81	56.24
Later than one year but not later than 5 years	83.81	56.15	40.68	84.12	111.86	126.29	60.90
Later than 5 years	-	-	-	-	-	-	1.16

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 21 a) EMPLOYEE BENEFITS - GRATUITY CORE EMPLOYEES

The following tables summarize the components of the net employee benefit expenses recognised in the Statement of Profit and Loss the fund status and the amount recognised in the Balance Sheet for the Gratuity.

Disclosure relating to actuarial valuation of Gratuity Liability:

₹ in millions

	As at September 30 2015	As at September 30 2014	As at March 31 2015	As at March 31 2014	As at March 31 2013	As at March 31 2012	As at March 31 2011
I. Assumptions							
Discount Rate	7.48% p.a.	8.37% p.a.	7.78% p.a.	8.74% p.a.	7.98% p.a.	8.63% p.a.	8.0% p.a.
Expected Return On Plan Assets	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (1994 -96) (modified) Ultimate	Indian Assured Lives Mortality (1994 -96) (modified) Ultimate
Future Salary Increases	7% p.a	7% p.a	7% p.a	9% p.a	8% p.a	14% p.a	10%
Attrition	38% p.a.	42% p.a.	40% p.a.	38% p.a.	34% p.a.	35% p.a.	35%
Retirement	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.
II. Change in Present Value Benefit Obligation:							
Present Value Of obligation at the beginning of the period/year	18.80	16.61	16.61	14.89	12.67	7.51	4.20
Adjustment to present value	-	-	-	-	-	0.36	-
Interest Cost	0.66	0.65	1.17	1.17	0.93	0.61	0.28
Current Service Cost	3.12	2.63	5.74	5.48	4.93	2.72	2.14
Past Service Cost	-	-	-	-	-	-	0.16
Benefits Paid	(2.25)	(2.01)	(3.17)	(3.04)	(1.74)	(1.43)	(1.04)
Transfer In	-	-	-	-	0.01	-	-
Actuarial (gain) loss on Obligation	0.95	(0.40)	(1.55)	(1.89)	(1.91)	2.90	1.77
Present Value Of obligation at the end of the period/year	21.28	17.48	18.80	16.61	14.89	12.67	7.51
III. Change in Fair Value Plan Assets:							
Fair value of plan Assets at the beginning of the period/year	-	-	-	-	-	-	-
Expected Return On plan assets	-	-	-	-	-	-	-
Contributions	2.25	2.01	3.17	3.04	1.74	1.43	1.04
Benefits Paid	(2.25)	(2.01)	(3.17)	(3.04)	(1.74)	(1.43)	(1.04)
Actuarial gain (Loss) Plan Assets	-	-	-	-	-	-	-
Fair value of plan Assets at the end of the period/year	-	-	-	-	-	-	-

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)
Note 21(a)

₹ in millions

	As at September 30 2015	As at September 30 2014	As at March 31 2015	As at March 31 2014	As at March 31 2013	As at March 31 2012	As at March 31 2011
IV. Actuarial gain (loss) recognized	(0.95)	0.40	1.55	1.89	1.91	(2.90)	(1.77)
V. Balance Sheet Recognition							
Present Value Of Obligation	21.28	17.48	18.80	16.61	14.89	12.67	7.51
Fair Value Of Plan Assets	-	-	-	-	-	-	-
Liability (assets)	21.28	17.48	18.80	16.61	14.89	12.67	7.51
Unrecognised Past Service Cost	-	-	-	-	-	-	-
Liability and assets recognised in the Balance Sheet	21.28	17.48	18.80	16.61	14.89	12.67	7.51
VI. Expenses Recognition							
Current Service Cost	3.12	2.63	5.74	5.48	4.93	2.72	2.14
Interest Cost	0.66	0.65	1.17	1.17	0.93	0.61	0.28
Expected Return On plan assets	-	-	-	-	-	-	-
Net Actuarial gain (loss) recognised in the period/year	0.95	(0.40)	(1.55)	(1.89)	(1.91)	2.90	1.77
Past Service Cost	-	-	-	-	-	-	0.16
Expenses Recognised in the statement of Profit and Loss	4.73	2.88	5.36	4.76	3.96	6.22	4.35
VII. Movements in the liability recognised in Balance Sheet							
Opening net Liability	18.80	16.61	16.61	14.89	12.66	7.51	4.20
Adjustment to Present Value	-	-	-	-	-	0.36	-
Expenses	4.73	2.88	5.36	4.76	3.96	6.22	4.35
Contribution	(2.25)	(2.01)	(3.17)	(3.04)	(1.74)	(1.43)	(1.04)
Transfer In	-	-	-	-	0.01	-	-
Closing Net Liability	21.28	17.48	18.80	16.61	14.89	12.66	7.51
VIII. Current and Non-Current Liability							
Current	7.18	6.33	7.04	5.23	0.61	3.95	2.37
Non-current	14.10	11.15	11.76	11.38	14.28	8.71	5.14
<u>IX. Experience adjustment</u>							
Experience adjustment on Plan liabilities loss / (gain)	(0.74)	0.14	(1.53)	(1.54)	(0.89)	2.17	1.55
Experience adjustment on Plan assets	NA	NA	NA	NA	NA	NA	NA
Total experience adjustment	(0.74)	0.14	(1.53)	(1.54)	(0.89)	2.17	1.55

In addition to above , there is gratuity expense and liability of Rs. 0.01 million and Rs. 0.001 million for the years ended March 31, 2012 and 2011 respectively relating to a subsidiary company.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 21 b) EMPLOYEE BENEFITS - PROVIDENT FUND

₹ in millions

I. Assumptions	As at September 30, 2015	As at September 30 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Balance in Reserves and Surplus as per TeamLease Services Private Limited Employees Provident Fund Trust *	334.00	237.96	270.13	200.62	131.07	67.83
Provident Fund Obligations *	9.15	7.03	9.15	6.24	4.94	6.36
Discount Rate (per annum)	7.67%	8.57%	7.93%	8.84%	7.98%	8.57%
Average historic yield on the investment portfolio	9.19%	9.24%	9.24%	9.28%	9.35%	9.39%
Appropriate term (in years)	5 Years	5 Years	5 Years	5 Years	4 Years	5 Years
Remaining term to maturity of PF portfolio (in years)	6.66 Years	8.05 Years	7.51 Years	8.47 Years	8.26 Years	7.13 Years
Discount rate for the remaining term to maturity of the investment portfolio (per annum)	8.60%	8.60%	8.60%	8.60%	8.60%	8.60%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

* No Liability has been provided as the balances in the Reserves & Surplus as aforesaid is more than the Provident Fund Obligation

Disclosures included are limited to the extent of disclosures provided by the actuary.

Note 21 c) During the period/year the Company has recognised the following amounts in the Statement of Profit and Loss:-

₹ in millions

Particulars	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Employers contribution to Provident Fund	563.66	447.57	959.09	721.15	599.50	446.05	318.78
Employees State Insurance Corporation	206.20	183.85	382.43	313.17	271.62	221.02	166.73
Provident Fund Administrative charges	8.70	6.89	14.80	11.10	9.23	7.28	4.82
Total	778.56	638.30	1,356.32	1,045.42	880.35	674.35	490.33

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)
Note 21 d)

EMPLOYEE BENEFITS - GRATUITY ASSOCIATE EMPLOYEES

The Company has recognised gratuity liability and reimbursement right in respect of associate employees pursuant to paragraph 103 of Accounting Standard -15 issued by Institute of Chartered Accountants of India and accordingly disclosure has been made as required and to the extent provided by actuary.

Disclosure relating to actuarial valuation of Gratuity of associate employees:

	₹ in millions						
	As at September 30 2015	As at September 30 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
I. Assumptions							
Discount Rate	7.48% p.a.	8.37% p.a.	7.78% p.a.	8.57% p.a.	7.87% p.a.	8.09% p.a.	7.67% p.a.
Expected Return on Plan Assets	N/A	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (1994-96) Ultimate
Future Salary Increases	9% p.a.	8.5% p.a.	9.6% p.a.	9.6% p.a.	8% p.a.	17.5% p.a.	19% p.a.
Attrition	45% p.a.	46% p.a.	44% p.a.	45% p.a.	49% p.a.	48% p.a.	49% p.a.
Retirement	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.
II. Change in Present Value Benefit Obligation:							
Present Value Of obligation at the beginning of the period/year	228.73	156.87	156.88	103.79	68.88	54.98	34.47
Adjustment to present value	-	-	-	-	-	-	-
Interest Cost	8.15	6.23	10.91	7.66	5.36	4.41	2.64
Current Service Cost	28.94	16.18	45.60	30.90	21.14	10.21	7.45
Past Service Cost	-	-	-	-	-	-	-
Benefits Paid	(21.57)	(15.88)	(33.16)	(28.87)	(1.74)	(0.72)	-
Transfer In	-	-	-	-	-	-	-
Actuarial (gain) loss on Obligation	70.34	15.40	48.50	43.39	10.15	-	10.42
Present Value Of obligation at the end of the period/year	314.59	178.80	228.73	156.87	103.79	68.88	54.98

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)
Note 21 d)

	As at September 30 2015	As at September 30 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
III. Change in Fair Value Plan Assets:							
Fair value of plan Assets at the beginning of the period/year	-	-	-	-	-	-	-
Expected Return On plan assets	-	-	-	-	-	-	-
Contributions	21.57	15.88	33.16	28.87	1.74	0.72	-
Benefits Paid	(21.57)	(15.88)	(33.16)	(28.87)	(1.74)	(0.72)	-
Actuarial gain (Loss) Plan Assets	-	-	-	-	-	-	-
Fair value of plan Assets at the end of the period/year	-	-	-	-	-	-	-
IV. Actuarial gain (loss) recognized	(70.34)	(15.40)	(48.50)	(43.39)	(10.15)	-	(10.42)
V. Balance Sheet Recognition							
Present Value Of Obligation	314.59	178.80	228.73	156.87	103.79	68.88	54.98
Fair Value Of Plan Assets	-	-	-	-	-	-	-
Liability and assets	314.59	178.80	228.73	156.87	103.79	68.88	54.98
Liability and assets recognised in the Balance Sheet	314.59	178.80	228.73	156.87	103.79	68.88	54.98
VI. Expenses and Income Recognition							
Current Service Cost	28.94	16.18	45.60	30.90	21.14	10.21	7.45
Interest Cost	8.15	6.23	10.91	7.66	5.36	4.41	2.64
Expected Return On plan assets	-	-	-	-	-	-	-
Net Actuarial gain (loss) recognised in the period/year	70.34	15.40	48.50	43.39	10.15	-	10.42
Past Service Cost	-	-	-	-	-	-	-
Expenses and Income Recognised in the statement of Profit and Loss	107.43	37.81	105.01	81.95	36.65	14.62	20.51
VII. Movements in the liability and asset recognised in Balance Sheet							
Opening net Liability and asset	228.73	156.87	156.88	103.79	68.88	54.98	34.47
Adjustment to Present Value	-	-	-	-	-	-	-
Expenses and Income	107.43	37.81	105.01	81.95	36.65	14.62	20.51
Contribution	(21.57)	(15.88)	(33.16)	(28.87)	(1.74)	(0.72)	-
Closing Net Liability and asset	314.59	178.80	228.73	156.87	103.79	68.88	54.98
VIII. Current and Non-Current Liability and asset							
Current	88.34	63.94	75.69	47.78	34.54	20.70	7.32
Non-current	226.25	114.86	153.04	109.09	69.25	48.18	47.66

Note 21 e) The employee benefits expense towards gratuity and related reimbursement right for associate employees have been netted off in the Statement of Profit and Loss.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note - 22 Related Party Disclosure

SL No.	Holding Company
1	HR Offshoring Ventures Pte Limited *

SL No.	Subsidiaries
1	National Employability Apprenticeship Services
2	TeamLease Education Foundation

SL No.	Enterprises over which Key Management personnel thereof are having significant Influence
1	Hansini Management Consultants Private Limited
2	TeamLease Skills University
3	India Life Capital Private Limited

SL No.	Key Management Personnel and their relatives	Designation
1	Mr. Manish Sabharwal	Chairman
2	Mr. Ashok Reddy	Managing Director
3	Mr. Mohit Gupta	Director (Resigned w.e.f July 31, 2015)
4	Mr. Ravi Vishwanath **	Chief Financial Officer
5	Mr. Mruthunjaya Murthy	Company Secretary
6	Mrs. Asha Vishwanath	Relative of Mr. Ravi Vishwanath

* Ceased to be the holding company since July 31, 2015.

** From the financial year 2014-15, Mr. Ravi Vishwanath has been identified as a KMP in accordance with the provisions of the Companies Act, 2013.

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note -22 Related Party Disclosure

₹ in millions

Particulars	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2010	
	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)
Issue of Bonus Shares														
HR Offshoring Ventures Pte Limited	77.49	-	-	-	-	-	-	-	-	-	-	-	-	-
Hansini Management Consultants Private Limited	1.27	-	-	-	-	-	-	-	-	-	-	-	-	-
Ravi Vishwanath	0.26	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	79.02	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent Income / Other Services														
India Life Capital Private Limited	1.10	-	1.05	-	2.15	-	1.73	-	1.62	-	1.08	-	1.02	-
India Insure Risk Management Services Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.06	-
TeamLease Skills University	-	-	-	-	0.17	-	-	-	-	-	-	-	-	-
Total	1.10	-	1.05	-	2.32	-	1.73	-	1.62	-	1.08	-	1.08	-
Advances / Loans Given														
TeamLease Education Foundation	35.50	-	29.07	-	80.56	-	6.97	-	30.00	-	7.56	-	0.10	-
India Life Capital Private Limited	-	-	-	-	-	-	-	-	1.24	-	2.06	-	0.12	-
Hansini Management Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	2.92	-
Total	35.50	-	29.07	-	80.56	-	6.97	-	31.24	-	9.62	-	3.14	-

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note -22 Related Party Disclosure

₹ in millions

Particulars	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2010	
	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)
Advances / Loans received back														
India Life Capital Private Limited					-	-	-	-	(3.03)	-	-	-	-	-
TeamLease Skills University	(0.19)	-	-	-	-	-	-	-	-	-	-	-	-	-
Hansini Management Consultants Private Limited	-	-	-	-	(3.73)	-	(0.30)	-	-	-	(0.27)	-	-	-
Total	(0.19)	-	-	-	(3.73)	-	(0.30)	-	(3.03)	-	(0.27)	-	-	-
Remuneration to Key Management Personnel														
Mr. Manish Sabharwal	2.84	-	2.27	-	4.28	-	2.99	-	1.31	-	-	-	-	-
Mr. Ashok Reddy	2.49	-	2.49	-	4.46	-	4.24	-	3.30	-	2.76	-	1.41	-
Mr. Mohit Gupta	2.19	-	2.82	-	4.25	-	4.05	-	3.20	-	3.12	-	1.30	-
Mr. Mruthunjaya Murthy	0.92	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Ravi Vishwanath	3.58	-	3.08	-	6.94	-	-	-	-	-	-	-	-	-
Total	12.02	-	10.66	-	19.93		11.28		7.81		5.88		2.71	
Rent Paid - Mrs. Asha Vishwanath														
	0.30	-	0.30	-	0.60	-	-	-	-	-	-	-		-
Interest Income														
TeamLease Education Foundation	4.41	-	0.63	-	2.95	-	-	-	-	-	-	-	-	-
Hansini Management Consultants Private Limited	-	-	0.18	-	0.19	-	0.35	-	0.35	-	0.31	-	0.35	-
India Life Capital Private Limited	-	-	-	-	-	-	-	-	0.17	-	0.12	-	-	-
Total	4.41	-	0.81	-	3.14	-	0.35	-	0.52	-	0.43	-	0.35	-

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note -22 Related Party Disclosure

₹ in millions

Particulars	September 30,		September 30,		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2010	
	Transaction Value	Receivable / (Payable)	Transaction Value	Receivable / (Payable)	Transaction Value	Receivable / (Payable)	Transaction Value	Receivable / (Payable)	Transaction Value	Receivable / (Payable)	Transaction Value	Receivable / (Payable)	Transaction Value	Receivable / (Payable)
Interest accrued on loans/ advances given to Related Parties	4.41	-	0.81	-	3.14	-	0.35	-	0.52	-	0.43	-	0.35	-
Employee Benefit Expenses														
TeamLease Education Foundation	-	-	6.40	-	6.55	-	7.82	-	13.09	-	-	-	-	-
TeamLease Skills University	-	-	0.49	-	0.51	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	7.06	-	7.82	-	13.09	-	-	-	-	-
Other Expenses														
National Employability Apprenticeship Services	0.01	-	0.01	-	0.03	-	-	-	0.11	-	-	-	-	-
TeamLease Education Foundation	0.42	-	7.36	-	0.98	-	4.28	-	1.59	-	-	-	-	-
TeamLease Skills University	0.02	-	1.76	-	2.93	-	-	-	-	-	-	-	-	-
India Tourism & Hospitality Skills Education Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
India Life Capital Private Limited	0.02	-	0.03	-	0.06	-	0.30	-	0.10	-	0.54	-	0.54	-
Total	0.47	-	9.16	-	4.01	-	4.58	-	1.80	-	0.54	-	0.54	-
Recruitment & Consultancy Fees Income														
India Life Capital Private Limited	0.27	-	0.27	-	0.54		0.54		0.89		0.30		0.33	

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note -22 Related Party Disclosure

₹ in millions

Particulars	September 30,		September 30,		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2010	
	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)	Transac tion Value	Receiva ble / (Payabl e)
Investment in Subsidiaries														
National Employability Apprenticeship Services	-	-	-	-	-	-	-	-		0.10		-		-
TeamLease Education Foundation						-		-		-		0.10		-
Total	-	-	-	-		-		-		0.10		0.10		-
Outstanding balances														
Loans receivable														
Hansini Management Consultants Private Limited		-		3.72		-		3.56		3.54		3.23		2.94
India Life Capital Private Limited		-				0.01		0.01		0.02		1.91		0.12
TeamLease Education Foundation		195.14		101.55		155.25		64.49		53.24		8.56		1.00
TeamLease Skills University		9.02		7.66		9.19		5.73		-		-		-
National Employability Apprenticeship Services		0.14		0.12		0.14		0.11		0.11		-		-
Total	-	204.30	-	113.05		164.59		73.90		56.91		13.70		4.06
Trade receivable														
TeamLease Skills University		9.68		-		-		-		-		-		-
India Life Capital Private Limited		0.74		0.41		-		-		-		-		-
Investment in Subsidiaries														
TeamLease Education Foundation		0.10		0.10		0.10		0.10		0.10		0.10		-
National Employability Apprenticeship Services		0.10		0.10		0.10		0.10		0.10		-		-
Total	-	10.62		0.61	-	0.20		0.20		0.20		0.10		-

Annexure V-Notes to Restated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 23 - Segment Reporting

Primary Segments

The business segment has been considered as the primary segment.

The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system. The Company's primary business comprises of Staffing Operations, Recruitment Operations, Training Operations.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets (including fixed assets) and liabilities that are directly attributable to segments are disclosed under each reportable segment. Common assets have been allocated to each segment on the basis of associated revenues of each segment. Common liabilities have been allocated to each segment on the basis of total segment expense. All other assets and liabilities are disclosed as unallocable.

		₹ in millions					
		For the Year/Period ended					
Segment		September 30, 2015	September 30, 2014	March 31,2015	March 31,2014	March 31,2013	March 31,2011
(i) Segment Revenue							
External Revenue	Staffing	11,606.87	9,471.30	20,070.24	15,025.77	12,236.27	6,533.42
	Recruitment	82.03	64.88	137.71	112.95	116.78	133.42
	Training	31.83	74.14	152.04	110.53	119.67	192.55
	Unallocated	36.83	23.56	49.60	47.24	34.60	9.00
	Total	11,757.56	9,633.89	20,409.58	15,296.49	12,507.32	6,868.38
Balances Written Back/ Recovered							
	Staffing	-	-	-	-	35.65	0.33
	Recruitment	-	-	-	-	-	-
	Training	-	-	-	-	-	-
	Unallocated	-	-	-	-	-	74.59
	Total	-	-	-	-	35.65	74.59
Add: Interest / Dividend income							
	Staffing	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-
	Training	-	-	-	-	-	-
	Unallocated	47.78	57.34	98.49	71.25	68.89	10.17
	Total	47.78	57.34	98.49	71.25	68.89	10.17

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 23 - Segment Reporting

₹ in millions

		For the Year/Period ended						
		September 30, 2015	September 30, 2014	March 31,2015	March 31,2014	March 31,2013	March 31,2012	March 31,2011
Add: Gain on Mutual fund and Other Income	Staffing	-	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-	-
	Training	0.29	2.15	2.75	-	-	-	-
	Unallocated	3.36	3.71	12.65	7.51	5.06	5.69	30.10
	Total	3.65	5.86	15.40	7.51	5.06	5.69	30.10
Total Revenue		11,808.99	9,697.09	20,523.48	15,375.25	12,616.91	9,340.89	6,983.24
(ii) Segment Results								
	Staffing	109.37	98.64	204.83	205.28	203.43	140.62	61.76
	Recruitment	12.21	0.27	26.43	(0.09)	(0.05)	(14.76)	1.69
	Training	0.85	(35.03)	(12.26)	(56.10)	(121.98)	(248.41)	(260.67)
	Unallocated	42.95	68.48	97.02	29.48	(118.39)	(42.42)	(197.65)
	Total	165.39	132.36	316.02	178.57	(36.99)	(164.97)	(394.87)
Income Taxes (Current and Deferred Tax)	Staffing	-	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-	-
	Training	-	-	-	-	-	-	-
	Unallocated	55.66	(39.77)	19.12	20.88	-	-	-
	Total	55.66	(39.77)	19.12	20.88	-	-	-
MAT Credit entitlement	Staffing	-	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-	-
	Training	-	-	-	-	-	-	-
	Unallocated	-	-	-	(20.88)	-	-	-
	Total	-	-	-	(20.88)	-	-	-
Profit/(Loss) after tax	Staffing	109.37	98.64	204.83	205.28	203.43	140.62	61.76
	Recruitment	12.21	0.27	26.43	(0.09)	(0.05)	(14.76)	1.69
	Training	0.85	(35.03)	(12.26)	(56.10)	(121.98)	(248.41)	(260.67)
	Unallocated	(12.72)	108.25	77.90	29.48	(118.39)	(42.42)	(197.65)
	Total	109.72	172.12	296.90	178.57	(36.99)	(164.97)	(394.87)

Annexure V Notes to Restated Consolidated Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 23 - Segment Reporting

₹ in millions

Segment	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
(iii) Segment Assets							
Staffing	2,419.02	1,380.94	1,602.69	838.35	773.30	624.26	442.18
Recruitment	58.84	43.34	31.77	35.29	765.55	3.46	64.52
Training	41.24	12.98	64.92	58.06	74.09	99.88	104.73
Unallocated	2,064.71	1,873.51	1,805.81	1,501.14	629.36	1,241.39	354.02
Total	4,583.81	3,310.77	3,505.18	2,432.84	2,242.30	1,968.99	965.45
(iv) Segment liabilities							
Staffing	2,530.97	1,519.52	1,731.39	1,171.30	816.60	807.30	644.89
Recruitment	4.33	3.55	4.82	-	19.85	7.72	2.58
Training	52.00	54.28	54.23	56.30	29.81	67.03	88.10
Unallocated	401.54	372.90	229.46	16.86	366.22	40.13	11.33
Total	2,988.84	1,950.26	2,019.90	1,244.46	1,232.48	922.17	746.90
(v) Capital Expenditure							
Staffing	28.65	9.42	25.49	16.38	-	-	-
Recruitment	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-
Unallocated	10.87	4.97	12.27	12.48	16.85	46.24	158.26
Total	39.52	14.39	37.76	28.86	16.85	46.24	158.26
(vi) Depreciation/Amortization							
Staffing	-	-	-	-	-	-	-
Recruitment	-	-	-	-	-	-	-
Training	0.04	1.66	-	-	-	-	-
Unallocated	9.01	15.46	27.15	19.20	36.30	37.54	66.29
Total	9.05	17.12	27.15	19.20	36.30	37.54	66.29
(vii) Non Cash Expenditure other than Depreciation							
Staffing	-	-	-	-	-	-	-
Recruitment	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-
Unallocated	31.90	13.98	36.24	57.32	109.83	66.30	342.51
Total	31.90	13.98	36.24	57.32	109.83	66.30	342.51

b) Geographical Segment:

The Company operates in one Geographic segment namely “Within India” and hence no separate information for Geographic segment wise disclosure is required.

Annexure VI

Statement on Adjustments to Audited Consolidated Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Summarized below are the restatement adjustments made to the audited consolidated financial statements for the period ended September 30, 2015, 2014 and for the fiscal year ended March 31, 2015, 2014, 2013, 2012 and 2011 and their impact on the profit / (loss) of the Company:

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
A. Adjustments:							
Material Restatement Adjustments							
(Excluding those on account of changes in accounting policies):							
(i) Audit Qualifications	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-
(ii) Other adjustments							
(a) Bad debts written off (Refer VI.A.3 below)	(8.88)	1.43	7.65	0.44	0.79	-	-
(b) Bad advances written off (Refer VI.A.3 below)	-	0.03	-	-	-	-	-
(c) Provision for Doubtful debts (Refer VI.A.4 below)	(11.23)	6.74	11.35	(0.09)	(0.03)	-	-
(d) Sundry balances written back (Refer VI.A.2 below)	2.51	(1.18)	-	(0.01)	(1.07)	(0.51)	(0.54)
(e) Sundry balances written off (Refer VI.A.5 below)	(0.62)	-	0.62	-	-	-	-
(f) Provision for Doubtful debts no longer required and written back (Refer VI.A.2 below)	7.53	(1.59)	(4.25)	(0.56)	(2.71)	-	-
(g) Provision for Doubtful debts written back (Refer VI.A.2 below)	4.92	(0.79)	(1.56)	(0.67)	(2.69)	-	-
(h) Incremental Bonus Expenses - Core Employees (Refer VI.A.6 below)	(1.64)	0.72	1.64				
(i) Incremental Bonus Expenses - Associates (Refer VI.A.6 below)	(333.30)	195.03	333.30				
(k) Incremental Revenue on account of bonus - Associates (Refer VI.A.6 below)	338.89	(198.14)	(338.89)				
Total:	(1.81)	2.24	9.86	(0.89)	(5.71)	(0.51)	(0.54)
(iii) Deferred tax adjustments (Refer Note VI.A.7 below)	(1.08)	0.44	1.08				
B. Adjustments on account of changes in accounting policies :							
Excess depreciation written back (refer Note 2 below)	-	-	-	-	-	-	(17.26)
Total:	-	-	-	-	-	-	(17.26)
Total impact of Adjustments (A+B)	(2.89)	2.68	10.94	(0.89)	(5.71)	(0.51)	(17.80)

Annexure VI (continued..)

Statement on Adjustments to Audited Consolidated Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

A) Adjustments

1 Adjustments for Audit Qualifications

None

- 2 In the audited financial statements of the Company for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011, certain provisions/ liabilities created in earlier years were written back. For the purpose of this statement, the said provisions/ liabilities have been appropriately adjusted in the respective periods/years in which they were originally created.
- 3 In the audited financial statements of the Company for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011, certain amounts had been written-off as bad debt and bad advance (net of provision adjustment), which for the purpose of this statement, have been appropriately adjusted in the respective period/years to which they relate.
- 4 Debts and Advances, which were considered doubtful and provided (net of provision for doubtful debts written back) for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 have been appropriately adjusted in the respective periods/years to which they relate.
- 5 Write off of TDS and Service Tax receivable amounts for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 have been appropriately adjusted in the respective periods/years to which they relate.
- 6 Subsequent to the six months period ended September 30, 2015, Payment of Bonus Act, 1965 (‘ the Act’’) has been amended vide the Payment of Bonus (Amendment) Act, 2015. The Act has been amended to take retrospective effect w.e.f. April 01, 2014 and accordingly revised bonus (including arrears related to the year ended March 31, 2015 and the six months period ended September 30, 2014) is required to be paid to the eligible employees. Hence, the Company has recognized statutory bonus of Rs. 495.41 millions in the six months period ended September 30, 2015 (including Rs. 334.93 millions relating to the year ended March 31, 2015 and Rs. 195.74 million relating to the six months period ended September 30, 2014) forming part of salaries, wages and bonus with a corresponding amount included in provision for employee benefits payable as at September 30, 2015. Based on the contractual agreements with the customers, the amount in respect of associate employees is recoverable from them with the stated mark-ups and accordingly, revenue from sale of services to the tune of Rs. 500.94 millions (net of service tax) [including Rs. 338.89 millions(net of service tax) relating to the year ended March 31, 2015 and Rs. 198.14 millions(net of service tax) relating to the six months period ended September 30, 2014] has been recognised with a corresponding amount included in unbilled revenue of Rs. 573.58 millions with service tax thereon as at September 30, 2015 in the audited financial statements as of and for the six months period ended September 30, 2015. Accordingly, the amounts pertaining to the six months period ended September 30, 2014 and the year ended March 31, 2015 have been appropriately restated with a corresponding impact to six months period ended September 30, 2015 respectively in the Restated Consolidated Financial Information.
- 7 The tax rate applicable for the respective periods/years has been used to calculate the deferred tax impact on adjustments.
- 8 **Changes in Accounting Policy**
During the financial year ended March 31, 2011 Company has changed the policy of charging depreciation from Written Down Value (WDV) method to Straight Line Method (SLM). The excess depreciation charged on account of WDV method has been appropriately adjusted.

Annexure VI (continued..)

Statement on Adjustments to Audited Consolidated Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

9 Opening Reserve Reconciliation

	₹ in millions
Surplus in Statement of Profit and Loss, as per audited Consolidated Financial Statement as at April 1, 2010	50.22
Adjustment on account of Restatements:-	
(a) Sundry balances written back	0.37
Adjustment on account of change in accounting policy:-	
Excess depreciation written back	17.26
Balance as per Restated Consolidated Financial Information as at April 1, 2010	67.85

Annexure VI (continued..)

Statement on Adjustments to Audited Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2014-15:

1. In case of IIJT Education Private Limited (IIJT), a subsidiary of the Holding Company, based on the report of other auditor submitted to us, subsequent to the year ended March 31, 2015, the management of IIJT has decided to dispose of the building and accordingly the same is classified as Held for Sale under "Other Current Assets" as on March 31, 2015.

2. According to the information and explanations given to us, the records of the Holding Company incorporated in India as examined by us, except for dues in respect of income tax, professional tax, provident fund and service tax, the Holding Company is regular in depositing undisputed statutory dues, including employees' state insurance and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at 31 March 2015, for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Due Date	Date of Payment
Professional Tax Act (Various states)	Professional Tax	2.55	Financial Year 2011-12 and 2013-14	Financial Year 2011-12 and 2013-14	Unpaid

3. In case of IIJT, a subsidiary of the Holding Company, based on the report of other auditor submitted to us, it is generally regular in depositing undisputed statutory dues in respect of income tax, and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, service tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

Annexure VI (continued..)**Statement on Adjustments to Audited Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)**

4. According to the information and explanations given to us and the records of the Holding Company examined by us, there are no dues of wealth-tax which have not been deposited on account of any dispute. The particulars of dues of income tax and service tax as at March 31, 2015 which have not been deposited on account of a dispute are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	75.70	April 2006 to December 2008	The Custom, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	14.94	April 2007 to September 2010	The Supreme Court of India
Income Tax Act, 1961	Tax Deducted at Source	0.77	2010-11	The Commissioner of Income Tax (Appeals)

5. In case of IIJT, a subsidiary of the Holding Company, based on the report of other auditor submitted to us, there are no dues of wealth-tax and service-tax which have not been deposited on account of any dispute. The particulars of dues of income tax, as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	2.28	Assessment Year 2011-12	Income tax Authorities

6. In case of IIJT, a subsidiary of the Holding Company, based on the report of other auditor submitted to us, it has accumulated losses exceeding fifty percent of its net worth as at the end of the financial year and it has not incurred cash losses during the financial year ended on that date. However it has incurred cash losses in the immediately preceding financial year.

Annexure VII-Restated Consolidated Statement of Secured Borrowings of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long term borrowings							
Secured term loans:							
From banks	-	-	-	-	0.35	0.75	0.15
Sub-total (A)	-	-	-	-	0.35	0.75	0.15
Short term borrowings							
Secured loans- Others	-	-	-	8.22	120.41	79.84	8.36
Sub-total (B)	-	-	-	8.22	120.41	79.84	8.36
Current portion of Secured long term borrowings, included in Other Current Liabilities							
From banks (refer Annexure V, Note-4)	-	-	-	0.35	0.37	0.46	0.11
Sub-total (C)	-	-	-	0.35	0.37	0.46	0.11
Total (A+B+C)	-	-	-	8.57	121.13	81.05	8.62

Annexure VIII-Restated Consolidated Statement of Unsecured Borrowings of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Unsecured Borrowings: Sangeetha Gautam Reddy (refer Note 1)	-	-	-	-	-	-	20.00
Total	-	-	-	-	-	-	20.00

Note:

1)The above loan was taken from Mrs. Sangeetha Gautham Reddy at 12% per annum repayable on demand. The same has been repaid during the financial year 2011-12.

Annexure IX-Restated Consolidated Statement of Other Long Term Liabilities of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Statutory Payables	42.19	42.53	42.19	42.53	39.99	38.25	38.23
Security Deposit - building	-	2.10	-	-	-	-	-
Other Liabilities	8.91	11.84	10.15	15.54	13.92	8.82	8.11
Total	51.10	56.47	52.34	58.07	53.91	47.07	46.34

Annexure X-Restated Consolidated Statement of Investments of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Non Current Investments (A)							
Unquoted Equity Instruments							
Investment in Subsidiaries (Fully paid-up) (See Note below)							
TeamLease Education Foundation	0.10	0.10	0.10	0.10	0.10	0.10	-
National Employability Apprenticeship Services	0.10	0.10	0.10	0.10	0.10	-	-
Total (A)	0.20	0.20	0.20	0.20	0.20	0.10	-
Current Investments (B)							
Mutual Funds (Unquoted):							
Reliance Liquid Fund-Treasury Plan Daily Dividend Option							
26165.34 Units	-	40.00	-	-	-	-	-
Total (B)	-	40.00	-	-	-	-	-
Total (A+B)	0.20	40.20	0.20	0.20	0.20	0.10	-

Note :

TeamLease Education Foundation (TLEF) and National Employability Apprenticeship Services (NEAS), companies incorporated under Section 8 of the Companies Act, 2013 (being a private company limited by guarantee not having share capital) primarily with an objective of education and apprenticeship promotion in India, are wholly owned subsidiary of the Company since their incorporation. TLEF and NEAS cannot transfer any funds or profits to TeamLease Services Limited and accordingly these entities have not been considered for consolidation in accordance with Accounting Standard 21 (AS 21) 'Consolidated Financial Statements. Investment held by the company in equity share capital of these subsidiaries have been accounted for as long term investment in accordance with As 13- 'Accounting for Investments' in compliance with para 23 of AS 21 '.

Annexure XI-Restated Consolidated Statement of Trade Receivables of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long-Term Trade Receivables:							
Unsecured considered doubtful	52.94	43.35	62.31	52.18	15.39	4.57	5.14
Less: Provision for Doubtful Debts	(52.94)	(43.35)	(62.31)	(52.18)	(15.39)	(4.57)	(5.14)
Total long-term trade receivables	-	-	-	-	-	-	-
Short-Term Trade Receivables:							
Unsecured , Considered good:							
Outstanding for a period exceeding six months from the date they are due for payment	14.70	18.10	17.34	18.46	18.11	52.74	21.63
Others	1,170.79	797.95	787.49	576.04	599.75	490.50	323.07
	1,185.49	816.05	804.83	594.50	617.86	543.24	344.70
<u>Unsecured, Considered doubtful:</u>							
Outstanding for a period exceeding six months from the date they are due for payment	17.69	8.72	7.25	18.10	17.50	-	-
Less : Provision for doubtful debts	(17.69)	(8.72)	(7.25)	(18.10)	(17.50)	-	-
	-	-	-	-	-	-	-
Total current trade receivables	1,185.49	816.05	804.83	594.50	617.86	543.24	344.70

Note:

1. There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed.
2. The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon the auditors.

Annexure XII-Restated Consolidated Statement of Loans & Advances of TeamLease Services Limited (formerly known as TeamLease Services Private

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long-term loans and advances: [A]							
<i>(Unsecured and considered good, unless otherwise stated)</i>							
Capital Advances	1.89	0.05	-	-	-	-	0.01
<u>Security Deposits</u>							
Rental Deposits	57.79	43.84	54.34	44.81	44.06	39.34	32.12
Other Deposits	9.34	6.63	7.09	5.34	4.27	4.29	4.17
<u>Other loans and advances</u>							
Prepaid Expenses	0.21	0.08	7.02	0.39	0.66	0.71	-
Balances with Service Tax Authorities	7.83	7.82	7.52	8.50	8.46	-	-
Loan to Related Parties (Note 1 & 2 below and Annexure V Note 22)	166.85	109.21	122.32	5.73	-	-	-
MAT Credit Entitlement	-	-	-	20.88	-	-	-
Balances with Income Tax Authorities (Net of provision for tax)	298.36	238.68	237.61	168.95	251.24	165.34	61.47
Total (A)	542.27	406.31	435.90	254.62	308.69	209.68	97.77
Short-term loans and advances: [B]							
<i>(Unsecured and considered good, unless otherwise stated)</i>							
<u>Security Deposits</u>							
Rental Deposits	-	-	-	-	-	20.09	14.97
Other Deposits	-	-	-	-	-	10.50	1.73
<u>Other Loans and Advances</u>							
Advances recoverable in Cash or in kind or for value to be received	5.72	5.85	6.88	3.51	5.23	1.06	7.01
Less: Provision for bad advances	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	-	-
	5.69	5.82	6.85	3.48	5.20	1.06	7.01
Loans and Advances to Related Parties (Refer Note 1 & 2 below and Annexure V Note 22)	30.40	3.07	39.61	68.17	56.91	13.70	4.06
Prepaid Expenses (Refer Note 4 below)	78.38	34.40	27.74	24.08	17.12	17.96	11.49
Capital Advances	-	-	-	0.65	-	-	-
Balances with Income Tax Authorities (Refer Note 3 below)	-	-	-	160.41	-	-	-
Advances to Staff	4.67	3.64	3.14	3.15	3.45	3.28	1.65
Balances with Service Tax Authorities (Net)	-	0.54	0.58	0.08	0.42	9.50	-
Total (B)	119.13	47.47	77.92	260.02	83.10	76.09	40.91
Total (A+B)	661.40	453.78	513.82	514.64	391.79	285.77	138.68

Note:

1. There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.

2. The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon the auditors.

3. Balance with Income tax Authorities on March 2014 is inclusive of refund receivable from income tax authority amounting to Rs. 13.69 million for the Assessment Year 2011-2012, which was received on 9th April 2014.

4. Includes Rs. 41.97 million (March 31, 2015: Rs 6.65 million) expenses incurred for proposed Initial Public Offer (IPO) by the company. These share issue expenses will be adjusted against the balancing securities premium account in the year of issue of shares.

Annexure XIII-Restated Consolidated Statement of Other Income of TeamLease Services Limited of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Nature (Recurring/ Non-recurring)	For the Period/Year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Other Income:								
Interest on Fixed Deposit	Recurring	41.88	38.99	79.80	66.14	68.89	73.23	8.57
Interest on loan to Related Parties	Recurring	4.41	0.80	3.14	0.35	-	0.48	0.35
Interest on Income Tax Refund	Non-Recurring	-	15.56	15.56	4.76	-	2.88	1.25
Rental income	Non-Recurring	2.10	2.10	4.20	-	-	-	-
Sundry balances written back	Recurring	2.51	-	-	-	35.65	0.33	74.59
Dividend Income on Mutual Fund Investments	Non-Recurring	1.49	1.99	3.30	2.03	1.22	2.43	3.26
Bad debt recovery	Non-Recurring	-	-	0.85	-	-	-	-
Foreign Exchange Gain	Non-Recurring	-	-	0.00	0.28	-	-	-
Profit on sale of asset	Non-Recurring	-	-	-	-	-	-	-
Provision for doubtful Debts No Longer Required	Non-Recurring	7.53	-	-	-	-	-	-
Written Back								
Profit on slump sale	Non-Recurring	-	0.60	0.60	-	-	-	-
Excess depreciation	Non-Recurring	-	-	-	-	-	-	17.26
Other Income	Non-Recurring	1.55	3.16	6.45	5.20	3.84	3.26	9.58
Total		61.47	63.20	113.90	78.76	109.60	82.61	114.86
Add/(Less) Restatement adjustments								
Sundry balances written back	Annexure VI A (ii) (d)	2.51	(1.18)	-	(0.01)	(1.07)	(0.51)	(0.54)
Provision for Doubtful debts no longer required and written back	Annexure VI A (ii) (f)	7.53	(1.59)	(4.25)	(0.56)	(2.71)	-	-
Excess depreciation written back	Annexure VI B	-	-	-	-	-	-	17.26
Sub Total Restatement Adjustments		10.04	(2.77)	(4.25)	(0.57)	(3.78)	(0.51)	16.72
Total Other Income net of restatement adjustments		51.43	65.97	118.15	79.33	113.38	83.12	131.58

Notes:

(1) The classification of income into recurring and non-recurring is based on the current operations and business activities of the Company.

(2) The corporate training business of the Company has been transferred to TeamLease Skills University (TLSU) on August 1, 2014 for a consideration of Rs.0.16 million. All related assets and liabilities on July 31, 2014 are also transferred to TLSU and a profit of Rs.0.60 million has been recorded on this slump sale.

(3) All items of Other Income are from normal business activities.

Annexure XIV-Restated Consolidated Statement of Accounting Ratios of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Sr. No.	Particulars	For the Period/Year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
1	Restated Profit / (Loss) after Tax (₹ in millions)	109.72	172.14	296.90	178.57	(37.00)	(164.97)	(394.87)
2	Net Profit / (Loss) available to Equity Shareholders (₹ in millions)	109.72	172.14	296.90	178.57	(37.00)	(164.97)	(394.87)
3	Weighted average number of Equity Shares outstanding during the period/year	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	11,924,940
4	Number of Equity Shares outstanding at the end of the period/year	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	11,924,940
5	Net Worth for Equity Shareholders (₹ in millions)	1,595.00	1,360.52	1,485.29	1,188.38	1,009.81	1,046.81	218.55
6	Accounting Ratios:							
	Basic & Diluted Earnings / (Loss) per Share (₹) (2)/(3)	7.16	11.23	19.36	11.65	(2.41)	(10.76)	(33.11)
	Return on Net Worth for Equity Shareholders(2)/(5)	6.88%	12.65%	19.99%	15.03%	-3.66%	-15.76%	-180.68%
	Net Asset Value Per Share (₹) (5)/(4)	104.03	88.74	96.87	77.51	65.86	68.28	18.33

Note:

1. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during the period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

2 Net worth for ratios mentioned in Sr No 5 = Equity share capital + Reserves and surplus (including Securities Premium and Surplus/ (Deficit)

3. The above ratios have been computed on the basis of the Restated Consolidated Financial Information- Annexure I & Annexure II.

4. During the six months period ended September 30, 2015, the Company has issued 148,209,952 bonus shares thereby increasing the number of equity shares to 153,320,640 of Re 1 each and every 10 equity shares of Re 1 of the Company are consolidated into 1 equity share thereby increasing the face value of the equity share to Rs. 10 per share. Accordingly total 153,320,640 shares of Re.1 each post-bonus have been consolidated into 15,332,064 shares of Rs.10 each by reducing 137,988,576 number of shares. Accordingly, Basic and Diluted earning per share has been adjusted for the periods presented above in line with the Accounting Standard (AS)- 20 "Earnings per share" (Refer Note 3.10 and 3.11).

5. The above EPS for the basic and diluted figures six months period ended September 30, 2015 and 2014 are not annualised.

Annexure XV Restated Consolidated Statement of Capitalisation of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Pre-issue as at September 30, 2015
Debt:	
Short term borrowings	-
Long term borrowings	-
Current portion of Secured long term borrowings, included in Other Current Liabilities	-
Total debt (A)	-
Shareholders Funds:	
Equity Share Capital	153.32
Reserves and Surplus	1,441.68
Total Shareholders Funds (B)	1,595.00
Total Debt/Shareholder fund (A/B)	-

Notes:

- i) The above has been computed on the basis of the Restated Consolidated Financial Information - Annexure I & Annexure II.

To

The Board of Directors

TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”)

BMTC Commercial Complex, 6th Floor,

80 Feet Road, Koramangala,

Bangalore- 560095

Auditors’ Report on Restated Standalone Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”)

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated June 03, 2015 and addendums thereof dated September 03, 2015 and January 13, 2016.
2. The accompanying restated standalone financial information, expressed in Indian Rupees, in Millions of **TeamLease Services Limited (formerly known as “TeamLease Services Private Limited”)** (hereinafter referred to as the “Company”) comprising Standalone Financial Information in paragraph A below and Other Standalone Financial Information in paragraph B below (hereinafter together referred to as “Restated Standalone Financial Information”), has been prepared by the Management of the Company in accordance with the requirements of Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013, as amended (hereinafter referred to as the “Act”) and item (IX) of Part (A) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”) issued by the Securities and Exchange Board of India (the “SEBI”) in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the “Issue”) and has been approved by the Board of Directors of the Company and initialed by us for identification purposes only. For the purposes of our examination, we have placed reliance on the audited standalone financial statements of the Company for the six months periods ended September 30, 2015 and September 30, 2014 and the years ended March 31, 2015, 2014, 2013, 2012, and 2011 and, which were expressed in Indian Rupees, on which we have expressed unmodified audit opinions vide our reports dated January 17, 2016 , September 03, 2015 August 27, 2014, September 30, 2013, September 28, 2012 and December 20, 2011 respectively.

Management’s Responsibility for the Restated Standalone Financial Information

3. The preparation of the Restated Standalone Financial Information, which is to be included in the Red Herring Prospectus (“RHP”) and the final prospectus, is the responsibility of the Management of the Company and has been approved by the Board of Directors of the Company, at its meeting held on January 17, 2016 for the purpose set out in paragraph 13 below. The Management’s responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as "TeamLease Services Private Limited")

Auditors' Responsibilities

4. Our work has been carried out in accordance with the Standards on Auditing, (Revised) Guidance Note on Reports in Company Prospectuses and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable provisions within Rules 4 to 6 of the Rules and the SEBI Regulations.

Our examination of the Restated Standalone Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S."), standards of the US Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

A. Standalone Financial Information as per audited standalone financial statements:

5. We have examined the following summarized financial statements of the Company contained in Restated Standalone Financial Information of the Company:
- a) the "Restated Standalone Statement of Assets and Liabilities" as at September 30, 2015, September 30, 2014, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011. (enclosed as Annexure I);
 - b) the "Restated Standalone Statement of Profit and Loss" for the six months periods ended September 30, 2015 and September 30, 2014 and the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 (enclosed as Annexure II) and
 - c) the "Restated Standalone Statement of Cash Flows" for the six months periods ended September 30, 2015 and September 30, 2014 and the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 (enclosed as Annexure III).
6. The Standalone Financial Information, expressed in Indian Rupees, in Millions has been derived from the audited standalone financial statements of the Company read with paragraph 7 and 8 below, as at September 30, 2015, September 30, 2014, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, all of which expressed in Indian Rupees and for the six months periods ended September 30, 2015 and September 30, 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, all of which expressed in Indian Rupees.
7. We draw your attention to the following:
- a) the Restated Standalone Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph 9(i);
 - b) the Restated Standalone Financial Information does not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as "TeamLease Services Private Limited")

8. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2015. Accordingly, we do not express any opinion on the financial position, results of operation or cash flows of the Company as of any date or for any period subsequent to September 30, 2015.

B. Other Standalone Financial Information:

9. At the Company's request, we have also examined the following Other Standalone Financial Information relating to the Company as at September 30, 2015, September 30, 2014, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 and for the six months periods ended September 30, 2015 and September 30, 2014 and for the years ended March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011, proposed to be included in the RHP and the final prospectus, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:
- i) Basis of preparation and Significant Accounting Policies as enclosed in Annexure IV;
 - ii) Notes to the Restated Standalone Financial Information as enclosed in Annexure V;
 - iii) Statement of adjustments to Audited Financial Statements as enclosed in Annexure VI;
 - iv) Restated Standalone Statement of Secured Borrowings as enclosed in Annexure VII;
 - v) Restated Standalone Statement of Unsecured Borrowings as enclosed in Annexure VIII;
 - vi) Restated Standalone Statement of Other Long Term Liabilities as enclosed in Annexure IX;
 - vii) Restated Standalone Statement of Investments as enclosed in Annexure X;
 - viii) Restated Standalone Statement of Trade Receivables as enclosed in Annexure XI;
 - ix) Restated Standalone Statement of Loans and Advances as enclosed in Annexure XII;
 - x) Restated Standalone Statement of Other Income as enclosed in Annexure XIII;
 - xi) Restated Standalone Statement of Accounting Ratios as enclosed in Annexure XIV;
 - xii) Restated Standalone Statement of Capitalization as enclosed in Annexure XV;
 - xiii) Restated Standalone Statement of Tax Shelter as enclosed in Annexure XVI;
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of TeamLease Services Limited (formerly known as "TeamLease Services Private Limited")

Opinion

11. In our opinion:

- (i) the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act and the SEBI Regulations;
- (ii) adjustments have been made with retrospective effect to reflect the changes in accounting policies of the Company (as disclosed in Annexure IV to this report) to reflect the same accounting treatment as per the accounting policies as at September 30, 2015 for all the reporting periods;
- (iii) the material adjustments relating to previous years / periods have been adjusted in the year / periods to which they relate;
- (iv) there are no qualifications in the Auditors' Report which require any adjustments; and
- (v) there are no extra-ordinary items which need to be disclosed separately.

12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the standalone financial statements of the Company.

Restriction on Use

13. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the RHP and the final prospectus, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchanges.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S / S- 200012
Chartered Accountants

Place: Mumbai
Date: January 17, 2016

Partha Ghosh
Partner
Membership Number 055913

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Annexure I-Restated Standalone Statement of Assets and Liabilities of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Notes / Annexures	As at						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Equity and Liabilities								
Shareholder's Funds								
Share capital	Annexure V, Note 1	153.32	5.11	5.11	5.11	5.11	5.11	3.97
Reserves and surplus	Annexure V, Note 2	1,428.51	1,333.12	1,468.71	1,172.44	993.12	1,035.51	194.29
Non-current liabilities								
Long-term borrowings	Annexure VII	-	-	-	-	0.35	0.75	0.15
Other long term liabilities	Annexure IX	51.10	54.38	52.34	55.97	53.91	47.07	46.35
Long-term provisions	Annexure V, Note 3	252.14	135.51	175.67	129.71	91.06	64.04	53.94
Current liabilities								
Short-term borrowings	Annexure VII & VIII	-	-	-	8.22	120.41	74.67	28.36
Other current liabilities	Annexure V, Note 5	2,579.97	1,682.08	1,699.21	989.00	926.23	689.82	606.69
Short-term provisions	Annexure V, Note 4	102.88	77.38	89.99	58.72	39.04	27.41	10.29
Total		4,567.92	3,287.59	3,491.04	2,419.17	2,229.22	1,944.38	944.04
Assets								
Non Current Assets								
Fixed Assets	Annexure V, Note 6							
Tangible assets		18.35	17.42	14.90	29.40	42.81	118.50	131.53
Intangible assets		12.63	14.29	14.26	15.16	18.10	14.40	23.29
Intangible assets under development		70.52	25.80	41.87	16.38	-	14.98	9.12
Non Current Investments	Annexure X	23.71	23.71	23.71	23.71	23.71	23.61	23.51
Deferred Tax Asset	Annexure V, Note 18	69.61	63.04	56.12	-	-	-	-
Long term loans and advances	Annexure XII	538.29	408.72	432.32	250.30	304.91	208.67	97.77
Other Non Current Assets	Annexure V, Note 7	277.74	125.64	167.17	145.74	93.62	66.03	63.96
Current assets								
Current Investments	Annexure X	-	40.00	-	-	-	-	-
Inventories	Annexure V, Note 8	2.08	2.56	2.22	2.50	5.34	8.96	15.03
Trade receivables	Annexure XI	1,185.47	796.53	802.12	591.64	613.37	540.25	346.27
Cash and bank balances	Annexure V, Note 9	1,212.28	1,192.32	1,142.81	843.33	776.77	810.76	180.17
Short-term loans and advances	Annexure XII	134.16	66.51	96.54	280.42	105.08	91.16	41.95
Other current assets	Annexure V, Note 10	1,023.09	511.04	697.00	220.59	245.51	47.06	11.44
Total		4,567.92	3,287.59	3,491.04	2,419.17	2,229.22	1,944.38	944.04

The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.

Annexure II-Restated Standalone Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Notes / Annexures	For the Period/Year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Revenue								
Revenue from Operations (Gross)		13,717.26	10,579.52	22,504.09	17,165.69	14,016.19	10,188.32	7,547.61
Less: Service Tax		1,620.80	1,143.78	2,433.39	1,872.36	1,527.19	946.86	688.26
Revenue from Operations (Net)	Annexure V, Note 12	12,096.46	9,435.74	20,070.70	15,293.33	12,489.00	9,241.46	6,859.34
Other Income	Annexure XIII	56.64	93.21	148.15	101.47	159.77	92.87	119.05
Total Revenue (A)		12,153.10	9,528.95	20,218.85	15,394.80	12,648.78	9,334.33	6,978.39
Expenses								
Employee Benefits Expense	Annexure V, Note 13	11,791.68	9,147.92	19,444.38	14,843.50	12,161.58	9,048.51	6,595.89
Finance Costs	Annexure V, Note 14	1.76	0.81	1.39	2.31	5.03	3.03	1.58
Depreciation and Amortization Expense	Annexure V, Note 15	9.04	16.91	26.75	18.79	35.88	37.12	39.56
Other Expenses	Annexure V, Note 16	191.11	217.67	405.75	334.18	443.58	429.98	460.52
Total Expenses (B)		11,993.59	9,383.30	19,878.27	15,198.78	12,646.07	9,518.64	7,097.55
Profit/(Loss) Before Exceptional Items and Taxation (A-B) (C)		159.51	145.65	340.58	196.02	2.70	(184.31)	(119.16)
Exceptional items (D)	Annexure V, Note 17	-	-	-	-	-	-	255.32
Profit / (Loss) before Taxation (C-D) (E)		159.51	145.65	340.58	196.02	2.70	(184.31)	(374.48)
Tax Expenses (F)								
Current Tax		69.15	23.27	75.24	-	-	-	-
Current Tax under MAT		-	-	-	20.88	-	-	-
MAT Credit Entitlement		-	-	-	(20.88)	-	-	-
Deferred Tax charge/(benefit)	Annexure V, Note 18	(12.40)	(63.48)	(57.20)	-	-	-	-
Total (F)		56.75	(40.21)	18.04	-	-	-	-
Net Profit/(Loss) after taxation (E-F) (G)		102.76	185.86	322.54	196.02	2.70	(184.31)	(374.48)

Annexure II-Restated Standalone Statement of Profit and Loss of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Notes / Annexures	For the Period/Year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Net Profit / (Loss) Before Restatement Adjustments		102.76	185.86	322.54	196.02	2.70	(184.31)	(374.48)
(i) Material Restatement Adjustments (H)	Annexure VI A (ii)	(4.17)	14.90	25.19	16.69	45.10	(33.45)	15.83
(ii) Deferred Tax adjustments (I)	Annexure VI A (iii)	(1.08)	0.44	1.08	-	-	-	-
Net Profit/(Loss) before the adjustments on account of changes in accounting policies (G-H-I) (J)		108.01	170.52	296.27	179.33	(42.40)	(150.86)	(390.30)
Adjustments on account of changes in accounting policies (K)	Annexure VI B	-	-	-	-	-	-	14.85
Net Profit/(Loss) as Restated (J-K)(L)		108.01	170.52	296.27	179.33	(42.40)	(150.86)	(405.16)
The above statement should be read with the Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.								

Annexure III
Restated Standalone Statement of Cash Flows of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Cash Flow from Operating Activities:							
Restated Net Profit/(loss) before tax, after restatement adjustments	163.68	130.75	315.39	179.33	(42.40)	(150.86)	(405.16)
Adjustments for:							
Depreciation and amortisation	9.04	16.91	26.75	18.79	35.88	37.12	39.55
Interest on Bank Loan and others	1.76	0.81	1.39	2.31	5.03	3.03	1.58
Dividend Income from Mutual Fund Investments	(1.49)	(1.99)	(3.30)	(2.03)	(1.22)	(1.84)	(3.26)
Interest Income on Fixed Deposits	(41.85)	(38.95)	(79.71)	(66.05)	(68.66)	(72.39)	(8.55)
Interest Income on loans to Related Parties	(4.41)	(0.80)	(3.14)	(0.35)	(0.52)	(0.48)	(0.35)
Interest Income on Tax Refunds	-	(15.56)	(15.56)	(4.76)	-	(2.88)	(1.25)
Loss on sale on Fixed Assets (Net)	-	0.34	0.34	7.49	62.02	21.88	0.01
Loss on Business Acquisition/ Demerger	-	-	-	-	4.14	-	35.48
Profit on slump sale	-	(0.61)	(0.60)	-	-	-	-
Sundry balances written back	-	(0.85)	0.34	(4.95)	(16.06)	(32.82)	(88.68)
Provision for doubtful Debts No Longer Required Written Back	-	(1.58)	(4.25)	(10.25)	(4.45)	(0.67)	1.56
Bad Debts written off (net of related provision for doubtful debt written back)	2.65	0.77	6.71	6.25	(11.04)	8.99	78.34
Sundry Balances Written off	-	0.51	0.62	0.01	1.88	3.77	(0.61)
Provision for Bad and Doubtful Debts	3.50	12.80	32.30	35.86	29.64	13.91	35.87
Service Tax Written off	-	-	-	-	-	-	3.40
Provision for Gratuity	4.73	2.88	5.36	4.76	3.96	6.22	4.35
Provision for Leave Encashment	5.20	4.06	8.49	10.19	6.00	9.93	0.43
Write off of Course Ware Materials	-	-	0.12	1.91	1.02	1.48	-
Excess depreciation written back	-	-	-	-	-	-	(14.85)
Provision for diminution in the value of long-term investments and Provision for doubtful advances	0.02	2.29	0.04	0.07	0.40	1.82	219.84
Operating Profit/ (Loss) before Working Capital Changes	142.83	111.78	291.29	178.58	5.62	(153.79)	(102.29)

Annexure III-Restated Standalone Statement of Cash Flow of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30,2015	September 30,2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Adjusted for:							
Increase in other current/non-current liabilities	879.52	690.89	706.25	64.83	259.31	116.67	295.36
Increase in Short term and Long term provisions	79.43	17.54	63.38	43.38	28.68	11.07	21.02
(Increase) in Other Non-Current assets	(73.21)	(2.03)	(43.95)	(39.84)	(21.07)	(0.52)	(17.37)
(Increase) / Decrease in Other Current assets	(349.21)	(278.28)	(443.58)	24.41	(204.72)	(16.19)	(1.76)
(Increase) in Trade Receivable	(389.48)	(233.64)	(245.23)	(10.14)	(91.72)	(216.21)	(179.16)
(Increase) / Decrease in Inventories	0.14	(0.10)	0.15	0.94	2.60	4.59	(15.06)
(Increase)/ Decrease in Short term loans and advances	(51.02)	0.01	(5.77)	(5.64)	32.69	(21.55)	(17.22)
(Increase) in long term loans and advances	(0.84)	(12.45)	(18.54)	(22.48)	(11.20)	(7.88)	(8.60)
	95.33	181.94	12.70	55.46	(5.43)	(130.02)	77.21
Cash generated from/ (used in) operations	238.17	293.72	303.98	234.03	0.19	(283.81)	(25.08)
Taxes (paid) / refunded (net)	(129.80)	88.44	37.68	(72.27)	(85.84)	(106.82)	(23.22)
Net cash generated from/ (used in) Operating Activities (A)	108.37	382.16	341.66	161.76	(85.65)	(390.63)	(48.30)
Cash Flow from Investing Activities:							
Purchase of Tangible, Intangible and Intangible assets under development	(39.52)	(14.39)	(37.76)	(28.86)	(16.85)	(46.24)	(158.26)
Proceeds from sale of tangible and intangible fixed assets	-	0.57	0.58	2.54	5.90	3.30	0.08
Proceeds from sale of Mutual Fund units	721.49	786.99	1,378.30	932.03	811.22	996.84	1,233.26
Purchase of Mutual Fund units	(720.00)	(825.00)	(1,375.00)	(930.00)	(810.00)	(995.00)	(1,230.00)
Investment in Subsidiaries	-	-	-	-	(0.10)	(0.20)	(21.51)
Proceeds/(Investment) in Fixed Deposits (Net)	33.82	(176.21)	(189.70)	(377.04)	47.80	(310.80)	(109.13)
Repayment of loans/advances by Related Parties	4.39	0.81	5.04	-	-	-	-
Loans/advances given to Related Parties (Net)	(35.52)	(38.38)	(91.83)	(15.09)	(47.41)	(29.39)	(1.50)
Interest received on loans to Related Parties	-	-	0.48	-	0.17	0.19	0.79
Interest received on income tax refund	-	15.56	15.56	4.76	-	2.88	-
Interest received on Deposits/ loans	64.56	27.86	51.74	64.81	73.44	51.70	7.04
Net Cash generated from/ (used in) Investing Activities (B)	29.22	(222.20)	(242.59)	(346.85)	64.17	(326.72)	(279.23)

Annexure III-Restated Standalone Statement of Cash Flow of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Cash Flow from Financing Activities:							
Proceeds from fresh issue of equity	-	-	-	-	-	993.22	100.00
Proceeds/(Repayment) from Short term and long term Borrowings (Net)	-	(8.22)	(8.22)	(112.53)	45.34	47.25	(20.33)
Interest paid on Bank Loan and others	(1.76)	(0.81)	(1.39)	(2.31)	(5.03)	(3.03)	(1.58)
Net Cash generated from/ (used in) in Financing Activities (C)	(1.76)	(9.03)	(9.61)	(114.84)	40.31	1,037.44	78.09
Net increase/(decrease) in Cash and Cash equivalents (A)+(B)+(C)	135.83	150.93	89.46	(299.93)	18.83	320.07	(249.45)
Cash and cash equivalents (Opening Balance)	214.86	125.41	125.41	425.34	406.51	86.43	335.88
Cash and cash equivalents (Closing Balance)	350.69	276.34	214.87	125.41	425.34	406.51	86.43
Cash and cash equivalents comprise of: (Refer Note - 9)							
Cash on hand	0.21	0.17	-	-	0.08	0.28	0.83
Cheques on Hand	-	-	-	0.38	-	-	4.07
In Fixed Deposit Accounts	-	-	-	-	370.00	340.25	21.07
In Current Accounts	350.48	276.17	214.86	125.03	55.26	65.98	60.46
Total	350.69	276.34	214.86	125.41	425.34	406.51	86.43

Notes:

- 1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements.
- 2)The above statement should be read with the Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.
- 3) Non-cash item - There is an increase in Share Capital during the period ended September 30, 2015 due to capitalization of reserves by way of issue of bonus shares. Refer footnote no. 2 to Note 1 to Annexure-V for details of changes in share capital.

Annexure IV- Basis of Preparation and Significant Accounting Policies

1. Basis of preparation

The restated Standalone Statement of Assets and Liabilities of the TeamLease Services Limited (formerly known as 'TeamLease Services Private Limited') ('the Company') as at September 30, 2015 and 2014, March 31, 2015, 2014, 2013, 2012 and 2011 and the restated Standalone Statement of Profit and Loss and the restated Standalone Statement of Cash flows, for the six months period ended September 30, 2015 and 2014 and the for years ended March 31, 2015, 2014, 2013, 2012 and 2011 (together referred as 'Restated Standalone Financial Information') and Other Standalone Financial Information have been extracted by the Management from the Audited Standalone Financial Statements of the Company for the corresponding period/year ("Audited Standalone Financial Statements").

The Audited Standalone Financial Statements for the years ended March 31, 2013, 2012 and 2011 of the Company have been prepared to comply in all material respect with the generally applicable accounting principles in India, the applicable accounting standards under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the audited standalone financial statements for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015 and 2014 have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended], and other relevant provisions of the Companies Act, 2013.

The special purpose audited standalone financial statements for the six months periods ended September 30, 2015 and September 30, 2014 have been prepared in accordance with the recognition, measurement and disclosure provisions of Accounting Standard 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006. These special purpose audited standalone financial statements should be read in conjunction with the annual audited standalone financial statements of the Company as at and for the year ended March 31, 2015. The accounting policies followed in preparation of the special purpose audited standalone financial statements are consistent with those followed in the preparation of the annual audited standalone financial statements. The special purpose audited standalone financial statements for the six months period ended September 30, 2015 and September 30, 2014 are not the statutory financial statements of the Company.

The Restated Standalone Financial Information and other standalone financial information were approved by the the Board of Directors of the Company on January 17, 2016.

The Restated Standalone Financial Information and Other Standalone Financial Information have been prepared by the Management in connection with the proposed listing of equity shares of the Company (referred to as the "Issue"), in accordance with the requirements of:

Annexure IV- Basis of Preparation and Significant Accounting Policies

(a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

(b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time (the "SEBI Regulations")

The Restated Standalone Financial Information and other standalone financial information have been extracted by the Management from the Audited Standalone Financial Statements:

- there were no audit qualifications on these financial statements,
- the changes in accounting policies during the periods/years of these financial statements have been appropriately reflected,
- the material amounts related to adjustment for previous periods/years have been appropriately adjusted,
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited standalone financial statements of the Company as at and for the six months period ended September 30, 2015 and the requirements of the SEBI Regulations, and
- the resultant impact of tax due to these adjustments.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services rendered and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2. Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates are recognized in the period in which results are known or materialized.

Annexure IV- Basis of Preparation and Significant Accounting Policies

3. Significant Accounting Policies :

a) Tangible Assets:

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of fixed assets that have been retired from active use or held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation is calculated on a pro-rata basis from/upto the date of add/deletion on the straight-line method over the useful lives of the assets prescribed under Schedule II to the Companies Act, 2013. The company has changed the estimates of useful life from the useful life being followed earlier under the Schedule XIV of the Companies Act, 1956, to Schedule II of the Companies Act 2013. Accordingly the carrying amount of the asset as on April 1, 2014, is depreciable over the remaining useful life of the asset. Where the remaining useful life of an asset on April 1, 2014 is nil, the carrying amount of the asset is fully depreciated and charged to the Statement of Profit and Loss. The residual value of all assets is assumed as zero based on historical trend of the Company. Leasehold Improvements are amortized over the period of lease. Assets costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

b) Intangible Assets:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Internal development of Intangible Assets are capitalised either individually or as a knowledge bank in the form of software, once their technical feasibility and ability to generate future economic benefits is established in accordance with the requirement of Accounting Standard 26. Expenditure directly attributable to the development of an Intangible asset in accordance with the requirements of Accounting Standard 26 are capitalized.

Gain or loss arising from the retirement or disposal of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Annexure IV- Basis of Preparation and Significant Accounting Policies

c) Borrowing Costs:

Borrowing costs include interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

d) Impairment of Assets:

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible or intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable Company of assets that generates cash inflows from continuing use that are largely independent of the cash flows from other assets or Companies of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount.

Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and its disposal at the end of its useful life. Assessment is done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

e) Investments:

Investments are classified into long term investments and current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

In case of investments in units of a mutual fund, the net asset value of units is considered at the market / fair value.

f) Inventories:

Inventories are stated at lower of cost and net realisable value. Cost is determined using the weighted average method and includes applicable costs incurred in bringing the inventory to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Annexure IV- Basis of Preparation and Significant Accounting Policies

g) Foreign Currency Translation

Initial Recognition:-

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:-

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

h) Revenue Recognition:

- Revenue from Manpower services is accounted on accrual basis on performance of the service agreed in the Contract / Mandate Letter between the Company and its customer.

- Revenue from Recruitment Services, Skills & Developments, Regulatory Services and Payroll is recognized on accrual basis upon execution of the service.

- Revenue from the Tuition Fees and Corporate Training is recognized over the period of the course commencing from the start of the batch. Revenue in respect of short term programmes is recognized on commencement of the respective programme.

- Unearned Income:

Tuition Fees are recognized over the period of the services as per terms of the respective contract. The proportionate part of the tuition fees for which services are yet to be rendered and such services extends beyond the accounting period is recognised as unearned income and shown under other Current Liabilities.

- Revenue from Royalty and Affiliation fees from Franchisee is recognized on the basis of moneys collected by the Franchisees.

- Other Income:

Interest income on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Interest on tax refunds is recognized on actual receipt of the refund money or on communication from Income Tax department, whichever is earlier.

Dividend: Dividend income is recognized when the right to receive dividend is established.

Profit/ (Loss) arising from the sale of investments is recognized on trade date basis; net of expenses. The cost of investment is computed on weighted average basis.

- Net Revenue excludes Service Tax and Value Added Tax (VAT).

Annexure IV- Basis of Preparation and Significant Accounting Policies

i) Employee Benefits:

a) Provident Fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

In respect of certain employees, Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (Projected Unit Credit method) at the end of the year. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Contribution to Provident Fund consists of i) contribution to Family Pension Fund and ii) Other. 'Family Pension Fund' contribution is made to the Government whereas 'Other' contribution is made to a Trust set up by the Company.

i) Contribution to Team Lease Provident Fund

The Company has a defined benefit plan for post employment benefits in the form of provident fund. The Company makes contribution for provident fund to the trust set up by the Company and administered by the trustees. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, is made good by the Company.

The contributions made to the trust are recognized as plan assets. The defined benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

The Institute of Actuaries of India has issued the guidance note on valuation of interest rate guarantee on exempt provident funds under AS 15 (revised) which is effective from April 1, 2011. Accordingly, the provident fund liability has been determined by an independent actuary. The actuarial valuation approach used by the independent actuary for measuring the liability is the Deterministic Approach which calculates the defined benefit obligation of all accrued and accumulated provident fund contributions as at the valuation date. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

(ii) Contribution to Government Provident Fund

The Company has Defined Contribution Plan for Post employment benefits in the form of Provident Fund for all employees, which is administered by Regional Provident Fund Commissioner. Provident Fund is classified as a defined contribution plan as the Company has no further obligation beyond making the contributions to the regulatory authorities. The Company's contributions to the Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

Annexure IV- Basis of Preparation and Significant Accounting Policies

b) Gratuity

The Company's gratuity scheme (the "Gratuity Plan") is a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the projected unit credit method) at the end of each year.

Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

In addition to the above, the Company recognises its liability in respect of gratuity for associate employees and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to associate employees and reimbursement right is presented in accordance with AS 15 - Employee Benefits.

c) Compensated absences

The employees of the Company are entitled to be compensated for unavailed leave as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation (using the projected unit credit method) at the end of each year. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits and those expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The company's liability is actuarially determined (using Product Unit Credit Method) at the end of each year. Actuarial gains / losses in the Statement of Profit and Loss in the year in which they arise.

Termination Benefits: Termination benefits in the nature of voluntary retirement are recognized in the Statement of Profit and Loss as and when incurred.

j) Current and Deferred Tax:

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. However, where there is unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Annexure IV- Basis of Preparation and Significant Accounting Policies

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

k) Provisions and Contingent Liabilities:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

l) Leases:

1. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.
2. Assets subject to on operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on straight line basis over the lease term. Operating costs of leased assets, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct cost such as legal costs, brokerages etc. are charged to Statement of Profit and Loss as incurred.

m) Segment Reporting:

The accounting policies adopted for segment reporting are in conformity with the accounting policies followed for the Company . Revenue and expenses, have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under “Unallocated corporate expenses/income”.

Annexure IV- Basis of Preparation and Significant Accounting Policies

n) Cash and Cash Equivalents:

In the Cash Flow Statement, Cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

o) Earnings Per Share:

The Basic earnings per share is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted earnings per share the net profit for the year attributable to equity shareholders and weighted average number of shares outstanding during the reporting year is adjusted for the effects of all dilutive potential equity shares.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 1 - Share Capital	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Authorised: 23,300,000 (September 30, 2014: 10,000,000 and previous years: 10,000,000 of Re 1 each) Equity shares of Rs. 10 each, Refer note 1	233.00	10.00	10.00	10.00	10.00	10.00	10.00
170,000 (September 30, 2014: 170,000 and previous years: 170,000) 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each	17.00	17.00	17.00	17.00	17.00	17.00	17.00
	250.00	27.00	27.00	27.00	27.00	27.00	27.00
Issued, Subscribed and Paid up: 15,332,064 (2012-2015 & Sep'14: 5,110,688 & 2010-2011: 3,974,980 of Re 1 each) Equity Shares of Rs. 10 each fully paid up (Refer Note 2 and 3)	153.32	5.11	5.11	5.11	5.11	5.11	3.97
Total	153.32	5.11	5.11	5.11	5.11	5.11	3.97

₹ in millions

a) Reconciliation of Number of Equity Shares	As at		As at		As at		As at		As at		As at		As at	
	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2011	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the period/year	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	3,974,980	3.97	3,478,109	3.48
Add: Shares allotted during the period/year (refer note 2)	148,209,952	148.21	-	-	-	-	-	-	-	-	-	-	-	-
Less: Consolidation of Equity shares (Refer note 3 below)	(137,988,576)	-	-	-	-	-	-	-	-	-	-	-	-	-
Add : Equity Shares issued	-	-	-	-	-	-	-	-	-	-	1,135,708	1.14	496,871	0.49
Balance as at the end of the period/year	15,332,064	153.32	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	5,110,688	5.11	3,974,980	3.97

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

(1) The shareholders of the Company on April 02, 2015 approved for an increase in the Authorized Share Capital from Rs. 27 million to Rs. 150 million divided into 133,000,000 equity shares of Re. 1 each and 170,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each by way of additional 123,000,000 equity shares of Re. 1 each. Further, on June 25, 2015, the shareholders of the Company approved for increase in the Authorized Share Capital from Rs. 150 million to Rs. 250 million divided into 233,000,000 equity shares of Re. 1 each and 170,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each by way of additional 100,000,000 equity shares of Re. 1 each. Accordingly, the Authorized Share Capital of the Company is increased to Rs. 150,000,000 effective from April 02, 2015 and further increased to Rs.250,000,000 effective from June 25, 2015 comprising 23,300,000 equity shares of Rs.10 each and 170,000 preference shares of Rs.100 each.

(2) On June 25, 2015, pursuant to the provisions of the Companies Act, 2013, the shareholders of the Company approved for issue and allotment of 29 Bonus Equity Shares of Rs. 1/- each for every equity share of Rs. 1/- each held by the members as on that date of this meeting and accordingly a sum of Rs. 148.21 million is capitalized out of the Company's Securities Premium Account outstanding as on June 30, 2015 and transferred to the Share Capital Account towards issue of fully paid-up bonus shares pursuant to which the paid-up Capital of the Company has increased from Rs.5.11 million to Rs.153.32 million. and the balance in the Securities Premium account reduced to Rs.1,003.22 million.

(3) Pursuant to the approval of Shareholders of the Company, effective July 10, 2015, every 10 equity shares of the Company are consolidated to 1 equity share thereby increasing the face value of the equity share to Rs.10 per share. Accordingly the Authorized Equity Share Capital of the Company comprise of 23,300,000 equity shares of Rs. 10 each.

(4) Subsequent to the year ended March 31, 2015, Directors of the Company i.e., Ashok Reddy, Manish Sabharwal and Mohit Gupta formed three Limited Liability Partnership firms namely NED Consultants LLP, MKS Management Consultancy Services LLP and Dhana Management LLP. On July 31, 2015, HR Offshoring Ventures Pte Limited, Singapore (HROV) transferred 1,379,886 equity shares to Dhana Management LLP, 300 equity shares to NED Consultants LLP, 300 equity shares to MKS Management Consultancy Services LLP, 201,114 equity shares to the ESOP Trust of the Company. Pursuant to these transfers, the shareholding of HROV in the Company reduced from 52.28% to 41.97%. Accordingly, the company ceased to be a subsidiary of HROV from the said date.

(5) As of March 31, 2015, total number of equity shares held by the employees of the Company amounts to 265,321 equity shares of Re. 1 each and all such shares have been transferred to employees by way of dilution of shareholding of India Life Credit and Holdings Private Limited ('ILCHPL') and Ashok Reddy over the years ended March 31, 2009, 2010, 2012, 2013, 2014 and 2015. The Board of Directors of the Company on July 09, 2015 approved to cancel the previous ESOP Scheme which was issued by the Company on July 27, 2011 and to implement new "TeamLease Employee Stock Option Plan 2015" ("ESOP 2015 scheme") which has been formulated and the existing ESOP Trust has been re-constituted in line with the Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014, provisions of the Articles of Association of the Company and Companies Act, 2013 and Rules. The shareholders of the Company approved the ESOP 2015 Scheme on July 10, 2015. All unvested and unexercised ESOPs granted to employees under the previous ESOP scheme have been cancelled with effect from August 03, 2015. Since the shares are not issued by the Company, there is no impact to the financial statements.

(6) During the year 2011-12, the Company has issued 11,35,708 shares at Rs.880.51 per share (including securities premium of Rs.879.51 per share) pursuant to the Share Subscription and Shareholders Agreement entered into by the Company on March 30, 2011.

(7) During the year 2010-11, the Company has re-classified the Authorized Share Capital by cancelling unissued 50,000 12% Cumulative Convertible Redeemable Preference Shares of Rs.100 each and creating 50,00,000 Equity shares of Re.1 each. During FY2010-11, the Company has issued 496,871 shares at Rs.503.15 per share (including securities premium of Rs.502.15 per share) by converting the Share Application Money received during the previous year.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

b) Equity Shareholders holding shares more than 5%	As at		As at		As at		As at		As at		As at		As at	
	September 30,2015		September 30,2014		March 31,2015		March 31,2014		March 31,2013		March 31,2012		March 31,2011	
	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding
Equity Shares :														
HR Offshoring Ventures Pte Limited and its nominees	6,434,700	41.97	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	67.22
GPE (India) Limited	2,951,868	19.25	960,994	18.80	960,994	18.80	960,994	18.80	960,994	18.80	960,994	18.80	748,610	18.83
Dhana Management Consultancy LLP	1,379,886	9.00	-	-	-	-	-	-	-	-	-	-	-	-
IDBI Trusteeship Services Limited (India Advantage Fund S3 I)	2,555,343	16.67	851,781	16.67	851,781	16.67	851,781	16.67	851,781	16.67	851,781	16.67	-	-

c) Shares held by holding company	As at		As at		As at		As at		As at		As at		As at	
	September 30,2015		September 30,2014		March 31,2015		March 31,2014		March 31,2013		March 31,2012		March 31,2011	
	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding	No of Shares held	% of Share holding
Equity Shares :														
HR Offshoring Ventures Pte Limited and its nominees	6,434,700	41.97	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	52.28	2,672,100	67.22

d) Rights, Preference and Restrictions attached to shares

(8) Equity Shares: The company has one class of equity shares having a par value of Re.1 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(9)The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(10)There are no shares reserved for issue under options except held by "Teamlease Employee Stock Plan Trust".

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

(11)The Company has converted 216,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each into 85,018 equity shares of Re.1 each at a premium of Rs.253.06 each during the year ended March 31, 2010. The company has re-classified the Authorized Share Capital by cancelling unissued 50,000 12% Cumulative Convertible Redeemable Preference Shares of Rs. 100 each and creating 5,000,000 Equity Shares of Re. 1 each during the year ended March 31, 2011. There are no other shares allotted as fully paid up pursuant to contracts without payment being received in cash during the period of five years immediately preceding the period/year ended September 30, 2015, 2014, March 31, 2011, 2012, 2013, 2014 and 2015.

(12)There are no shares bought back by the Company during the period of five years immediately preceding the six month period ended September 30, 2015.

(13) During the reporting periods, there are no securities that are convertible into equity / preference shares.

(14) As of March 31, 2015, total number of equity shares held by the employees of the Company amounting to 265,321 equity shares of Re. 1 each and all such shares have been transferred to employees by way of dilution of shareholding of ILCHPL and HROV over the years ended March 31, 2009, 2010, 2012, 2013, 2014 and 2015 . The Board of Directors of the Company on August 03, 2015 approved to cancel the previous ESOP Scheme which was issued by the Company on July 27, 2011 and to implement new “TeamLease Employee Stock Option Plan 2015” (“ESOP 2015 scheme”) which has been formulated and the existing ESOP Trust has been re-constituted in line with the Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014, provisions of the Articles of Association of the Company and Companies Act, 2013 and Rules. The shareholders of the Company approved the ESOP 2015 Scheme on July 10, 2015. All unvested and unexercised ESOPs granted to employees under the previous ESOP scheme have been cancelled with effect from August 03, 2015. Since the shares are not issued by the Company, there is no impact on the Financial Statements of the Company towards grant / allotment of ESOP. The company has not granted any ESOP during the six months period ended September 30, 2015. Pursuant to the ESOP 2015 scheme, the company has granted 32,390 options on October 01, 2015 to the employees at an exercise price of Rs 10 each. All 32,390 options are unvested and unexercised as of date.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 2 -Reserves and Surplus	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Securities Premium Account							
Balance as at the beginning of the period/year	1,151.43	1,151.43	1,151.43	1,533.69	1,533.69	541.60	292.10
Add : Securities Premium Credited on issue of Equity Shares	-	-	-	-	-	998.87	249.50
Less : Share Issue Expenses (Refer Note 2 (ii) below)	-	-	-	-	-	(6.78)	-
Less : Issue of Bonus shares (Refer Foot Note 2 of Note 1)	(148.21)	-	-	-	-	-	-
Less : Transfer to Surplus/(Deficit) on account of Capital	-	-	-	-	-	-	-
Reduction (Refer Note 2 (i) below)	-	-	-	(382.26)	-	-	-
Balance as at the end of the period/year	1,003.22	1,151.43	1,151.43	1,151.43	1,533.69	1,533.69	541.60
Surplus/ (Deficit) in Statement of Profit and Loss							
Balance as at the beginning of the period/year (Refer Annexure VI.7)	317.29	11.17	21.02	(540.57)	(498.17)	(347.31)	57.85
Add/(Less): Profit/(Loss) for the period/year	108.01	170.52	296.27	179.33	(42.40)	(150.86)	(405.16)
Add: Transfer from Securities Premium on account of Capital	-	-	-	-	-	-	-
Reduction (Refer Note 2 (i))	-	-	-	382.26	-	-	-
Balance as at the end of the period/year	425.30	181.69	317.29	21.02	(540.57)	(498.17)	(347.31)
Reserves & Surplus	1,428.51	1,333.12	1,468.71	1,172.44	993.12	1,035.51	194.29

Note 2(i): During the financial year 2014-15, the Company has passed a special resolution in its Extraordinary General Meeting held on January 15, 2015 and made an application to the High Court of Judicature at Bombay to approve for the reduction of the Securities Premium Account of the Company from Rs. 1,533.69 million to Rs. 1,151.43 million and to affect such reduction by adjusting the entire debit balance in the Surplus/ (Deficit) in the Statement of Profit and Loss Account amounting to Rs. 382.26 million as on 31st March, 2014. The Order of the High Court was passed on March 27, 2015 and the minutes approved by the Court were registered by the Registrar of Companies on May 29, 2015. Accordingly, Securities Premium as on March 31, 2014 has been adjusted with the debit balance of profit and loss to the extent of Rs. 382.26 million in accordance with Accounting Standard (AS)-4” Contingencies and events occurring after the Balance Sheet Date.

Note 2(ii): During the Financial Year 2011-12, the Company has issued and allotted 1,135,708 shares of Re.1 each at a premium of Rs.879.51 per share, aggregating Rs.1,000 million. Share issue expenses incurred for aforesaid allotment of Rs.6.78 million has been adjusted with securities premium in accordance with the provisions of section 78 of the Companies Act, 1956.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)
₹ in millions

Note 3 - Long Term Provisions	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Provision for employee benefits							
Gratuity Payable							
- Core Employees (Annexure V note 22 a)	14.10	11.15	11.76	11.38	14.28	8.71	5.14
- Associate Employees (Annexure V note 22 d)	226.25	114.86	153.04	109.09	69.25	48.18	47.66
Leave Encashment Payable *	11.79	9.50	10.87	9.24	7.53	7.15	1.14
Total	252.14	135.51	175.67	129.71	91.06	64.04	53.94

* Leave Encashment liability is provided as per the Actuarial valuation reports obtained for the period/year ended September 30, 2015, 2014, March 31, 2015, 2014, 2013, 2012 and 2011.

₹ in millions

Note 4 - Short Term Provisions	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Provision for Employee Benefits							
Gratuity Payable							
- Core Employees (Annexure V note 22 a)	7.19	6.33	7.05	5.23	0.62	3.95	2.37
- Associate Employees (Annexure V note 22 d)	88.34	63.94	75.69	47.79	34.54	20.71	7.32
Leave Encashment Payable *	7.35	7.11	7.25	5.70	3.88	2.75	0.60
Total	102.88	77.38	89.99	58.72	39.04	27.41	10.29

* Leave Encashment liability is provided as per the Actuarial valuation reports obtained for the period/year ended September 30, 2015, 2014, March 31, 2015, 2014, 2013, 2012 and 2011.

₹ in millions

Note 5 - Other Current Liabilities	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Current Maturity of Long Term Loans	-	0.14	-	0.35	0.37	0.46	0.11
Sundry Creditors#	80.79	77.58	68.70	71.59	11.90	24.17	30.65
Employees Benefits Payable	1,469.02	743.51	907.52	465.67	541.66	365.47	239.48
Statutory dues	675.27	496.43	334.23	219.41	195.56	133.86	130.05
Advance from Customers	88.64	104.59	88.37	73.65	53.88	83.11	25.16
Unearned Revenue	-	-	-	-	3.05	7.60	15.50
Book Overdraft	75.35	129.18	134.28	50.13	4.89	-	122.60
Other Liabilities	190.90	130.66	166.11	108.20	114.92	75.15	43.14
Total	2,579.97	1,682.08	1,699.21	989.00	926.23	689.82	606.69

There are no amounts due and outstanding to be provided to the Investor Education and Protection Fund under section 205C of Companies Act, 1956 as at the period/year end.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS SEPTEMBER 2015

₹ in millions

FIXED ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2015	Additions	Deletions/ Adjustments	Cost as at 30.09.2015	As at 01.04.2015	For the period	On disposals	As at 30.09.2015	As at 30.09.2015	As at 31.03.2015
<u>A. Tangible assets</u>										
Office Equipments	29.25	5.75	-	35.00	21.65	3.20	-	24.85	10.15	7.60
Computers	58.69	2.20	-	60.89	57.76	0.55	-	58.31	2.58	0.93
Furniture & Fixtures	10.61	0.46	-	11.07	5.76	0.97	-	6.73	4.34	4.85
Vehicles	2.36	-	-	2.36	0.85	0.23	-	1.08	1.28	1.52
Total	100.91	8.41	-	109.32	86.02	4.95	-	90.97	18.35	14.90
<u>B. Intangible assets</u>										
COMS Software	16.37	-	-	16.37	16.33	0.04	-	16.37	-	0.04
Goodwill	4.00	-	-	4.00	4.00	-	-	4.00	-	-
Software - Others	103.10	2.46	-	105.56	88.87	4.06	-	92.93	12.63	14.23
Total	123.47	2.46	-	125.93	109.20	4.10	-	113.30	12.63	14.27
<u>C. Intangible Assets under development</u>										
Software - ALCS	41.87	28.65	-	70.52	-	-	-	-	70.52	41.87
Total	41.87	28.65	-	70.52	-	-	-	-	70.52	41.87
Grand Total	266.25	39.52	-	305.77	195.22	9.05	-	204.27	101.50	71.04

Note:

(1) There is no revaluation of assets during the period.

(2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS SEPTEMBER 2014

₹ in millions

FIXED ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2014	Additions	Deletions/ Adjustments	Cost as at 30.09.2014	As at 01.04.2014	For the period	On disposals	As at 30.09.2014	As at 30.09.2014	As at 31.03.2014
<u>A. Tangible Assets</u>										
Office Equipments	27.57	0.40	-	27.97	6.86	9.05	-	15.91	12.06	20.71
Computers	58.27	0.24	-	58.51	57.11	0.34	-	57.45	1.06	1.16
Furniture & Fixtures	11.81	0.57	2.20	10.18	6.25	2.66	1.29	7.62	2.56	5.56
Vehicles	2.35	-	-	2.35	0.38	0.23	-	0.61	1.74	1.97
Total	100.00	1.21	2.20	99.01	70.60	12.28	1.29	81.59	17.42	29.40
<u>B. Intangible Assets</u>										
COMS Software	16.37	-	-	16.37	13.03	1.66	-	14.69	1.68	3.35
Goodwill	4.00	-	-	4.00	4.00	-	-	4.00	-	-
Software - Others	93.96	3.76	-	97.72	82.14	2.97	-	85.11	12.61	11.82
Total	114.33	3.76	-	118.09	99.17	4.63	-	103.80	14.29	15.17
<u>C. Intangible Assets under development</u>										
Software - ALCS	16.38	9.42	-	25.80	-	-	-	-	25.80	16.38
Total	16.38	9.42	-	25.80	-	-	-	-	25.80	16.38
Grand Total	230.71	14.39	2.20	242.90	169.77	16.91	1.29	185.39	57.51	60.95

Note:

(1) There is no revaluation of assets during the period.

(2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS 2014-15

₹ in millions

FIXED ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2014	Additions	Deletions/ Adjustments	Cost as at 31.03.2015	As at 01.04.2014	For the year	On disposals	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<u>A. Tangible Assets</u>										
Office Equipments	27.57	1.70	0.02	29.25	6.85	14.80	0.01	21.64	7.61	20.72
Computers	58.27	0.42	-	58.69	57.11	0.65	-	57.76	0.93	1.16
Furniture & Fixtures	11.81	1.01	2.20	10.62	6.26	0.80	1.29	5.77	4.85	5.55
Vehicles	2.35	-	-	2.35	0.38	0.46	-	0.84	1.51	1.97
Total	100.00	3.13	2.22	100.91	70.60	16.71	1.30	86.01	14.90	29.40
<u>B. Intangible Assets</u>										
COMS Software	16.37	-	-	16.37	13.03	3.31	-	16.34	0.03	3.34
Goodwill	4.00	-	-	4.00	4.00	-	-	4.00	-	-
Software - Others	93.96	9.14	-	103.10	82.14	6.73	-	88.87	14.23	11.82
Total	114.33	9.14	-	123.47	99.17	10.04	-	109.21	14.26	15.16
<u>C. Intangible Assets under development</u>										
Software - ALCS	16.38	25.49	-	41.87	-	-	-	-	41.87	16.38
Total	16.38	25.49		41.87	-	-	-	-	41.87	16.38
Grand Total	230.71	37.76	2.22	266.25	169.77	26.75	1.30	195.22	71.03	60.94

Note:

(1) The estimated useful lives of the assets have been revised in line with Schedule II of Companies Act, 2013, accordingly an additional depreciation of Rs.10.60 million on tangible assets is charged to the Statement of Profit and Loss for the year ended March 31, 2015.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS 2013-14

₹ in millions

FIXED ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2013	Additions	Disposals/ Adjustments	Cost as at 31.03.2014	As at 01.04.2013	For the year	On disposals	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
<u>A. Tangible Assets</u>										
Leasehold Improvements	7.17	-	7.17	-	7.17	-	7.17	-	-	-
Office Equipments	37.15	1.19	10.77	27.57	10.54	1.63	5.32	6.85	20.72	26.61
Computers	67.16	0.50	9.39	58.27	64.71	1.70	9.30	57.11	1.16	2.45
Furniture and Fixtures *	18.63	0.06	6.88	11.81	7.43	1.56	2.73	6.26	5.55	11.20
Vehicles	3.01	-	0.66	2.35	0.46	0.23	0.31	0.38	1.97	2.55
Total	133.12	1.75	34.87	100.00	90.31	5.12	24.83	70.60	29.40	42.81
<u>B. Intangible Assets</u>										
COMS Software	16.37	-	-	16.37	6.48	6.55	-	13.03	3.34	9.89
Goodwill	4.00	-	-	4.00	4.00	-	-	4.00	-	-
Software - Others	83.23	10.73	-	93.96	75.02	7.12	-	82.14	11.82	8.21
Total	103.60	10.73	-	114.33	85.50	13.67	-	99.17	15.16	18.10
<u>C. Intangible Assets under development</u>										
Software - ALCS	-	16.38	-	16.38	-	-	-	-	16.38	-
Total	-	16.38	-	16.38	-	-	-	-	16.38	-
Grand Total	236.72	28.86	34.87	230.71	175.81	18.79	24.83	169.77	60.94	60.91

* Includes Tangible Fixed Assets held for sale with a Net Realisable Value (NRV) of Rs. 1.09 million. No gain/loss is recognised as the NRV is equivalent to the written down value of the assets held or sale.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS 2012-13

₹ in millions

FIXED ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2012	Additions	Disposals/ Adjustments	Cost as at 31.03.2013	As at 01.04.2012	For the year	On disposals	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
<u>A. Tangible Assets</u>										
Leasehold Improvements	7.17	-	-	7.17	6.41	0.76	-	7.17	-	0.76
Office Equipments	53.16	0.69	16.70	37.15	11.71	1.89	3.06	10.54	26.61	41.45
Computers	93.46	1.70	28.00	67.16	84.56	6.24	26.09	64.71	2.45	8.90
Furniture and Fixtures	86.57	0.61	68.55	18.63	20.95	3.34	16.86	7.43	11.20	65.62
Vehicles	2.04	0.97	-	3.01	0.27	0.19	-	0.46	2.55	1.77
Total	242.40	3.97	113.25	133.12	123.90	12.42	46.01	90.31	42.81	118.50
<u>B. Intangible Assets</u>										
COMS Software	-	16.37	-	16.37	-	6.48	-	6.48	9.89	-
Goodwill*	-	4.00	-	4.00	-	4.00	-	4.00	-	-
Software - Others	79.44	7.48	3.69	83.23	65.04	12.98	3.00	75.02	8.21	14.40
Total	79.44	27.85	3.69	103.60	65.04	23.46	3.00	85.50	18.10	14.40
<u>C. Intangible Assets under development</u>										
Software - ALCS	14.98	-	14.98	-	-	-	-	-	-	14.98
Total	14.98	-	14.98	-	-	-	-	-	-	14.98
Grand Total	336.82	31.82	131.92	236.72	188.94	35.88	49.01	175.81	60.91	147.88

* TeamLease entered into a business transfer agreement dated May 15, 2012 with Press Enterprises Private Limited ('PEPL') whereby PEPL agreed to sell and transfer its business of staffing and manpower services, as a going concern together with its assets and liabilities, on a slump sale basis, for a purchase price of Rs. 4 million which was to be paid by TeamLease. Pursuant to this business transfer, goodwill of Rs. 4 million has been recognized and fully amortised during the year ended March 31, 2013.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS 2011-12

₹ in millions

FIXED ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2011	Additions	Disposals/ Adjustments	Cost as at 31.03.2012	As at 01.04.2011	For the year	On disposals	As at 31.03.2012	As at 31.03.2012	As at 31.03.2011
<u>A. Tangible Assets</u>										
Leasehold Improvements	7.17	-	-	7.17	5.16	1.25	-	6.41	0.76	2.01
Office Equipments	51.61	11.08	9.53	53.16	10.60	3.07	1.96	11.71	41.45	41.01
Computers	96.72	7.03	10.29	93.46	84.77	9.14	9.35	84.56	8.90	11.95
Furniture and Fixtures	95.01	12.89	21.33	86.57	19.49	6.74	5.28	20.95	65.62	75.52
Vehicles	1.56	1.39	0.91	2.04	0.52	0.16	0.41	0.27	1.77	1.04
Total	252.07	32.39	42.06	242.40	120.54	20.36	17.00	123.90	118.50	131.53
<u>B. Intangible Assets</u>										
Software - Others	71.71	7.99	0.26	79.44	48.42	16.76	0.14	65.04	14.40	23.29
Total	71.71	7.99	0.26	79.44	48.42	16.76	0.14	65.04	14.40	23.29
<u>C. Intangible assets under development</u>										
Software - ALCS	9.12	5.86	-	14.98	-	-	-	-	14.98	9.12
Total	9.12	5.86	-	14.98	-	-	-	-	14.98	9.12
Grand Total	332.90	46.24	42.32	336.82	168.96	37.12	17.14	188.94	147.88	163.94

Note:

(1) There is no revaluation of assets during the year.

(2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 6- FIXED ASSETS 2010-11

₹ in millions

FIXED ASSETS	GROSS BLOCK					DEPRECIATION /AMORTISATION					NET BLOCK	
	As at 01.04.2010	Additions on Merger	Additions	Disposals/ Adjustments	Cost as at 31.03.2011	As at 01.04.2010	Additions on Merger	For the year	On disposals	Adjustments **	As at 31.03.2011	As at 31.03.2011
<u>A. Tangible Assets</u>												
Leasehold Improvements	5.82	-	1.35	-	7.17	3.30	-	1.86	-	-	5.16	2.01
Office Equipments	16.50	21.67	13.58	0.13	51.61	7.27	6.38	3.42	0.04	6.43	10.60	41.01
Computers	48.34	29.47	18.94	0.04	96.72	38.49	28.88	10.32	0.04	(7.12)	84.77	11.95
Furniture and Fixtures	4.75	70.16	20.10	-	95.01	2.17	25.59	7.75	-	16.01	19.49	75.52
Vehicles	1.56	-	-	-	1.56	0.80	-	0.15	-	0.42	0.52	1.04
Total	76.97	121.30	53.97	0.17	252.07	52.03	60.85	23.50	0.08	15.74	120.54	131.53
<u>B. Intangible Assets</u>												
Software - Others	36.99	15.15	19.57	-	71.71	31.47	-	16.06	-	(0.89)	48.42	23.29
Total	36.99	15.15	19.57	-	71.71	31.47	-	16.06	-	(0.89)	48.42	23.29
<u>C. Intangible Assets under development</u>												
Software - ALCS	-	-	9.12	-	9.12	-	-	-	-	-	-	9.12
Total	-	-	9.12	-	9.12	-	-	-	-	-	-	9.12
Grand Total	113.96	136.45	82.66	0.17	332.90	83.50	60.85	39.56	0.08	14.85	168.96	163.94

** Method of Depreciation on fixed asset has been changed from Written Down Value Method to Straight Line Method retrospectively as per the rates and in the manner prescribed in schedule XIV of the Companies Act 1956 with effect from April 1, 2010.

Notes:

- (1) There is no revaluation of assets during the period/years ended September 30, 2015, 2014 and March 31, 2015, 2014, 2013, 2012 and 2011.
- (2) There are no adjustments to Tangible/Intangible Assets on account of borrowing costs and exchange differences.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 7 -Other Non Current Assets	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long-Term Trade Receivables:							
Unsecured considered doubtful	52.94	55.73	57.94	53.35	18.05	0.32	4.31
Less: Provision for Doubtful Debts	(52.94)	(55.73)	(57.94)	(53.35)	(18.05)	(0.32)	(4.31)
	-	-	-	-	-	-	-
Fixed Deposits with banks with a maturity period more than 12 months (Refer note : 1 below)	43.46	9.40	10.92	31.25	20.70	15.68	15.39
Interest accrued on Fixed deposits	0.97	0.58	0.56	5.40	3.67	2.17	0.91
Interest accrued but not due on Loan to Related party (Refer Annexure V Note 23)	7.06	0.80	2.65	-	-	-	-
Reimbursement right for Gratuity (Annexure V, Note 22 d)	226.25	114.86	153.04	109.09	69.25	48.18	47.66
Other Non Current Assets	277.74	125.64	167.17	145.74	93.62	66.03	63.96

Note -

1) Fixed deposits of Rs. 43.46 million, Rs 9.40 million, Rs. 10.92 million, Rs. 26.52 million, Rs. 20.70 million, Rs. 15.51 million and Rs. 15.19 millions are under lien with various banks for the Guarantees issued by the Bank on behalf of the Company for the aforesaid years.

₹ in millions

Note 8 - Inventories At Cost	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Courseware	2.08	2.56	2.22	2.50	5.34	8.96	15.03
Total	2.08	2.56	2.22	2.50	5.34	8.96	15.03

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 9 - Cash and Bank balances	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Cash and cash equivalents							
Cash on hand	0.21	0.17	-	-	0.08	0.28	0.83
Cheques on hand	-	-	-	0.38	-	-	4.07
Bank balances							
In current accounts	350.48	276.17	214.86	125.03	55.26	65.98	60.46
In Fixed Deposits (with less than 3 months maturity)**	-	-	-	-	370.00	340.25	21.07
	350.69	276.34	214.86	125.41	425.34	406.51	86.43
Other bank balances							
In Fixed Deposit Accounts (maturity within 12 months from the date of acquisition)*	416.08	550.01	270.62	715.91	141.00	404.25	93.74
In Fixed Deposit Accounts (maturity more than 12 months but within one year from the reporting date)**	445.51	365.97	657.33	2.01	210.43	-	-
	861.59	915.98	927.95	717.92	351.43	404.25	93.74
Total	1,212.28	1,192.32	1,142.81	843.33	776.77	810.76	180.17

Notes :

For the financial year ended March 31, 2011, fixed deposits of Rs.2.35 million and Rs. 111.11 million are under lien, kept as securities with various banks for the Guarantees on behalf of the Company and Over Draft facility respectively.

* Fixed deposits of Rs 66.08 million, Rs 140.00 million, Rs. 0.69 million, Rs. 141.03 million, Rs. 141 million and Rs. 142 million are under lien, kept as securities with banks for Guarantees on behalf of the Company and Over Draft facility provided by the Banks for the period/financial years ended September 30, 2015, 2014, March 31, 2015, 2014, 2013 and 2012 respectively.

** Fixed deposits of Rs 145.50 million, Rs 25.96 million, Rs. 192.33 million, Rs. 1.71 million, Rs. 0.53 million and Rs. 12.70 million are under lien with various banks for the Guarantees on behalf of the Company and Over Draft facility provided by the Banks for the period/financial years ended September 30, 2015, 2014, March 31, 2015, 2014, 2013 and 2012 respectively.

₹ in millions

Note 10 - Other Current Assets	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Interest accrued on Fixed Deposits	25.27	31.48	48.39	15.57	16.07	22.34	2.91
Unbilled Revenue	909.48	415.62	572.92	157.23	194.90	4.01	1.21
Reimbursement right for Gratuity (Annexure V, Note 22 d)	88.34	63.94	75.69	47.79	34.54	20.71	7.32
Total	1,023.09	511.04	697.00	220.59	245.51	47.06	11.44

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 12 - Revenue from Operations (Net of Service Tax)	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Revenue from operations							
Sale of Services	11,945.76	9,273.16	19,731.36	15,025.77	12,236.27	9,006.27	6,533.42
Other Operating Revenues							
Recruitment Services	82.03	64.88	137.71	112.95	116.78	122.61	133.42
Skills and Development	26.46	47.44	87.89	61.82	38.04	38.85	31.86
Tuition Fees	-	-	-	3.57	25.64	50.84	99.31
Royalty and Affiliation Income	5.38	18.38	55.83	12.90	8.29	5.50	52.33
Corporate Training	-	8.32	8.32	29.08	29.40	-	-
Income from Regulatory Services	32.54	21.51	44.91	44.16	31.44	17.39	9.00
Payroll Income	4.29	2.05	4.68	3.08	3.14	-	-
Total Revenue from operations	12,096.46	9,435.74	20,070.70	15,293.33	12,489.00	9,241.46	6,859.34

₹ in millions

Note 13 - Employee Benefit Expenses	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Salaries, Wages and Bonus	10,949.17	8,463.51	17,990.00	13,720.30	11,212.69	8,309.26	6,065.99
Contribution to Provident and Other Funds (Annexure V Note 22 c)	778.55	638.29	1,356.29	1,045.40	880.30	673.58	490.32
Gratuity (Net of Reimbursement Right) (Annexure V Note 22 a & d)	4.73	2.88	5.37	4.76	3.96	6.22	4.35
Leave Encashment (Refer Note-1 below)	5.20	4.06	8.49	10.19	6.00	9.93	0.43
Insurance	46.99	33.73	71.52	51.57	44.42	36.86	23.60
Staff Welfare	6.15	4.70	11.00	9.96	11.30	11.06	10.21
Staff Training Expenses	0.89	0.75	1.71	1.32	2.91	1.60	0.99
Total	11,791.68	9,147.92	19,444.38	14,843.50	12,161.58	9,048.51	6,595.89

Note-1: Leave Encashment is expensed based on the Actuarial Valuation for the aforesaid periods/years.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 14 - Finance Costs	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
<u>Interest on Loans</u>							
- Banks	1.76	0.79	1.37	1.96	4.91	2.62	0.80
- Others	-	0.02	0.02	0.35	0.12	0.41	0.78
Total	1.76	0.81	1.39	2.31	5.03	3.03	1.58

₹ in millions

Note 15 - Depreciation and Amortisation Expenses	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Depreciation on Tangible assets (Refer Annexure V (Note 6))	4.95	12.28	16.71	5.12	12.42	20.36	23.50
Amortisation on Intangible assets(Refer Annexure V (Note 6))	4.09	4.63	10.04	13.67	23.46	16.76	16.06
Total	9.04	16.91	26.75	18.79	35.88	37.12	39.56

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Note 16 -Other Expenses	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Courseware Consumed	0.54	1.12	2.13	2.88	5.27	18.07	9.47
Electricity	7.36	6.35	11.99	11.89	17.93	23.11	22.17
Fines and Penalties	0.58	-	-	0.36	-	-	-
Rates & Taxes	0.44	0.43	0.60	0.13	2.52	-	-
Rent	45.63	36.09	71.24	64.87	98.67	115.45	119.84
Travelling and Conveyance	18.47	16.99	36.93	34.65	33.28	32.27	28.88
<u>Repairs and maintenance</u>							
-Leasehold Premises	0.28	0.16	0.22	0.19	1.78	1.36	0.26
-Others	21.85	17.23	32.99	17.49	28.60	29.71	25.59
Advertisement and Business Promotion	5.75	2.75	8.98	7.32	15.15	29.20	29.04
Auditors' Remuneration	2.34	1.44	2.76	2.71	2.61	2.39	1.83
Bank Charges	0.71	0.40	0.86	0.81	1.42	2.89	2.90
Brokerage	0.01	-	0.06	0.12	2.03	0.09	0.23
Communication	23.16	21.92	41.39	37.53	43.13	43.44	33.91
Directors' Remuneration	-	-	-	-	1.31	-	-
Legal and professional	15.66	16.22	27.20	32.66	63.71	54.12	36.06
Printing and Stationery	7.34	6.48	12.66	11.56	12.89	12.51	10.85
Security Charges	3.15	2.49	4.94	4.99	-	-	-
Sundry Balances Written off	0.62	0.51	6.11	5.30	-	-	-
Bad Debts written off	11.19	7.41	12.36	16.35	19.02	50.15	81.30
Less: Related Provision for Doubtful Debts Written Back	(4.92)	(1.08)	(5.15)	(8.26)	-	(44.53)	(22.20)
Fees and Certification Charges	1.23	1.59	3.99	6.61	0.26	0.43	14.77
Foreign Exchange Loss (Net)	-	-	-	-	0.07	0.03	-
Loss on Business Acquisition (Refer Note (a) below)	-	-	-	-	4.14	-	-
Loss on sale of Asset (net)	-	0.34	0.34	7.49	62.02	21.88	0.01
Office Expenses	1.07	0.26	0.65	0.30	0.31	1.00	0.99
Provision for Bad and Doubtful Debts	14.73	19.65	29.50	19.84	14.71	34.88	36.17
Provision for diminution in the value of long-term investments and	0.02	2.29					
Provision for doubtful advances			2.33	-	-	-	-
Service Tax written off	-	-	-	-	3.40	-	-
Training Expenses	13.76	56.63	100.55	54.48	8.33	-	-
Write off of Course ware Materials	-	-	0.12	1.91	1.02	1.48	-
Royalty Expenses	-	-	-	-	-	0.05	28.45
Directors' Sitting Fees	0.14	-	-	-	-	-	-
Total	191.11	217.67	405.75	334.18	443.58	429.98	460.52

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note (a): During the year 2012-13, the Board of Directors of the Company have approved the Business Transfer Agreement (the Scheme) amongst the Company and IIJT Education Private Limited (IIJT). The Scheme became effective on April 1, 2012. Pursuant to the scheme, Corporate and Institutional Training Business of IIJT has been transferred to the Company and the related liabilities and assets of Rs.8.11 million and Rs. 4.27 million respectively were taken over by the Company for a consideration of Rs. 0.30 million. This has resulted in a loss of Rs.4.14 million and this has been disclosed as Loss on Business Acquisition under " Other Expenses".

₹ in millions

Note 17 - Exceptional Items	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
IIJT Demerger (Refer Note 17 (a) below)	-	-	-	-	-	-	219.84
Deficit on transfer of retail training business of IIJT (Refer Note 17 (b) below)	-	-	-	-	-	-	35.48
Total	-	-	-	-	-	-	255.32

Note 17 (a): The cost of investment in IIJT Education Private Limited has been substantially eroded during the year 2011-12 due to accumulated losses of the investee company. In the view of this, the Company has made a provision of Rs.219.84 million towards permanent diminution in the value of long term investment as an exceptional item.

Note 17 (b): During the year 2010-11, the Company entered into a scheme of Arrangement for the demerger of the Retail Training Business of IIJT (except Building and Goodwill) as approved by the Hon'ble High Court of Bombay. Pursuant to the aforesaid scheme, a deficit of Rs.35.48 million arising out of excess of liabilities over asset acquired by the Company has been debited to Profit and Loss account as an exceptional item.

₹ in millions

Note 18 - Deferred Tax Asset	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Deferred Tax Asset							
Provision for bad and doubtful debts	24.39	22.52	21.74	-	-	-	-
Difference between Book and Tax Depreciation	22.16	22.48	21.83	-	-	-	-
Provision for employee benefits							
--Gratuity	7.37	5.94	5.92	-	-	-	-
--Leave Encashment	6.62	5.65	5.89	-	-	-	-
--Bonus	9.07	6.45	0.73	-	-	-	-
Total	69.61	63.04	56.12	-	-	-	-

Note: As per the provisions of Accounting Standard 22 (AS-22 Accounting for Taxes on Income), Deferred Tax Asset is not recognized prior to the period ended September 30, 2014 on account of unabsorbed tax losses.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 19- Contingent Liability

September 30, 2015

- i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs.0.50 million which is pending for approval from ESI department.
- ii. The Company had received Demand Order under section 201(1) and 201(1A) of the Income Tax Act, 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The Company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals) and the matter is pending as on date.
- iii. The Company had received a demand of Rs.14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax and the said demand was disposed off in Company's favor by Central Excise and Service Tax Appellate Tribunal (CESTAT). The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore ('High Court'). This petition was disposed off by the High court on April 2, 2014 in Company's favor. In May 2015, the Commissioner of Service Tax Department had filed a petition with Supreme Court of India for condonation of delay in filing the special leave to appeal. Against this petition, condonation is granted by Supreme Court of India and hearing is scheduled in the month of March 2016.
- iv. The Company has provided a corporate guarantee on behalf of TeamLease Skills University ('TLSU') to Tata Capital Financial Services Limited ("TCFSL") whereby the Company has guaranteed all the obligations of TLSU under the Operating Lease Agreement between TCFSL and TLSU dated July 24, 2014 executed in relation to the lease of computer equipment by TCFSL to TLSU of value not exceeding Rs.15 million.

September 30, 2014

- i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs.0.50 million which is pending for approval from ESI department.
- ii. The Company had received Demand Order under section 201(1) and 201(1A) of the Income Tax act 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The Company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals) and the matter is pending as on date.
- iii. The Company had received a demand of Rs.14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax and the said demand was disposed off in Company's favor by Central Excise and Service Tax Appellate Tribunal (CESTAT). The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore ('High Court'). This petition was disposed off by the High court on April 2, 2014 in Company's favor. In May 2015, the Commissioner of Service Tax Department had filed a petition with Supreme Court of India for condonation of delay in filing the special leave to appeal. The matter is subjudice.
- iv. During the period, the Company has provided a corporate guarantee on behalf of TeamLease Skills University ('TLSU') to Tata Capital Financial Services Limited ("TCFSL") whereby the Company has guaranteed all the obligations of TLSU under the Operating Lease Agreement between TCFSL and TLSU dated July 24, 2014 executed in relation to the lease of computer equipment by TCFSL to TLSU of value not exceeding Rs.15 million.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 19- Contingent Liability

March 31, 2015

- i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs.0.50 million which is pending for approval from ESI department.
- ii. The Company had received Demand Order under section 201(1) and 201(1A) of the Income Tax act 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The Company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals) and the matter is pending as on date.
- iii. The Company had received a demand of Rs.14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax and the said demand was disposed off in Company's favor by Central Excise and Service Tax Appellate Tribunal (CESTAT). The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore ('High Court') . This petition was disposed off by the High court on April 2, 2014 in Company's favor. In May 2015, the Commissioner of Service Tax Department had filed a petition with Supreme Court of India for condonation of delay in filing the special leave to appeal. The matter is subjudice.
- iv. During the year, the Company has provided a corporate guarantee on behalf of TeamLease Skills University ('TLSU') to Tata Capital Financial Services Limited ("TCFSL") whereby the Company has guaranteed all the obligations of TLSU under the Operating Lease Agreement between TCFSL and TLSU dated July 24, 2014 executed in relation to the lease of computer equipment by TCFSL to TLSU of value not exceeding Rs.15 million.

March 31, 2014

- i. With respect to Employee State Insurance demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs. 0.50 million which is pending for approval from ESI department.
- ii. The Company had received a demand of Rs. 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax. The Company had filed an appeal with the Appellate Tribunal. This Appeal was upheld by the Tribunal and case was disposed off in Company's favor in the year 2012. The Commissioner of Service Tax Department had filed the case against this CESTAT order with the Hon'ble Highcourt of Karnataka, Bangalore. This petition was disposed off by the Hon'ble High court on April 2, 2014 in Company's favor.
- iii. The company had received Demand Order under Section 201(1) and 201(1A) of the Income Tax Act 1961 for tax deducted at source of Rs. 0.77 million for the Assessment Year 2010-11. The company had filed appeal against the aforesaid demand with the Commissioner of Income Tax (Appeals) and the matter is pending as on date.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 19- Contingent Liability

March 31, 2013

- i. Pursuant to Employee state Insurance (ESI) demand raised in 2006, the Company had furnished documents to justify no ESI liability for the balance amount of Rs. 0.50 million which is pending for approval from ESI department.
- ii. The company had received a demand notice of Rs. 14.94 million inclusive of penalty during the year 2011-12 from the Commissioner of Service Tax. The Company had filed an appeal to appellate tribunal. This appeal was upheld by the Tribunal and the case was disposed off in company's favor.
- iii. The Company has received Demand Order under section 201 (1) and 201 (1A) of the Income Tax Act 1961 for tax deducted at source of Rs. 1.17 million and Rs. 0.77 million for the Assessment year 2009-10 and 2010-11 respectively. The company has filed against aforesaid demand with the Commissioner of Income Tax (Appeals).

March 31, 2012

- i. Pursuant to Employee State Insurance demand raised in 2006, the Company has furnished documents to justify no Employee State Insurance liability for the balance amount of Rs. 0.50 million which is pending for approval from ESI department.
- ii. The company had received a demand notice of Rs. 14.94 million inclusive of penalty during the year from the Commissioner of Service Tax. The Company had filed an appeal to appellate tribunal. There is no further communication received from the tribunal.

March 31, 2011

- i. Pursuant to ESI demand raised in 2006, the Company has furnished documents to justify no ESI liability for the balance amount of Rs. 0.50 million which is pending for approval from ESI department.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 19- Contingent Liability (Guarantees given by banks)

₹ in millions

Particulars	As At						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Development Support Agency of Gujarat	-	15.19	15.19	15.19	15.19	15.19	15.19
Director General of Employment and Training	-	-	0.20	0.26	0.20	0.20	0.20
Gateway Rail Freight Limited	1.00	1.00	1.00	1.00	1.00	-	-
REC Power Distribution Company Limited	11.00	2.50	6.00	2.50	-	-	-
Section Officer(Cash) Dept of Economic Affairs	-	-	0.13	-	0.13	-	-
TATA Capital Financial Services Ltd	7.63	6.35	7.29	6.30	-	-	-
The Centre for Entrepreneurship Development(CED)	0.50	0.50	0.50	0.50	-	-	-
The Chief Executive Officer Employment Generation & Marketing	-	0.50	0.50	0.50	-	-	-
The Director Municipal Admistrat Urban Development Dept, Govt. of Jharkhand	-	-	0.51	0.51	-	-	-
The Mission Director, Mission for Elimination of Poverty in Municipal Areas (MEPMA)	0.50	0.50	0.50	0.50	1.00	-	-
The Mission Director, Mission for Elimination of Poverty in Municipal Areas (MEPMA) Telangana	1.00	-	1.00	-	-	-	-
The State Project Director Rastriya Madhyamaik Shiksha Abhiyan	1.06	1.06	1.06	-	-	-	-
Uttar Pradesh Skill Development Society	2.02	1.20	1.20	1.20	-	-	-
BSES Yamuna Power Limited.	-	-	-	-	0.30	0.90	0.90
BSES Rajdhani Power Limited.	-	-	-	-	-	1.20	1.20
TATA Capital Financial Services Ltd., (Previously Macquarie Finance (India) Pvt Ltd)	1.88	0.64	0.64	-	4.25	0.22	-
Employment Through Skills Training & Placement	0.14	-	-	-	-	-	-
Additional Skill Acquisition Program (ASAP)	0.26	-	-	-	-	-	-
Indian Post, The Sr. Superintendent of Post Office	-	-	-	-	-	-	0.05
Uttar Pradesh Skill Development	-	-	0.62	-	-	-	-
Rural Electrification Corporation Limited (RECL)	2.00	-	2.00	-	-	-	-
Total	28.99	29.44	38.34	28.46	22.07	17.71	17.54

Fixed deposit under lien refer note 7 & 9

Note-19 (b)Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance, if any) Rs. 28.10 and 9.89 million for September 30, 2015 and 2014, Rs. Nil as at March 31, 2015, 2014 , 2013 and Rs. 0.14 million for March 31, 2012 and Rs. 1.33 million for March 31, 2011.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 20-Earnings/ Expenditure in Foreign Currencies

₹ in millions

Particulars	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
a) Earnings in Foreign Currencies							
Staffing Income	-	-	0.31	5.99	1.33	1.32	1.95
Skills Income	-	-	-	-	-	-	2.22
Total	-	-	0.31	5.99	1.33	1.32	4.17
b) Expenditure in Foreign Currencies							
License Fees/ Affiliation Fees	0.24	-	0.15	0.01	0.21	0.63	3.20
Courseware Purchased	-	-	-	-	-	1.94	1.16
Total	0.24	-	0.15	0.01	0.21	2.57	4.36

Note 21- Lease

The future minimum lease payments under non-cancellable operating lease are as below:

₹ in millions

Minimum Lease Rental Payable	As At						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Within 1 year	56.73	48.30	45.93	44.42	38.62	51.81	56.24
Later than one year but not later than 5 year	83.81	56.15	40.68	84.12	111.86	126.29	60.90
Later than 5 year	-	-	-	-	-	-	1.16

(a) The Company has taken on operating lease office premises at various locations. The agreements are executed for a period ranging from 1 year to 9 years. Rents are accounted as per agreement and the effect of lease equalization is not given as the increment in rent agreements are accepted based on the growth of business and inflation factor.

(b) Rent payments are recognized in the Statement of Profit and Loss under the head "Rent" in Notes : 16 "Other Expenses" amounting to Rs 45.63 and Rs 36.09 million for the six months ended September 30, 2015 and 2014 and Rs. 71.24, Rs. 64.87, Rs. 98.67, Rs. 115.45 and Rs. 119.84 million for the year ended March 31, 2015, 2014, 2013, 2012 and 2011 respectively.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 22 a) EMPLOYEE BENEFITS - GRATUITY CORE

The following tables summarize the components of the net employee benefit expenses recognised in the Statement of Profit and Loss, the fund status and the amount recognised in the Balance Sheet for the Gratuity.

Disclosure relating to actuarial valuation of Gratuity Liability:

₹ in millions

	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
I. Assumptions							
Discount Rate	7.48% p.a.	8.37% p.a.	7.78% p.a.	8.74% p.a.	7.98% p.a.	8.63% p.a.	8.0% p.a.
Expected Return On Plan Assets	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (2006-08) (modified) Ultimate	Indian Assured Lives Mortality (1994 -96) (modified) Ultimate	Indian Assured Lives Mortality (1994 -96) (modified) Ultimate
Future Salary Increases	7% p.a	7% p.a	7% p.a	9% p.a	8% p.a	14% p.a	10%p.a
Attrition	38% p.a.	42% p.a.	40% p.a.	38% p.a.	34% p.a.	35% p.a.	35%p.a
Retirement	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.
II. Change in Present Value Benefit Obligation:							
Present Value Of obligation at the beginning of the period/year	18.81	16.61	16.61	14.89	12.66	7.51	4.20
Adjustment to present value	-	-	-	-	-	0.36	-
Interest Cost	0.66	0.65	1.17	1.17	0.94	0.60	0.28
Current Service Cost	3.12	2.63	5.75	5.48	4.93	2.72	2.14
Past Service Cost	-	-	-	-	-	-	0.16
Benefits Paid	(2.25)	(2.01)	(3.17)	(3.04)	(1.74)	(1.43)	(1.04)
Transfer In	-	-	-	-	0.01	-	-
Actuarial (gain) loss on Obligation	0.95	(0.40)	(1.55)	(1.89)	(1.91)	2.90	1.77
Present Value Of obligation at the end of the period/year	21.29	17.48	18.81	16.61	14.89	12.66	7.51

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
III. Change in Fair Value Plan Assets:							
Fair value of Plan Assets at the beginning of the period/year	-	-	-	-	-	-	-
Expected Return On plan assets	-	-	-	-	-	-	-
Contributions	2.25	2.01	3.17	3.04	1.74	1.43	1.04
Benefits Paid	(2.25)	(2.01)	(3.17)	(3.04)	(1.74)	(1.43)	(1.04)
Actuarial gain (Loss) Plan Assets	-	-	-	-	-	-	-
Fair value of plan Assets at the end of the period/year	-	-	-	-	-	-	-
IV. Actuarial gain (loss) recognized	(0.95)	0.40	1.55	1.89	1.91	(2.90)	(1.77)
V. Balance Sheet Recognition							
Present Value Of Obligation	21.29	17.48	18.81	16.61	14.89	12.66	7.51
Fair Value Of Plan Assets	-	-	-	-	-	-	-
Liability (assets)	21.29	17.48	18.81	16.61	14.89	12.66	7.51
Unrecognised Past Service Cost	-	-	-	-	-	-	-
Liability (asset) recognised in the Balance Sheet	21.29	17.48	18.81	16.61	14.89	12.66	7.51
VI. Expenses Recognition							
Current Service Cost	3.12	2.63	5.75	5.48	4.93	2.72	2.14
Interest Cost	0.66	0.65	1.17	1.17	0.94	0.60	0.28
Expected Return On plan assets	-	-	-	-	-	-	-
Net Actuarial gain (loss) recognised in the period/year	0.95	(0.40)	(1.55)	(1.89)	(1.91)	2.90	1.77
Past Service Cost	-	-	-	-	-	-	0.16
Expenses Recognised in the statement of Profit and Loss	4.73	2.88	5.37	4.76	3.96	6.22	4.35
VII. Movements in the liability recognised in Balance Sheet							
Opening net Liability	18.81	16.61	16.61	14.89	12.66	7.51	4.20
Adjustment to Present Value	-	-	-	-	-	0.36	-
Expenses	4.73	2.88	5.37	4.76	3.96	6.22	4.35
Contribution	(2.25)	(2.01)	(3.17)	(3.04)	(1.74)	(1.43)	(1.04)
Transfer In	-	-	-	-	0.01	-	-
Closing Net Liability	21.29	17.48	18.81	16.61	14.89	12.66	7.51

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
VIII. Current and Non-Current Liability							
Current	7.19	6.33	7.05	5.23	0.62	3.95	2.37
Non-current	14.10	11.15	11.76	11.38	14.28	8.71	5.14

IX. Experience adjustment

Experience adjustment on Plan liabilities loss / (gain)	(0.74)	0.14	(1.53)	(1.54)	(0.89)	2.17	1.55
Experience adjustment on Plan assets	NA	NA	NA	NA	NA	NA	NA
Total experience adjustment	(0.74)	0.14	(1.53)	(1.54)	(0.89)	2.17	1.55

Note 22 b) EMPLOYEE BENEFITS - PROVIDENT FUND

	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Balance in Reserves and Surplus as per TeamLease Services Private Limited Employees Provident Fund Trust *	334.00	237.96	270.13	200.62	131.07	67.83
Provident Fund Obligations *	9.15	7.03	9.15	6.24	4.94	6.36
Discount Rate (per annum)	7.67%	8.57%	7.93%	8.84%	7.98%	8.57%
Average historic yield on the investment portfolio	9.19%	9.24%	9.24%	9.28%	9.35%	9.39%
Appropriate term (in years)	5 Years	5 Years	5 Years	5 Years	4 Years	5 Years
Remaining term to maturity of PF portfolio (in years)	6.66 Years	8.05 Years	7.51 Years	8.47 Years	8.26 Years	7.13 Years
Discount rate for the remaining term to maturity of the investment portfolio (per annum)	9.00%	9.00%	9.00%	8.60%	8.60%	8.60%
			Indian	Indian	Indian	Indian
	Indian Assured	Indian Assured	Assured	Assured	Assured	Assured
	Lives Mortality	Lives Mortality	Lives	Lives	Lives	Lives
	(2006-08)	(2006-08)	Mortality	Mortality	Mortality	Mortality
	Ultimate	Ultimate	(2006-08)	(2006-08)	(2006-08)	(2006-08)
Mortality			Ultimate	Ultimate	Ultimate	Ultimate

* No Liability has been provided as the balances in the Reserves & Surplus as aforesaid is more than the Provident Fund Obligation.

Disclosures included are limited to the extent of disclosures provided by the actuary.

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 22 c) During the period/year ended, the Company has recognised the following amounts in the Statement of Profit and Loss:-

	₹ in millions						
Particulars	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Employers contribution to Provident Fund	563.65	447.57	959.07	721.13	599.45	445.27	318.76
Employees State Insurance Corporation	206.20	183.84	382.43	313.17	271.62	221.03	166.73
Provident Fund Administrative charges	8.70	6.89	14.79	11.10	9.23	7.28	4.83
Total	778.55	638.30	1,356.29	1,045.40	880.30	673.58	490.32

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 22 d) EMPLOYEE BENEFITS - GRATUITY

The Company has recognised gratuity liability and reimbursement right in respect of associate employees pursuant to paragraph 103 of Accounting Standard -15 issued by Institute of Chartered Accountants of India and accordingly disclosure has been made as required and to the extent provided by actuary.

Disclosure relating to actuarial valuation of Gratuity of associate employees:

₹ in millions

	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
I. Assumptions							
Discount Rate	7.48% p.a.	8.37% p.a.	7.78% p.a.	8.57% p.a.	7.87% p.a.	8.09% p.a.	7.67% p.a.
Expected Return on Plan Assets	N.A.	N/A	N.A.	N.A.	N.A.	N.A.	N.A.
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (1994-96) Ultimate
Future Salary Increases	9% p.a.	8.5% p.a.	9.6% p.a.	9.6% p.a.	8% p.a.	17.5% p.a.	19% p.a.
Attrition	45% p.a.	46% p.a.	44% p.a.	45% p.a.	49% p.a.	48% p.a.	49% p.a.
Retirement	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.	58 yrs.
II. Change in Present Value Benefit Obligation:							
Present Value Of obligation at the beginning of the period/year	228.73	156.88	156.88	103.79	68.89	54.98	34.47
Adjustment to present value	-	-	-	-	-	-	-
Interest Cost	8.15	6.23	10.91	7.66	5.35	4.42	2.64
Current Service Cost	28.94	16.18	45.60	30.90	21.14	10.21	7.45
Past Service Cost	-	-	-	-	-	-	-
Benefits Paid	(21.57)	(15.88)	(33.16)	(28.86)	(1.74)	(0.72)	-
Transfer In	-	-	-	-	-	-	-
Actuarial (gain) loss on Obligation	70.34	15.40	48.50	43.39	10.15	-	10.42
Present Value Of obligation at the end of the period/year	314.59	178.81	228.73	156.88	103.79	68.89	54.98

Annexure V Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

	As at September 30, 2015	As at September 30, 2014	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
III. Change in Fair Value Plan Assets:							
Fair value of Plan Assets at the beginning of the period/year	-	-	-	-	-	-	-
Expected Return On plan assets	-	-	-	-	-	-	-
Contributions	21.57	15.88	33.16	28.86	1.74	0.72	-
Benefits Paid	(21.57)	(15.88)	(33.16)	(28.86)	(1.74)	(0.72)	-
Actuarial gain (Loss) Plan Assets	-	-	-	-	-	-	-
Fair value of plan Assets at the end of the period/year	-	-	-	-	-	-	-
IV. Actuarial gain (loss) recognized	(70.34)	(15.40)	(48.50)	(43.39)	(10.15)	-	(10.42)
V. Balance Sheet Recognition							
Present Value Of Obligation	314.59	178.81	228.73	156.88	103.79	68.89	54.98
Fair Value Of Plan Assets	-	-	-	-	-	-	-
Liability and assets	314.59	178.81	228.73	156.88	103.79	68.89	54.98
Liability and assets recognised in the Balance Sheet	314.59	178.81	228.73	156.88	103.79	68.89	54.98
VI. Expenses and Income Recognition							
Current Service Cost	28.94	16.18	45.60	30.90	21.14	10.21	7.45
Interest Cost	8.15	6.23	10.91	7.66	5.35	4.42	2.64
Expected Return On plan assets	-	-	-	-	-	-	-
Net Actuarial gain (loss) recognised in the period/year	70.34	15.40	48.50	43.39	10.15	-	10.42
Past Service Cost	-	-	-	-	-	-	-
Expenses and Income Recognised in the statement of Profit and Loss	107.43	37.81	105.01	81.95	36.64	14.63	20.51
VII. Movements in the liability and asset recognised in Balance Sheet							
Opening net Liability and asset	228.73	156.88	156.88	103.79	68.89	54.98	34.47
Adjustment to Present Value	-	-	-	-	-	-	-
Expenses and Income	107.43	37.81	105.01	81.95	36.64	14.63	20.51
Contribution	(21.57)	(15.88)	(33.16)	(28.86)	(1.74)	(0.72)	-
Closing Net Liability and asset	314.59	178.81	228.73	156.88	103.79	68.89	54.98
VIII. Current and Non-Current Liability and asset							
Current	88.34	63.94	75.69	47.79	34.54	20.71	7.32
Non-current	226.25	114.86	153.04	109.09	69.25	48.18	47.66

Note 22 e) The employee benefits expense towards gratuity and related reimbursement right for associate employees have been netted off in the Statement of Profit and Loss.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note-23 Related Party Disclosure

SL No.	Holding Company
1	HR Offshoring Ventures Pte Limited*

SL No.	Subsidiary Companies
1	National Employability Apprenticeship Services
2	TeamLease Education Foundation
3	IIJT Education Private Limited
4	India Tourism and Hospitality Skills Education Private Limited

SL No.	Enterprises over which Key Management personnel thereof are having significant Influence
1	Hansini Management Consultants Private Limited
2	TeamLease Skills University
3	India Life Capital Private Limited

SL No.	Key Management Personnel and their relatives	Designation
1	Mr. Manish Sabharwal	Chairman
2	Mr. Ashok Reddy	Managing Director
3	Mr. Mohit Gupta	Director (Resigned w.e.f July 31, 2015)
4	Mr. Ravi Vishwanath **	Chief Financial Officer
5	Mr. Mruthunjaya Murthy	Company Secretary
6	Mrs. Asha Vishwanath	Relative of Mr. Ravi Vishwanath

*(Ceased to be the holding company since July 31, 2015)

** From the financial year 2014-15, Mr Ravi Vishwanath has been identified as a KMP in accordance with the provisions of the Companies Act, 2013.

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note-23 Related Party Disclosure

₹ in millions

Particulars	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2011	
	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)
Issue of Bonus Shares														
HR Offshoring Ventures Pte Limited	77.49	-	-	-	-	-	-	-	-	-	-	-	-	-
Hansini Management Consultants Private Limited	1.27	-	-	-	-	-	-	-	-	-	-	-	-	-
Ravi Vishwanath	0.26	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	79.02	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental Income/ Other Services														
India Life Capital Private Limited	1.10	-	1.05	-	2.15	-	1.73	-	1.62	-	1.08	-	1.02	-
India Insure Risk Management Services Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	0.06	-
TeamLease Skills University	-	-	-	-	0.17	-	-	-	-	-	-	-	-	-
Total	1.10	-	1.05	-	2.32	-	1.73	-	1.62	-	1.08	-	1.08	-
Advances / Loans Given														
IIJT Education Private Limited	-	-	-	-	-	-	0.53	-	7.91	-	18.03	-	1.03	-
TeamLease Education Foundation	35.50	-	29.07	-	80.56	-	6.97	-	30.00	-	7.56	-	0.10	-
India Life Capital Private Limited	-	-	-	-	-	-	-	-	1.24	-	2.06	-	0.12	-
Hansini Management Consultants Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	2.92	-
India Tourism & Hospitality Skills Education Private Limited	-	-	-	-	-	-	0.07	-	-	-	1.72	-	-	-
Total	35.50	-	29.07	-	80.56	-	7.57	-	39.15	-	29.37	-	4.17	-

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note-23 Related Party Disclosure

₹ in millions

Particulars	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2011	
	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)
Advances / Loans received back														
IIJT Education Private Limited	(4.20)	-	(0.81)	-	(1.31)	-	(2.50)	-	(10.00)	-	-	-	-	-
India Life Capital Private Limited	-	-	-	-	-	-	-	-	(3.03)	-	(0.27)	-	-	-
TeamLease Skills University	(0.19)	-	-	-	-	-	-	-	-	-	-	-	-	-
Hansini Management Consultants Private Limited	-	-	-	-	(3.73)	-	(0.30)	-	-	-	-	-	-	-
Total	(4.39)	-	(0.81)	-	(5.04)	-	(2.80)	-	(13.03)	-	(0.27)	-	-	-
Slump sale transaction-IIJT														
Assets transferred	-	-	-	-	-	-	-	-	4.28	-	-	-	-	-
Liabilities transferred	-	-	-	-	-	-	-	-	8.11	-	-	-	-	-
Slump sale consideration	-	-	-	-	-	-	-	-	0.30	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	12.69	-	-	-	-	-
Remuneration to Key Management Personnel														
Mr. Manish Sabharwal	2.62	-	2.27	-	4.28	-	2.99	-	1.31	-	-	-	-	-
Mr. Ashok Reddy	2.31	-	2.50	-	4.46	-	4.24	-	3.30	-	2.76	-	1.42	-
Mr. Mohit Gupta	2.64	-	2.82	-	4.25	-	4.05	-	3.20	-	3.12	-	1.30	-
Mr. Mruthunjaya Murthy	0.85	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Ravi Vishwanath	3.36	-	3.08	-	6.94	-	-	-	-	-	-	-	-	-
Total	11.78	-	8.17	-	19.93	-	11.28	-	7.81	-	5.88	-	2.72	-

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note-23 Related Party Disclosure

₹ in millions

Particulars	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2011	
	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)
Rent Paid														
Asha Vishwanath	0.30	-	0.30	-	0.60	-	-	-	-	-	-	-	-	-
Total	0.30	-	0.30	-	0.60	-	-	-	-	-	-	-	-	-
Interest Income														
TeamLease Education Foundation	4.41	-	0.63	-	2.95	-	-	-	-	-	-	-	-	-
Hansini Management Consultants Private Limited	-	-	0.18	-	0.19	-	0.35	-	0.35	-	0.31	-	0.35	-
India Life Capital Private Limited	-	-	-	-	-	-	-	-	0.17	-	0.12	-	-	-
Total	4.41	-	0.81	-	3.14	-	0.35	-	0.52	-	0.43	-	0.35	-
Interest accrued on loans/ advances given to Related Parties	4.41	-	0.81	-	3.14	-	0.35	-	0.52	-	0.43	-	0.35	-
Employee Benefit Expenses														
IIJT Education Private Limited	-	-	-	-	-	-	-	-	2.49	-	-	-	-	-
TeamLease Education Foundation	-	-	6.40	-	6.55	-	7.82	-	13.09	-	-	-	-	-
TeamLease Skills University	-	-	0.49	-	0.51	-	-	-	-	-	-	-	-	-
Total	-	-	6.89	-	7.06	-	7.82	-	15.58	-	-	-	-	-

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note-23 Related Party Disclosure

₹ in millions

Particulars	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2011	
	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)
Other Expenses														
IJIT Education Private Limited	-	-	0.01	-	0.03	-	-	-	3.30	-	-	-	-	-
National Employability Apprenticeship Services	0.01	-	0.01	-	0.03	-	-	-	0.11	-	-	-	-	-
TeamLease Education Foundation	0.42	-	0.96	-	0.98	-	4.28	-	1.59	-	-	-	-	-
TeamLease Skills University	0.02	-	1.28	-	2.93	-	-	-	-	-	-	-	-	-
India Life Capital Private Limited	0.02	0.03	-	-	0.06	-	0.30	-	0.11	-	0.54	-	0.54	-
India Tourism & Hospitality Skills Education Private Limited	0.02	-	0.00	-	0.04	-	0.00	-	0.40	-	-	-	-	-
Total	0.49	0.03	2.26	-	4.07	-	4.58	-	5.51	-	0.54	-	0.54	-
Recruitment & Consultancy Fees income														
India Life Capital Private Limited	0.27	-	0.27	-	0.54	-	0.54	-	0.89	-	0.30	-	0.33	-
Investment in Subsidiaries														
National Employability Apprenticeship Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TeamLease Education Foundation	-	-	-	-	-	-	-	-	0.10	-	-	-	-	-
India Tourism & Hospitality Skills Education Private Limited	-	-	-	-	-	-	-	-	-	-	0.10	-	-	-
IJIT Education Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	23.52	-
Total	0.27	-	0.27	-	0.54	-	0.54	-	0.99	-	0.50	-	23.85	-

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note-23 Related Party Disclosure

₹ in millions

Particulars	September 30, 2015		September 30, 2014		March 31, 2015		March 31, 2014		March 31, 2013		March 31, 2012		March 31, 2011	
	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)	Transaction Value	Receivable/ (Payable)
Outstanding balances														
Loan receivable														
Hansini Management Consultants Private Limited	-	-	-	3.72	-	-	-	3.56	-	3.55	-	3.23	-	2.94
India Life Capital Private Limited	-	-	-	-	-	0.01	-	0.01	-	0.02	-	1.91	-	0.12
IIJT Education Private Limited	-	15.01	-	19.69	-	19.21	-	20.49	-	22.46	-	19.05	-	1.03
TeamLease Education Foundation	-	195.14	-	101.55	-	155.25	-	64.49	-	53.24	-	8.56	-	1.00
TeamLease Skills University	-	9.02	-	7.66	-	9.19	-	5.73	-	-	-	-	-	-
National Employability Apprenticeship Services	-	0.14	-	0.12	-	0.14	-	0.11	-	0.11	-	-	-	-
Total	-	219.31	-	132.74	-	183.80	-	94.39	-	79.38	-	32.75	-	5.09
Trade receivable														
TeamLease Skills University	-	9.67	-	-	-	-	-	-	-	-	-	-	-	-
India Life Capital Private Limited	-	0.74	-	0.41	-	-	-	-	-	-	-	-	-	-
Total	-	10.41	-	0.41	-	-	-	-	-	-	-	-	-	-
Investment in Subsidiaries														
TeamLease Education Foundation	-	0.10	-	0.10	-	0.10	-	0.10	-	0.10	-	0.10	-	-
National Employability Apprenticeship Services	-	0.10	-	0.10	-	0.10	-	0.10	-	0.10	-	-	-	-
IIJT Education Private Limited	-	23.51	-	23.51	-	23.51	-	23.51	-	23.51	-	23.51	-	23.51
Total	-	23.71	-	23.71	-	23.71	-	23.71	-	23.71	-	23.61	-	23.51

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 24 - Segment Reporting

a) Primary Segments

The business segment has been considered as the primary segment.

The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system. The Company's primary business comprises of Staffing Operations, Recruitment Operations, Training Operations.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets (including fixed assets) and liabilities that are directly attributable to segments are disclosed under each reportable segment. Common assets have been allocated to each segment on the basis of associated revenues of each segment. Common liabilities have been allocated to each segment on the basis of total segment expense. All other assets and liabilities are disclosed as unallocable.

₹ in millions

Segment	For the period/year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
(i) Segment Revenue							
External Revenue							
Staffing	11,606.87	9,471.30	20,070.24	15,025.77	12,236.27	9,006.27	6,533.42
Recruitment	82.03	64.88	137.71	112.95	116.78	122.61	133.42
Training	31.83	74.14	152.04	107.37	101.37	95.19	183.50
Unallocated	36.83	23.56	49.59	47.24	34.58	17.39	9.00
Total	11,757.56	9,633.89	20,409.59	15,293.33	12,489.00	9,241.46	6,859.34
Balances Written Back/ Recovered							
Staffing	-	6.06	26.13	8.87	86.06	12.05	-
Recruitment	-	-	8.16	-	-	-	-
Training	-	-	6.31	12.98	-	-	-
Unallocated	-	-	2.19	1.08	-	-	81.21
Total	-	6.06	42.79	22.93	86.06	12.05	81.21
Add: Interest / Dividend income							
Staffing	-	-	-	-	-	-	-
Recruitment	-	-	-	-	-	-	-
Training	-	-	-	-	-	-	-
Unallocated	47.75	57.30	98.41	71.16	69.18	75.75	10.15
Total	47.75	57.30	98.41	71.16	69.18	75.75	10.15

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 24 - Segment Reporting

₹ in millions

	Segment	For the period/year ended					
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Add: Gain on Mutual fund and Other Income	Staffing	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-
	Training	0.29	2.15	2.75	-	-	-
	Unallocated	1.21	1.61	8.45	7.38	4.53	5.07
	Total	1.50	3.76	11.20	7.38	4.53	5.07
Total Revenue		11,806.81	9,701.01	20,561.99	15,394.80	12,648.77	9,334.33
(ii) Segment Results	Staffing	109.42	99.36	204.83	205.28	203.43	140.62
	Recruitment	9.38	0.94	29.05	(0.09)	(0.05)	(14.76)
	Training	(0.22)	(34.71)	(12.04)	(55.40)	(125.21)	(236.26)
	Unallocated	45.10	65.17	93.56	29.54	(120.58)	(40.46)
	Total	163.68	130.76	315.40	179.33	(42.41)	(150.86)
Income Taxes (Current and Deferred Tax)	Staffing	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-
	Training	-	-	-	-	-	-
	Unallocated	55.67	(39.77)	19.12	20.88	-	-
	Total	55.67	(39.77)	19.12	20.88	-	-
MAT Credit entitlement	Staffing	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-
	Training	-	-	-	-	-	-
	Unallocated	-	-	-	(20.88)	-	-
	Total	-	-	-	(20.88)	-	-
Profit/(Loss) after tax	Staffing	109.42	99.36	204.83	205.28	203.43	140.62
	Recruitment	9.38	0.94	29.05	(0.09)	(0.05)	(14.76)
	Training	(0.22)	(34.71)	(12.04)	(55.40)	(125.21)	(236.26)
	Unallocated	(10.57)	104.94	74.44	29.54	(120.58)	(40.46)
	Total	108.01	170.53	296.28	179.33	(42.41)	(150.86)

Annexure V-Notes to the Restated Standalone Financial Information of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Note 24 - Segment Reporting

₹ in millions

	Segment	For the period/year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
(iii) Segment Assets	Staffing	2,419.02	1,380.81	1,603.10	838.35	773.30	624.26	442.18
	Recruitment	58.84	41.05	31.54	35.29	765.55	3.46	64.52
	Training	64.75	33.08	68.21	57.57	71.97	96.88	104.59
	Unallocated	2,025.32	1,832.66	1,788.16	1,487.96	618.39	1,219.78	332.75
	Total	4,567.93	3,287.60	3,491.02	2,419.17	2,229.21	1,944.38	944.04
(iv) Segment liabilities	Staffing	2,372.26	1,491.25	1,731.40	1,171.30	816.60	807.29	644.91
	Recruitment	4.33	3.55	4.82	-	19.85	7.72	2.58
	Training	52.00	54.28	54.06	55.97	29.19	65.51	88.10
	Unallocated	557.51	400.28	226.93	14.35	365.36	23.23	10.19
	Total	2,986.09	1,949.36	2,017.20	1,241.62	1,231.00	903.75	745.78
(v) Capital Expenditure	Staffing	28.65	9.42	25.49	16.38	-	-	-
	Recruitment	-	-	-	-	-	-	-
	Training	-	-	-	-	-	-	-
	Unallocated	10.88	4.97	12.27	12.48	16.85	46.24	158.26
	Total	39.53	14.39	37.76	28.86	16.85	46.24	158.26
(vi) Depreciation/ Amortization	Staffing	-	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-	-
	Training	0.04	1.66	-	-	-	-	-
	Unallocated	9.01	15.25	26.75	18.79	35.88	37.12	39.56
	Total	9.05	16.91	26.75	18.79	35.88	37.12	39.56
(vii) Non Cash Expenditure other than Depreciation	Staffing	-	-	-	-	-	-	-
	Recruitment	-	-	-	-	-	-	-
	Training	-	-	-	-	-	-	-
	Unallocated	31.58	23.65	59.48	57.58	110.13	80.02	355.37
	Total	31.58	23.65	59.48	57.58	110.13	80.02	355.37

b) Geographical Segment:

The Company operates in one Geographic segment namely “Within India” and hence no separate information for Geographic segment wise disclosure is required.

Annexure VI-Restated Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Summarized below are the restatement adjustments made to the audited standalone financial statements for the period ended September 30, 2015, 2014 and year ended March 31, 2015, 2014, 2013, 2012, 2011 and their impact on the profit / (loss) of the Company:

₹ in millions

Particulars	For the Period/Year ended						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
A. Adjustments:							
Material Restatement Adjustments							
(Excluding those on account of changes in accounting policies):							
(i) Audit Qualifications	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-
(ii) Other adjustments							
(a) Bad debts written off (Refer VI.A.3 below)	(8.54)	(5.85)	(4.10)	(7.67)	(22.25)	(23.16)	63.57
(b) Bad advances written off (Refer VI.A.3 below)	-	-	-	-	(4.20)	(0.77)	2.22
(c) Provision for diminution in investments (Refer VI.A.4 below)	-	-	(2.29)	0.07	0.40	1.82	-
(d) Provision for Doubtful debts (Refer VI.A.4 below)	(11.23)	(6.85)	2.80	16.02	14.93	(20.97)	(0.30)
(e) Service tax written off (Refer VI.A.5 below)	-	-	-	-	(3.40)	-	3.40
(f) Sundry balances written back (Refer VI.A.2 below)	2.51	22.56	24.01	5.00	70.00	(20.77)	(7.47)
(g) Sundry balances written off (Refer VI.A.5 below)	(0.62)	-	(5.48)	(5.29)	1.88	3.77	(0.61)
(h) Provision for Doubtful debts no longer required and written back (Refer VI.A.2 below)	4.83	7.15	10.61	2.73	(4.45)	(0.67)	0.14
(i) Provision for Irrecoverable Advances written back (Refer VI.A.2 below)	-	-	-	-	-	-	1.42
(j) Provision for Doubtful debts written back (Refer VI.A.2 below)	4.92	0.29	3.59	5.83	(7.81)	27.30	(46.54)
(k) Incremental Bonus expenses - Core Employees (Refer VI.A.6 below)	(1.64)	0.72	1.64	-	-	-	-
(l) Incremental Bonus expenses - Associates (Refer VI.A.6 below)	(333.30)	195.03	333.30	-	-	-	-
(m) Incremental Revenue on account of bonus - Associates (Refer VI.A.6 below)	338.89	(198.14)	(338.89)	-	-	-	-
Total:	(4.17)	14.90	25.19	16.69	45.10	(33.45)	15.83
(iii) Deferred tax adjustments (Refer Note VI.A.7 below)	(1.08)	0.44	1.08	-	-	-	-
B. Adjustments on account of changes in accounting policies :							
Excess depreciation written back	-	-	-	-	-	-	14.85
Total:	-	-	-	-	-	-	14.85
Total impact of Adjustments (A+B)	(5.25)	15.34	26.27	16.69	45.10	(33.45)	30.68

Annexure VI (continued..)

Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited(formerly known as TeamLease Services Private Limited)

A) Adjustments

1 Adjustments for Audit Qualifications

None

- 2 In the audited Standalone financial statements of the Company for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011, certain provisions/ liabilities created in earlier years were written back. For the purpose of this statement, the said provisions/ liabilities have been appropriately adjusted in the respective periods/years in which they were originally created.
- 3 In the audited Standalone financial statements of the Company for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011, certain amounts had been written-off as bad debt and bad advance (net of provision adjustment), which for the purpose of this statement, have been appropriately adjusted in the respective periods/years to which they relate.
- 4 Debts and Advances, which were considered doubtful and provided (net of provision for doubtful debts written back) for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 have been appropriately adjusted in the respective periods/years to which they relate.
- 5 Write off of TDS and Service Tax receivable amounts for the six months periods ended September 30, 2015 and 2014 and for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 have been appropriately adjusted in the respective periods/years to which they relate.
- 6 Subsequent to the six months period ended September 30, 2015, Payment of Bonus Act, 1965 (‘ the Act’’) has been amended vide the Payment of Bonus (Amendment) Act, 2015. The Act has been amended to take retrospective effect w.e.f. April 01, 2014 and accordingly revised bonus (including arrears related to the year ended March 31, 2015 and the six months period ended September 30, 2014) is required to be paid to the eligible employees. Hence, the Company has recognized statutory bonus of Rs. 495.41 millions in the six months period ended September 30, 2015 (including Rs. 334.93 millions relating to the year ended March 31, 2015 and Rs. 195.74 million relating to the six months period ended September 30, 2014) forming part of salaries, wages and bonus with a corresponding amount included in provision for employee benefits payable as at September 30, 2015. Based on the contractual agreements with the customers, the amount in respect of associate employees is recoverable from them with the stated mark-ups and accordingly, revenue from sale of services to the tune of Rs. 500.94 millions(net of service tax) [including Rs. 338.89 millions(net of service tax) relating to the year ended March 31, 2015 and Rs. 198.14 millions(net of service tax) relating to the six months period ended September 30, 2014] has been recognised with a corresponding amount included in unbilled revenue of Rs. 573.58 millions with service tax thereon as at September 30, 2015 in the audited standalone financial statements as of and for the six months period ended September 30, 2015. Accordingly, the amounts pertaining to the six months period ended September 30, 2014 and the year ended March 31, 2015 have been appropriately restated with a corresponding impact to six months period ended September 30, 2015 respectively in the Restated Standalone Financial
- 7 The tax rate applicable for the respective periods/years has been used to calculate the deferred tax impact on adjustments.
- 8 **Changes in Accounting Policy**
During the financial year ended March 31, 2011 Company has changed the policy of charging depreciation from Written Down Value (WDV) method to Straight Line Method (SLM). The excess depreciation charged on account of WDV method has been appropriately adjusted.

Annexure VI (continued..)

Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited(formerly known as TeamLease Services Private Limited)

9 Opening Reserve Reconciliation

	₹ in millions
Deficit in Statement of Profit and Loss, as per audited Standalone Financial Statement as at April 1, 2010	(22.17)
Adjustment on account of Restatements:-	
(a) Bad advances written off	2.75
(b) Bad debts written off	2.15
(c) Provision for Doubtful debts	(1.26)
(d) Excess depreciation written back	(14.85)
(e) Sundry balances written back	(73.28)
(f) Sundry balances written off	6.35
(g) Provision for Doubtful debts written back	(0.47)
(h) Provision for Irrecoverable Advances written back	(1.42)
Surplus as per Restated Standalone Financial Information as at April 1, 2010	57.85

Annexure VI (continued..)**Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)**

Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2014-15 and in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies act, 1956 of India for Financial Year 2013-14, 2012-13, 2011-12 and 2010-11:

FY 2014-15

1. According to the information and explanations given to us and the records of the companies examined by us, in our opinion, except certain dues in respect of Service Tax, TDS, Provident Fund, ESIC, Professional Tax, the company is regular in depositing undisputed statutory dues including investor education and protection fund, employee state insurance, income tax, wealth tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at 31 March 2015, for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Due Date	Date of Payment
Professional Tax Act (Various states)	Professional Tax	2.55	Financial Year 2011-12 and 2013-14	Financial Year 2011-12 and 2013-14	Unpaid

2. According to the information and explanations given to us and the records of the companies examined by us, there are no dues of wealth-tax, which have not been deposited on account of any dispute. The particulars of dues of service tax and tax deducted at source as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	75.70	April 2006 to December 2008	The Custom, Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	14.94	April 2007 to September 2010	The Supreme Court of India
Income Tax Act, 1961	Tax Deducted at Source	0.77	2010-11	The Commissioner of Income Tax (Appeals)

Annexure VI (continued..)**Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)****FY 2013-14**

1. The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noted on such verification were material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.

2. According to the information and explanations given to us and the records of the companies examined by us, in our opinion, except certain dues in respect of Service Tax, TDS, Provident Fund, ESIC, Professional Tax, the company is regular in depositing undisputed statutory dues including investor education and protection fund, employee state insurance, income tax, wealth tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at 31 March 2014, for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Due Date	Date of Payment
Professional Tax Act (Various states)	Professional Tax	2.55	2011-12	2011-12	Unpaid

3. According to the information and explanations given to us and the records of the companies examined by us, there are no dues of wealth-tax, which have not been deposited on account of any dispute. The particulars of dues of service tax and tax deducted at source as at March 31, 2014 which have not been deposited on account of a dispute, are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	75.70	April 2006 to December 2008	Appellate Tribunal
Finance Act, 1994	Service Tax	14.94	April 2007 to September 2010	High Court of Karnataka
Income Tax Act, 1961	Tax Deducted at Source	0.77	2010-11	Commissioner of Income Tax (Appeals)

Annexure VI (continued..)**Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)****FY 2012-13**

1. Accumulated losses of the Company exceeded fifty percent of its net worth as at March 31, 2013 and it has not incurred cash losses in the financial year ended on that date but incurred cash losses in the immediately preceding financial year.

2. According to the information and explanations given to us and the records of the companies examined by us, in our opinion, except certain dues in respect of Service Tax, TDS, Provident Fund, ESIC, Professional Tax, the company is regular in depositing undisputed statutory dues including investor education and protection fund, employee state insurance, income tax, wealth tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at 31 March 2013, for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Due Date	Date of Payment
Income Tax, 1961	TDS	1.02	2009-10	2009-10	Unpaid
Employee State Insurance Act, 1948	Employee Contribution to ESIC	0.01	2009-10	2009-10	Unpaid
Employee State Insurance Act, 1948	Employee Contribution to ESIC	0.04	2011-12	2011-12	Unpaid
West Bengal Professional Tax Act, 1979	Professional Tax	0.01	2009-10	2009-10	Unpaid
Professional Tax Act (Various Acts)	Professional Tax	2.55	2011-12	2011-12	Unpaid

3. According to the information and explanations given to us and the records of the companies examined by us, the particulars of dues of service tax and tax deducted at source as at March 31, 2013 which have not been deposited on account of a dispute, are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	75.71	April 2006 to December 2008	Appellate Tribunal
Income Tax Act, 1961	Tax Deducted at Source	1.17	2009-10	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax Deducted at Source	0.77	2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Assessment order for AY2010-11	19.48	2009-10	Commissioner of Income Tax (Appeals)

Annexure VI (continued..)**Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)****FY 2011-12**

1. In our opinion, and according to the information and explanations given to us, except for weaknesses in internal controls in Retail Training Income for which the Management is yet to take remedial measures, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

2. The accumulated losses of the Company exceeded fifty percent of its net worth as at March 31, 2012 and it has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.

3. According to the information and explanations given to us and the records of the companies examined by us, in our opinion, except certain dues in respect of Service Tax, TDS, Provident Fund, ESIC, Professional Tax, the company is regular in depositing undisputed statutory dues including investor education and protection fund, employee state insurance, income tax, wealth tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at 31 March 2012, for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Due Date	Date of Payment
Finance Act	Service Tax	38.20	2009-10	2009-10	Unpaid
Finance Act	Service Tax	5.57	2009-10 to June 2011	2009-10 to June 2011	Unpaid
Income Tax, 1961	TDS	1.06	2009-10	2009-10	Rs. 46,981 paid on May 15, 2012
Employee State Insurance Act, 1948	Employee Contribution to ESIC	0.01	2009-10	2009-10	Unpaid
Employee State Insurance Act, 1948	Employee Contribution to ESIC	0.04	2011-12	2011-12	Unpaid
West Bengal Professional Tax Act, 1979	Professional Tax	0.02	2009-10	2009-10	Unpaid

4. According to the information and explanations given to us and the records of the companies examined by us, the particulars of dues of service tax as at March 31, 2012 which have not been deposited on account of a dispute, are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	14.94	April 2007 to September 2010	Appellate Tribunal

Annexure VI (continued..)**Statement on Adjustments to Audited Standalone Financial Statements of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)****FY 2010-11**

1. On the basis of our examination of the inventory records, in our opinion, the Company is not maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

2. In our opinion, and according to the information and explanations given to us, except for, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventories and fixed assets and for the sale of goods and services except in case of Retail Training Income where there is further scope for improvement. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

3. In our opinion, the Company does not have an internal audit system commensurate with its size and nature of its business.

4. According to the information and explanations given to us and the records of the companies examined by us, in our opinion, except certain dues in respect of Service Tax and TDS, the company is regular in depositing undisputed statutory dues including investor education and protection fund, employee state insurance, income tax, wealth tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at 31 March 2011, for a period of more than six months from the date they became payable are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Due Date	Date of Payment
Finance Act	Service Tax	41.96	2009-10	2009-10	Unpaid
Income Tax, 1961	TDS	0.83	2009-10	2009-10	Unpaid

5. According to the information and explanations given to us and the records of the companies examined by us, the particulars of dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess as at March 31, 2011 which have not been deposited on account of a dispute, are as follows:

Name of statute	Nature of dues	(Rs. in million)	Period to which the amount relates	Forum where the dispute is pending
Employees State Insurance Act, 1948	Employees Contribution to ESIC	0.50	2002-2006	Deputy Director of ESIC

6. The Company has accumulated losses of Rs. 396.63 million as at March 31, 2011 which is more than fifty percent of its net worth and it has incurred cash losses of Rs. 94.44 million during the financial year ended on that date but has not incurred cash loss in the immediately preceding financial year.

Annexure VII-Restated Standalone Statement of Secured Borrowings of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long term borrowings							
Secured term loans:							
From banks	-	-	-	-	0.35	0.75	0.15
Sub-total (A)	-	-	-	-	0.35	0.75	0.15
Short term borrowings							
Secured loans- Others	-	-	-	8.22	120.41	74.67	8.36
Sub-total (B)	-	-	-	8.22	120.41	74.67	8.36
Current portion of Secured long term borrowings, included in Other Current Liabilities							
From banks (refer Annexure V, Note-5)	-	-	-	0.35	0.37	0.46	0.11
Sub-total (C)	-	-	-	0.35	0.37	0.46	0.11
Total (A+B+C)	-	-	-	8.57	121.13	75.88	8.62

Annexure VIII-Restated Standalone Statement of Unsecured Borrowings of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Unsecured loans: Sangeetha Gautam Reddy (Note : 1)	-	-	-	-	-	-	20.00
Total	-	-	-	-	-	-	20.00

Note:

1)The above loan was taken from Mrs. Sangeetha Gautham Reddy at 12% per annum repayable on demand. The same has been repaid during the financial year 2011-12.

Annexure IX- Restated Standalone Statement of Other Long Term Liabilities of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Statutory Payables	42.19	42.54	42.19	42.53	39.99	38.25	38.23
Other Liabilities	8.91	11.84	10.15	13.44	13.92	8.82	8.12
Total	51.10	54.38	52.34	55.97	53.91	47.07	46.35

Annexure X-Restated Standalone Statement of Investments of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
<u>Non-current investments (A)</u>							
Equity Shares -Unquoted Instruments (Investments in Subsidiaries)							
IIJT Education Private Limited ('IIJT') (Note : (a))	243.35	243.35	243.35	243.35	243.35	243.35	243.35
Less: Provision for Diminution in the Value of Investments	(219.84)	(219.84)	(219.84)	(219.84)	(219.84)	(219.84)	(219.84)
	23.51	23.51	23.51	23.51	23.51	23.51	23.51
TeamLease Education Foundation ('TLEF') (Note : (b))	0.10	0.10	0.10	0.10	0.10	0.10	-
National Employability Apprenticeship Services ('NEAS') (Note : (b))	0.10	0.10	0.10	0.10	0.10	0.00	-
India Tourism & Hospitality Skills Education Private Limited ('ITHS') (Note : (b))	0.10	0.10	0.10	0.10	0.10	0.10	-
Less: Provision for Diminution in the Value of Investments (Note : (c))	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)	(0.10)	-
Total (A)	23.71	23.71	23.71	23.71	23.71	23.61	23.51
<u>Current investments (B)</u>							
Mutual Funds (Unquoted):							
Reliance Liquid Fund-Treasury Plan Daily Dividend Option 26165.34 Units	-	40.00	-	-	-	-	-
Total (B)	-	40.00	-	-	-	-	-
Total (A+B)	23.71	63.71	23.71	23.71	23.71	23.61	23.51

Notes:

(a) Pursuant to the Share Purchase, Share Subscription and Shareholders Agreements entered into by the Company during the year with the shareholders of IIJT, the company has acquired 69% of their holding in IIJT on April 4, 2010 for a consideration of Rs.241.50 million and made an advance payment of Rs.221.50 million. During the year 2010-11, the Company has acquired remaining 31% of the holding in IIJT for a consideration of Rs.21.51 million and accordingly IIJT has become a wholly owned subsidiary of the Company effective March 11, 2011.

The cost of investment in IIJT Education Private Limited has been substantially eroded during FY2010-11 due to accumulated losses of the investee company. In the view of this, the Company has made a provision of Rs.219.84 million towards diminution in the value of long term investment, other than temporary.

(b) TLEF, NEAS and ITHS are promoted by the Company as 100% subsidiaries.

(c) The cost of investment in ITHS has been substantially eroded during the financial year 2014-15 due to accumulated losses. In the view of this, the Company has made a provision for the total investment made in ITHS, including loans and advances.

Annexure XI-Restated Standalone Statement of Trade Receivables of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	As at						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long-Term Trade Receivables:							
Unsecured considered doubtful	52.94	55.73	57.94	53.35	18.05	0.32	4.31
Less: Provision for Doubtful Debts	(52.94)	(55.73)	(57.94)	(53.35)	(18.05)	(0.32)	(4.31)
Total long-term trade receivables	-	-	-	-	-	-	-
Short-Term Trade Receivables:							
Unsecured , Considered good:							
Outstanding for a period exceeding Six months from the date they are due for payment	14.70	18.10	16.99	18.10	18.09	52.74	21.63
Others	1,170.77	778.43	785.13	573.54	595.28	487.51	324.64
	1,185.47	796.53	802.12	591.64	613.37	540.25	346.27
<u>Unsecured, Considered doubtful:</u>							
Outstanding for a period exceeding Six months from the date they are due for payment	17.52	17.60	4.55	15.40	12.09	-	-
Less : Provision for doubtful debts	(17.52)	(17.60)	(4.55)	(15.40)	(12.09)	-	-
	-	-	-	-	-	-	-
Total current trade receivables	1,185.47	796.53	802.12	591.64	613.37	540.25	346.27

Note:

1. There are no amounts recoverable from Directors or Promoters of the Company.
2. The list of persons/entity classified as "Promoters and promoter group Company" has been provided by the management and relied upon by the auditors.

Annexure XII-Restated Standalone Statement of Loans and Advances of TeamLease Services Limited (formerly known as TeamLease Services Private

Particulars	As at (₹ in millions)						
	September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Long-term loans and advances: [A] (Unsecured and considered good, unless otherwise stated)							
Capital Advances	1.89	0.05	-	-	-	-	0.01
<u>Security Deposits</u>							
Rental Deposits	57.79	46.18	54.34	44.81	44.06	39.29	32.12
Other Deposits	9.34	6.63	7.09	5.35	4.27	4.29	4.17
<u>Other loans and advances</u>							
Prepaid Expenses	0.20	0.08	6.97	0.32	0.56	0.59	-
Balances with Service Tax Authorities	6.48	6.48	6.48	6.48	6.48	-	-
Loan to Related Parties (Refer Annexure V Note 23)	166.85	109.21	122.32	5.73	-	-	-
MAT Credit Entitlement	-	-	-	20.88	-	-	-
Balances with Income Tax Authorities (Net of provision for tax)	295.74	240.09	235.12	166.73	249.54	164.50	61.47
Total (A)	538.29	408.72	432.32	250.30	304.91	208.67	97.77
Short-term loans and advances: [B] (Unsecured and considered good, unless otherwise stated)							
<u>Security Deposits</u>							
Rental Deposits	-	-	-	-	-	20.09	14.97
Other Deposits	-	-	-	-	-	10.50	1.73
<u>Other Loans and Advances</u>							
Advances recoverable in Cash or in kind or for value to be received	5.70	5.79	6.85	3.48	5.14	0.51	7.01
Loans and Advances to Related Parties (Refer Annexure V Note 23)	45.41	22.75	58.81	88.66	79.37	32.75	5.09
Prepaid Expenses (Refer Note 2 below)	78.38	34.33	27.74	24.07	17.12	17.71	11.50
Capital Advances	-	-	-	0.65	-	-	-
Balances with Income Tax Authorities (Refer Note 3 below)	-	-	-	160.41	-	-	-
Advances to Staff	4.67	3.64	3.14	3.15	3.45	3.28	1.65
<u>Unsecured considered doubtful</u>							
Loans and Advances to Related Parties (Refer Note 23)	2.25	2.19	2.23	-	-	-	-
Less: Provision for doubtful loans and advances	(2.25)	(2.19)	(2.23)	-	-	-	-
Balances with Service Tax Authorities (Net)	-	-	-	-	-	6.32	-
Total (B)	134.16	66.51	96.54	280.42	105.08	91.16	41.95
Total (A+B)	672.45	475.23	528.86	530.72	409.99	299.83	139.72

Note 1: There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above. The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon the auditors.

Note 2: Includes Rs. 41.97 million (March 31, 2015: Rs. 6.65 million) expenses incurred for proposed Initial Public Offer (IPO) by the Company. These share issue expenses will be adjusted against the balance in securities premium account in the year of issue of shares.

Note 3: Balance with Income tax Authorities on March 2014 is inclusive of refund receivable from income tax authority amounting to Rs. 13.69 million for the Assessment Year 2011-2012, which was received on 9th April 2014.

Annexure XIII-Restated Standalone Statement of Other Income of TeamLease Services Limited of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Nature (Recurring / Non-recurring)	For the period/year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Other Income:								
Interest on Fixed Deposits	Recurring	41.85	38.95	79.71	66.05	68.66	72.39	8.55
Interest on loans to Related Parties	Recurring	4.41	0.80	3.14	0.35	0.52	0.48	0.35
Interest on Income Tax Refund	Non-Recurring	-	15.56	15.56	4.76	-	2.88	1.25
Sundry balances written back	Recurring	2.51	23.41	23.68	9.95	86.06	12.05	81.21
Provision for doubtful Debts No Longer Required Written Back	Non-Recurring	4.83	8.73	14.86	12.98	-	-	-
Dividend Income from Mutual Fund Investments	Non-Recurring	1.49	1.99	3.30	2.03	1.22	1.84	3.26
Foreign Exchange Gains (Net)	Non-Recurring	-	-	0.00	0.28	-	-	-
Bad Debt recovered	Non-Recurring	-	-	0.85	-	-	-	-
Profit on slump sale (Note 2 below)	Non-Recurring	-	0.61	0.60	-	-	-	-
Excess depreciation written back	Non-Recurring	-	3.16	-	-	-	-	14.85
Other Income	Non-Recurring	1.55	-	6.45	5.07	3.31	3.23	9.58
Total		56.64	93.21	148.15	101.47	159.77	92.87	119.05
Add/(Less) Restatement adjustments								
Sundry balances written back	Annexure VI A (ii) (f)	(2.51)	(22.56)	(24.01)	(5.00)	(70.00)	20.77	7.47
Provision for Doubtful debts no longer required and written back	Annexure VI A (ii) (h)	(4.83)	(7.15)	(10.61)	(2.73)	4.45	0.67	(0.14)
Provision for Irrecoverable Advances written back	Annexure VI A (ii) (i)	-	-	-	-	-	-	(1.42)
Total Restatement Adjustments		(7.34)	(29.71)	(34.62)	(7.73)	(65.55)	21.44	5.91
Other income net of restatement adjustments		49.30	63.50	113.53	93.74	94.22	114.31	124.96

Notes:

1. The classification of income into recurring and non-recurring is based on the current operations and business activities of the Company.
2. The corporate training business of the Company has been transferred to TeamLease Skills University (TLSU) on August 1, 2014 for a consideration of Rs.0.16 million. All related assets and liabilities on July 31, 2014 are also transferred to TLSU and a profit of Rs.0.60 million has been recorded on this slump sale.
3. All items of Other Income are from normal business activities.

Annexure XIV-Restated Standalone Statement of Accounting Ratios of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

Sr. No.	Particulars	For the period/year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
1	Restated Profit / (Loss) after Tax (₹ in millions)	108.01	170.52	296.27	179.33	(42.40)	(150.86)	(405.16)
2	Net Profit / (Loss) available to Equity Shareholders (₹ in millions)	108.01	170.52	296.27	179.33	(42.40)	(150.86)	(405.16)
3	Weighted average number of Equity Shares outstanding during the period/year (Refer Note 4 below)	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	11,924,940
4	Number of Equity Shares outstanding at the end of the period/year (Refer Note 4 below)	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	15,332,064	11,924,940
5	Net Worth for Equity Shareholders (₹ in millions)	1,581.83	1,338.23	1,473.82	1,177.55	998.23	1,040.63	198.26
6	Accounting Ratios:							
	Basic & Diluted Earnings / (Loss) per Share (₹) (2)/(3)	7.05	11.12	19.32	11.70	(2.77)	(9.84)	(33.98)
	Return on Net Worth for Equity Shareholders(2)/(5)	6.83%	12.74%	20.10%	15.23%	-4.25%	-14.50%	-204.36%
	Net Asset Value Per Share (₹) (5)/(4)	103.17	87.28	96.13	76.80	65.11	67.87	16.63

Note:

1. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

2 Net worth for ratios mentioned in Sr No 5 = Equity share capital + Reserves and surplus (including Securities Premium and Surplus/ (Deficit)

3. The above ratios have been computed on the basis of the Restated Standalone Financial Information- Annexure I & Annexure II.

4. During the six months period ended September 30, 2015, the Company has issued 148,209,952 bonus shares thereby increasing the number of equity shares to 153,320,640 of Re. 1 each and every 10 equity shares of Re.1 of the Company are consolidated into 1 equity share thereby increasing the face value of the equity share to Rs. 10 per share. Accordingly total 153,320,640 shares of Re.1 each post-bonus have been consolidated into 15,332,064 shares of Rs. 10 each by reducing 137,988,576 number of shares. Accordingly, Basic and Diluted earning per share has been adjusted for the periods presented above in line with the Accounting Standard (AS)- 20 "Earnings per share" (Refer Note 3.10 and 3.11).

5. The above EPS - basic and diluted figures for the six months period ended September 30, 2015 and 2014 are not annualised.

Annexure XV-Restated Standalone Statement of Capitalisation of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)

₹ in millions

Particulars	Pre-Issue as at September 30, 2015
Debt:	
Short term borrowings	-
Long term borrowings	-
Current portion of Secured long term borrowings, included in Other Current Liabilities	-
Total debt (A)	-
Shareholders Funds:	
Equity Share Capital	153.32
Reserves and Surplus	1,428.51
Total Shareholders Funds (B)	1,581.83
Total Debt/Equity Ratio (A/B)	-

Notes:

- i) The above has been computed on the basis of the Restated Standalone Financial Information - Annexure I & Annexure II.

Annexure XVI-Restated Standalone Statement of Tax Shelter of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)								
₹ in millions								
Sr. No.	Particulars	For the period/year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
A	Profit/ (Loss) before taxation and adjustments	159.51	145.65	340.58	196.02	2.70	(184.31)	(374.48)
B	Tax at applicable Rates	34.61%	33.99%	33.99%	33.99%	30.90%	30.90%	30.90%
C	Tax thereon at the above rate	55.20	49.51	115.76	66.63	0.84	(56.95)	(115.71)
	Adjustments:							
D	<u>Permanent Differences</u>							
	Net Disallowances/ (Allowances) under the Income Tax Act	2.14	2.29	6.10	-	-	-	-
	Dividend Income	(1.49)	(1.99)	(3.30)	(2.03)	(1.22)	(1.84)	(3.26)
	Others	0.58	0.34	0.34	7.86	65.42	(22.98)	226.56
	Total Permanent Differences	1.23	0.64	3.14	5.83	64.20	(24.82)	223.30
E	<u>Timing Differences</u>							
	Difference in depreciation as per Income Tax and Companies Act	(0.21)	7.11	5.21	(10.31)	(2.83)	(2.49)	0.33
	Deduction u/s 43B of the Income tax Act	30.79	31.78	(11.04)	0.36	3.17	53.02	47.14
	Carry Forward Business Loss and unabsorbed Depreciation / (Brought Forward Business Loss & Unabsorbed Depreciation)	-	(129.01)	(128.84)	(173.45)	(95.08)	163.09	91.49
	Others	8.51	12.28	12.31	(9.03)	27.88	(4.49)	12.19
	Total Timing Differences	39.09	(77.84)	(122.36)	(192.43)	(66.86)	209.13	151.15

Annexure XVI-Restated Standalone Statement of Tax Shelter of TeamLease Services Limited (formerly known as TeamLease Services Private Limited)								
₹ in millions								
Sr. No.	Particulars	For the period/year ended						
		September 30, 2015	September 30, 2014	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
F	Net Adjustments (D+E)	40.32	(77.20)	(119.22)	(186.60)	(2.66)	184.31	374.45
G	Tax Expense/ (savings) thereon (FxB)	13.95	(26.24)	(40.52)	(63.43)	(0.84)	56.95	115.71
H	Tax Liability (C+G)	69.15	23.27	75.24	3.20	-	-	-
I	Minimum Alternate Tax under Sec. 115 JB of Income Tax Act including other taxes							
	Tax Rate as per Minimum Alternate Tax under Sec. 115 JB of Income Tax Act	21.34%	20.96%	20.96%	20.96%	19.06%	18.54%	15.45%
	Tax Liability as per Minimum Alternate Tax under Sec. 115 JB of Income Tax Act including other taxes	33.61	-	51.98	20.88	-	-	-
J	Net Tax Liability (Higher of H and I)	69.15	23.27	75.24	20.88	-	-	-
K	Total Current Tax	69.15	23.27	75.24	20.88	-	-	-
L	Impact of Material Adjustments for Restatement in corresponding years	(4.17)	14.90	25.19	16.69	45.10	(33.45)	15.83
M	MAT Credit Entitlement Recognised	-	-	-	(20.88)	-	-	-
N	Taxable Profit before Taxation and after adjustments as Restated (A+F+L, restricted to zero)	195.66	83.36	246.54	26.12	45.15	(33.44)	-
O	Total Tax Liability after Tax impact of adjustments(K+M)	69.15	23.27	75.24	-	-	-	-

FINANCIAL INDEBTEDNESS

As on December 31, 2015, the aggregate outstanding borrowings of our Company on a consolidated basis are as follows:

(₹ In Millions)

S.No.	Nature of Borrowing	Amount (₹) million
1.	Secured borrowings (Our Company and our Company's subsidiaries have taken certain overdraft facilities and availed bank guarantees from our lenders, the details of which have been provided herein below)	284.68
2.	Unsecured borrowings	Nil

The details of indebtedness of our Company as at December 31, 2015, together with a brief description of certain material covenants of the relevant financing agreements, are provided below:

S.No.	Lender	Particulars of the documentation	Amount Sanctioned (in ₹)	Interest rate/ Commission rate (% p.a.)	Purpose	Repayment	Security
1.	HDFC Bank	Sanction letter dated November 30, 2015; Letter of general lien and set off January 06, 2015; Memorandum relating to charge over fixed deposit for ODFD facility dated January 13, 2015; Demand promissory note dated January 05, 2015; and Letter of continuity of demand promissory note dated January 06,	Overdraft against fixed deposits of 200.00 million and bank guarantee against fixed deposit of 30.00 million Bank guarantee availed as on December 31, 2015: 13.85 million	Overdraft: At prevailing rates, at the time was 200 BPS over the fixed deposit rate. Penal Interest: 4.00% in addition to the above rate. Interest is payable on monthly basis. Commission at the rate of 2.00% payable upfront on bank guarantee.	Overdraft against fixed deposits: overdraft facility. Bank Guarantee: Towards bid bond, security deposit, earnest money deposit, contract performance, performance guarantee, advance payment, customs, central excise, sales tax, electricity insurance purposes.	Overdraft: Repayable on demand within a period of 12 months. Bank Guarantee: Repayable within a period of 36 months.	Overdraft: 100.00% secured against fixed deposit lien mark with HDFC Bank. Bank guarantee: 100.00% secured against fixed deposit lien mark with HDFC Bank.

S.No.	Lender	Particulars of the documentation	Amount Sanctioned (in ₹)	Interest rate/ Commission rate (% p.a.)	Purpose	Repayment	Security												
		2015. Memorandum relating to charge over fixed deposit for bank guarantee dated January 13, 2015. Counter Indemnity for Guarantee dated January 13, 2015.																	
2.	ICICI Bank Limited	Sanction letter dated January 12, 2016.	Overdraft facility of 18.00 million against deposits	2.00% above the FD rate	Overdraft facility	The existing facility is valid till May 22, 2016.	Fixed deposits held with the lender as under: <table><tr><th>STDR No.</th><th>Amount (in ₹ million)</th><th>RoI on fixed deposit</th></tr><tr><td>000213011920</td><td>10.00</td><td>7.60%</td></tr><tr><td>000214637785</td><td>10.00</td><td>8.25%</td></tr></table>	STDR No.	Amount (in ₹ million)	RoI on fixed deposit	000213011920	10.00	7.60%	000214637785	10.00	8.25%			
STDR No.	Amount (in ₹ million)	RoI on fixed deposit																	
000213011920	10.00	7.60%																	
000214637785	10.00	8.25%																	
3.	SBI	Arrangement Letter dated December 29, 2015 Demand promissory note Security delivery letter	Overdraft facility of 18.00 million against deposits	9.00% p.a. with monthly rests	Overdraft facility	Validity period of the existing facility is 1 year from the date of sanction. Repayment of the loan can be made from maturity (including before maturity) proceeds of the security deposit.	Fixed deposits held with the lender as under: <table><tr><th>STDR No.</th><th>Amount (in ₹ million)</th><th>RoI on fixed deposit</th></tr><tr><td>33028373567</td><td>10.00</td><td>8.00%</td></tr><tr><td>34542391006</td><td>5.44</td><td>7.25%</td></tr><tr><td>34541497059</td><td>5.44</td><td>7.25%</td></tr></table>	STDR No.	Amount (in ₹ million)	RoI on fixed deposit	33028373567	10.00	8.00%	34542391006	5.44	7.25%	34541497059	5.44	7.25%
STDR No.	Amount (in ₹ million)	RoI on fixed deposit																	
33028373567	10.00	8.00%																	
34542391006	5.44	7.25%																	
34541497059	5.44	7.25%																	
4.	IDBI	Sanction and renewal letter dated August 10, 2015	Overdraft facility of 4.50 million against deposits facility.	2.00% above the FD rate i.e. 10.25% p.a. at the time of sanction.	Overdraft facility	The existing facility is valid till October 27, 2016.	Fixed deposit of ₹ 5.00 million (FD no. 0693106000026363). Over draft margin: 10.00% of fixed deposit.												

Additionally, our Company has availed from time to time bank guarantees (secured by fixed deposits with 100% margin) from SBI for its various projects. As on December 31, 2015 the total amount for such bank guarantees outstanding was ₹ 14.18 million.

1. **Brief description of the material covenants of the ₹230.00 million facility availed by our Company from HDFC Bank**

- (a) *Under the memorandum relating to charge over the fixed deposit, our Company is not permitted to withdraw the deposit unless and until the dues have been completely and unconditionally repaid and satisfied to the bank and our Company is finally discharged by the bank. Our Company is not permitted to assign or transfer or deal with or create or permit to be created any assignment or transfer of the deposit or create or attempt to create any encumbrance over the deposit.*
- (b) *The facility is conditional upon absence of any material adverse change in the condition of the borrower.*

2. **Brief description of the material covenants of the ₹18.00 million facility availed by our Company from ICICI Bank Limited**

- (a) *Facilities shall not be used for either arbitrage or speculation or investment in capital markets or purchase of gold in any form.*
- (b) *The depositor shall not close the term deposit/ withdraw the amounts of the term deposits during the subsistence of the facility. The bank shall have a lien on the term deposit and any other deposit placed with the bank.*
- (c) *Bank and its group companies may at any time be entitled to sell any of the borrower's securities or properties held by the bank by way of public or private sale without having to institute any judicial proceedings whatsoever and retain/ appropriate from the proceeds derived there from the total amounts outstanding to the bank and/ or its group companies.*
- (d) *Event of defaults include (i) any default in payments (ii) any default in performance of covenants or conditions (iii) borrower undergoing voluntarily or involuntarily any proceedings of bankruptcy or insolvency (iv) if it becomes unlawful to carry out the obligations under the agreement or for any reason borrower is not able to fulfil its obligations.*

3. **Brief description of the material covenants of the ₹18.00 million facility availed by our Company from SBI**

- (a) *Depositors declare that the said securities are their own absolute property and free from any claims and encumbrances whatsoever and that they have absolute power of disposal over the same.*
- (b) *The security created shall not be affected by any change in the constitution or style of the firm (whether consisting of or reduced to one individual at any time) to whose liability such security may relate.*
- (c) *Any default by our Company on repayment on demand, all or any sum of dues/ money secured or in the case of our Company becoming bankrupt or in the event of breach of any of the terms and conditions of the sanction of banking facilities, the Bank shall be entitled immediately or at any time thereafter to realise the said securities (even by premature closure of the security(s)/ deposit(s) and apply the net proceeds in or towards the discharge of the moneys hereby secured.*

4. **Corporate Guarantees**

TLEF has provided a corporate guarantee on behalf of TLSU to Tata Capital Financial Services Limited ("TCFSL") vide Letter of Guarantee dated July 28, 2014, whereby TLEF has guaranteed all the obligations of TLSU under the Operating Lease Agreement between TCFSL and TLSU dated July 24, 2014 executed in relation to the lease of computer equipment by TCFSL to TLSU. The term of the guarantee is three years. As per the said guarantee, the rights of TCFSL and the

obligations thereunder shall not be avoided, released, affected and/or discharged if TLSU or TLEF absorbs or is amalgamated with any other company or concern. Further, TLEF shall not transfer or assign any of its rights or liabilities under the said guarantee to any person without the prior consent of TCFSL.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our Restated Financial Information, prepared in accordance with the Companies Act and the SEBI ICDR Regulations, including the schedules, annexures and notes thereto and the reports thereon, included in the section "Financial Information" on page 189 of this Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from the Restated Consolidated Financial information Company.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Red Herring Prospectus, nor do we provide a reconciliation of our Restated Financial Information to those of U.S. GAAP or IFRS. Accordingly, the degree to which the Restated Financial Information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section "Risk Factors" on page 15 of this Red Herring Prospectus.

Overview

We are one of India's leading providers of human resource services in the organized segment delivering a broad range of human resource services to various industries with a vision of putting India to work. We deliver a broad range of human resource services to various industries across India to meet the needs of small and large business clients as well as those of qualified job seekers or "Associate Employees". Our services span the entire supply chain of human resources in India, covering aspects of employment, employability and education. Our employment services include temporary staffing solutions, permanent recruitment services and regulatory consultancy for labor law compliance; our employability offerings include different types of learning and training solutions, including retail learning solutions, institutional learning solutions and enterprise learning solutions. According to CRISIL, we are one of the largest temporary staffing companies in India in terms of revenues and number of Associate Employees in 2014. As of November 30, 2015, we had 104,946 Associate Employees, making us one of India's leading people supply chain companies. All of our businesses operate on an asset-light model with low capital expenditure requirements.

Our core business is providing staffing solutions across industry sectors and diverse functional areas. Even though we are agnostic to functional areas, a majority of our Associate Employees are engaged in sales, logistics and customer service functions across different industry sectors. We focus on people, processes and technology to enhance business productivity by enabling our clients to outsource their staffing requirements and allowing them to focus on operating and growing their core businesses. As on March 31, 2015, we have provided employment to approximately 1.12 million Associate Employees since 2002. As of November 30, 2015, we served 1,252 clients with a network of nine offices and 1,218 full-time employees across India. We are managed professionally by a high quality management team with deep extensive market and industry expertise, exhibiting thought leadership on matters of public policy. We had 979, 1,057 and 1,218 full-time employees as of March 31, 2014, March 31, 2015 and November 30, 2015, respectively.

Our business is also strongly influenced by the macroeconomic cycle, which typically results in growing demand for employment services during periods of economic expansion and, conversely, contraction of demand during periods of economic downturn. Due to the sensitivity to the economic cycle and the low visibility in the temporary staffing sector, forecasting demand for staffing and human resource services is difficult. Typically, clients are not able to provide much advance notice of changes in their staffing needs. Responding swiftly to the customer's fluctuating staffing requirements in a flexible way is a key element of our strategy.

Our consolidated total revenues were ₹ 12,157.93 million, ₹20,184.60 million and ₹15,375.25 million and our profit after taxation as restated was ₹ 109.72 million, ₹296.90 million and ₹178.57 million, respectively, in the six months ended September 30, 2015, and in the years ended March 31, 2015 and 2014.

Factors Affecting Results of Operations

Our ability to scale up our staffing business, including entering into high margin staffing verticals

Our core staffing business is a low margin business that relies on scale and volumes for overall profitability. We believe that we have the operational and technological infrastructure in place to continue to scale up our operations. We also intend to pursue strategic acquisitions that will enable us to leverage our existing assets and offer our clients more comprehensive and attractive services. We intend to enhance and expand our presence in both existing and new target industries, as well as expand our solution and technology platform. Strategic acquisitions could also enable us to establish a foothold in newer sectors such as IT given the specialized human resources needs of such sectors. If we are able to conclude such acquisitions, we will be able to move up the value chain and enter a more profitable segment of the staffing services market thereby improving the results of our operations further. On the other hand, failure to enter high margin sectors will adversely affect our business strategy and our future results of operations. We also continue to explore ways to improve our processes and systems and strengthen our operational infrastructure, enabling us to achieve operation excellence, particularly in our ability to identify the right human resources and to provide our clients consistently high levels of quality and reliability. Our overall operational targets remain: to improve Associate Employee paid on-time levels; and to maintain and improve our service levels to our clients in terms of quality and reliability. We believe that performing well on these operational metrics will drive our revenue growth as well as improve our profitability.

The regulatory environment for the labor market in India

The staffing services sector is subject to complex laws and regulations, which vary from state to state in India and are subject to change. These laws and regulations sometimes limit the size and growth of HR services markets. Changes in laws or government regulations may result in prohibition or restriction of certain types of employment services we are permitted to offer, or the imposition of new or additional benefit, licensing or tax requirements that could reduce our revenues and earnings. Alternatively, labor law reforms can expand the market for our services and have a favorable effect on our result of operations.

Staffing is a mission-critical function for businesses. Customer demand is dependent upon the overall strength of the labor market as well as an established trend towards greater workforce flexibility. More liberal labor market laws, particularly for temporary staffing, are beneficial for the industry and have been a driver for greater workforce flexibility. We have championed the cause for labor reforms in India, particularly with regard to labor laws and public policy, for many years and have helped create and expand the market for our services in India. Our strong focus on regulatory compliance has resulted in us establishing a regulatory consulting business, whereby we provide regulatory services to clients with respect to maintenance of registers and compliance with various labor laws. In the event that labor law reforms are adopted in India, our business and results of operations will grow significantly.

The macroeconomic cycle

Demand for staffing services is significantly affected by the general level of economic activity and economic conditions in the various regions and sectors in which we operate. An economic downturn in a region or sector in which we operate may adversely affect our operations in that region or sector, as the use of temporary employees may decrease or fewer permanent employees may be hired. Many of the Company's top clients are multi-national corporations, and thereby a downturn in the global markets may affect their operations in India. When economic activity increases, temporary employees or contract workers are often added before full-time employees are hired. During period of economic downturn, however, many companies reduce their use of temporary employees before laying off full-time employees. However it is also possible that during periods of temporary economic downturn, companies choose to engage temporary workforce as opposed to permanent employees. We could experience more competitive pricing pressure during periods of economic downturn. Also, declining unemployment levels can make it harder for us to identify Associate Employees to place with our clients. However, this scenario is unlikely in India given the number of new persons expected to join the workforce over the next 20 years.

Competition

The staffing services market is highly fragmented and competitive. We compete in national, regional and local markets with full-service and specialized temporary staffing companies. While many of our competitors are smaller than us, several competitors, including the Indian affiliates or India-based operations of global industry

leaders such as Adecco S.A., Manpower Inc., Randstad Holding N.V. and Kelly Services and Indian human resources companies such as Quess Corp Limited, Genius Consultants and Innovsource, have substantial marketing and financial resources at their disposal. We also face competition from various local regional players. Price competition in the staffing industry is intense, particularly for qualified industrial personnel. We expect that the level of competition will remain high, which could limit our ability to maintain or increase our market share or profitability. We also face the risk that our current or prospective clients may decide to provide similar services internally or use independent contractors. Our continued success depends on our ability to compete effectively against our existing and future competitors. With the potential influx of new competitors, our ability to retain our existing clients and to attract new clients is critical to our continued success.

Critical Accounting Policies

A summary of the significant accounting policies applied in the preparation of our Restated Financial Information is set out in the notes to the financial information included on page 202 of this Red Herring Prospectus.

The audited consolidated financial statements of the Company for the years ended March 31, 2014, 2013, 2012 and 2011 have been prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis and comply in all material aspects with the accounting standards issued by The Institute of Chartered Accountants of India, in particular Accounting Standard 21 - 'Consolidated Financial Statements', to the extent considered relevant by it for the purpose for which the audited consolidated financial statements have been prepared. The audited consolidated financial Statements are not the statutory financial statements of the Company.

Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the audited consolidated financial statements for the year ended March 31, 2015 have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956, Companies (Accounting Standards) Rules, 2006, as amended and other relevant provisions of the Companies Act, 2013.

The preparation of the financial information requires use of estimates and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of income and expenses during the reporting period and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial information are based upon the management evaluation of the relevant facts and circumstances as of the date of the financial information. Management believes that these estimates and assumptions used are prudent and reasonable. Future results may vary from these estimates. By their nature, these estimates are subject to a degree of uncertainty. These judgments are based on our historical experience, and our observance of trends in the industry, information provided by our clients and information available from other third party sources, as appropriate. There can be no assurance that our judgments will prove correct or that actual results reported in future periods will not differ from our expectations reflected in our accounting treatment of certain items. Any revision to accounting estimates is recognized prospectively in current and future periods.

While all aspects of our financial information should be read and understood in assessing our current and expected financial condition and results of operations, we believe that the following critical accounting policies warrant particular attention.

Revenue Recognition

- Revenue from Manpower services is accounted on accrual basis on performance of the service agreed in the Contract / Mandate Letter between the Company and its customer.
- Revenue from Recruitment Services, Skills & Developments, Regulatory Services and Payroll is recognized on accrual basis upon execution of the service.
- Revenue from the Tuition Fees and Corporate Training is recognized over the period of the course commencing from the start of the batch. Revenue in respect of short term programme are recognized on commencement of the respective programme.

· **Unearned Income:**

Tuition Fees are recognized over the period of the services as per terms of the respective contract. The proportionate part of the tuition fees for which services are yet to be rendered and such services extends beyond the accounting period is recognised as unearned income and shown under other Current Liabilities.

· **Revenue from Royalty and Affiliation fees from Franchisee** is recognized on the basis of moneys collected by the Franchisees.

· **Other Income:**

Interest income on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Interest on tax refunds is recognized on actual receipt of the refund money or on communication from Income Tax department, whichever is earlier.

Dividend: Dividend income is recognized when the right to receive dividend is established.

Rent Income: Rent Income is accounted on accrual basis as per the terms of the agreement. Rent equalization is considered only if the agreement is non-cancellable for more than one year and the incremental rent is fixed over the term of the agreement.

Profit/ (Loss) arising from the sale of investments is recognized on trade date basis; net of expenses. The cost of investment is computed on weighted average basis.

Net Revenue excludes Service Tax and Value Added Tax (VAT).

Investments:

Investments are classified into long term investments and current investments. Investments that are readily realisable and are intended to be held for not more than one year from the date are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

In case of investments in units of a mutual fund, the net asset value of units is considered at the market / fair value.

Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies followed for the Company. Revenue and expenses, have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under “Unallocated corporate expenses/income”.

Cash and Cash Equivalents

In the Cash Flow Statement, Cash and cash equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

Earnings Per Share:

The basic earnings per share is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted earnings per share the net profit for the year attributable to equity shareholders and weighted average number of shares outstanding during the reporting year is adjusted for the effects of all dilutive potential equity shares.

Components of our revenue and expenses

Revenue

Revenue from operations (net)

We derive our operating revenues from (i) sales of services, consisting of revenues from our staffing services; and (ii) other operating revenues, including revenues from (a) recruitment services (one-time fees); skills and development services (income from Government agencies for institutional learning services); (c) royalty and affiliation fees (income from our franchisee delivering our retail learning services); (d) income from regulatory services (income from our regulatory compliance business); and (e) payroll income (income for providing payroll processes to our clients).

Other income

Other income consists primarily of interest from fixed deposits and other miscellaneous income, including interest on income tax refund and sundry balances written back

Expenses

Our expenses consist of employee benefits expense, finance costs, depreciation and amortization expense, and other expenses.

Employee benefits expense

Employee benefit expense consists of salaries, wages and bonus payments to our Associate Employees as well as to our permanent employees, contribution to provident and other funds, leave encashment, insurance, staff welfare and staff training expenses.

Finance costs

Finance costs consist of interest on working capital facilities from banks and others.

Depreciation and amortization expense

Our depreciation and amortization expense includes amortization of goodwill in connection with our acquisitions, software and technology systems developed in-house, and depreciation on computers, furniture, office equipment and vehicles.

Other expenses

Other expenses primarily consist (a) training expenses (delivery costs) for our retail learning solutions, enterprise learning solutions and our institutional learning solutions; (b) rent for our office premises; (c) traveling and conveyance; (d) printing, stationery and communication, mainly in connection with offer letters and paper work for Associate Employees every month; (e) repairs and maintenance of our computer system and; legal and professional fees; (f) provision for bad and doubtful debts and (g) bad debts written off.

Tax Expenses

Tax expenses consist of current tax, and MAT credit entitlement. Current tax is calculated in accordance with the applicable laws. For details, please refer to “Statement of Tax Benefits” on page 102 of this Red Herring Prospectus. Deferred tax reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Results of Operations

Six months ended September 30, 2015 compared to six months ended September 30, 2014

Revenue

Revenue from operations

Revenue from operations increased to ₹ 12,096.46 million in the six months ended September 30, 2015 from ₹ 9,435.74 million in the six months ended September 30, 2014. This increase was primarily attributable to an increase in our sale of services, which increased to ₹ 11,945.76 million in the six months ended September 30, 2015 from ₹ 9,273.16 million in the six months ended September 30, 2014. Our increase in revenue from operations was also attributable to an increase in income from recruitment services which was ₹ 82.03 million in the six months ended September 30, 2015 up from ₹ 64.88 million in the six months ended September 30, 2014. We also experienced an increase in income from regulatory services to ₹ 32.54 million in the six months ended September 30, 2015 from ₹ 21.51 million in the six months ended September 30, 2014. These increases were partially offset by a decrease in our skills and development income to ₹ 26.46 million in the six months ended September 30, 2015 from ₹ 47.44 million in the six months ended September 30, 2014 primarily comprising our institutional training business. Our institutional training business decrease for the following reason. In 2014, we provided training under the Star Scheme, which came to an end in early 2015, which resulted in a decrease in our skills and development income.

Other income

Other income decreased to ₹ 61.47 million in the six months ended September 30, 2015 from ₹ 63.20 million in the six months ended September 30, 2014. We experienced an increase in interest on fixed deposits, which increased to ₹ 41.88 million in the six months ended September 30, 2015 from ₹ 38.99 million in the six months ended September 30, 2014. The increase in interest on fixed deposits was due to higher deposits placed with the banks as compared to the corresponding period in the previous year. However, our other income decreased because we received interest on income tax refund of ₹ 15.56 million in the six months ended September 30, 2014, whereas we did not receive any such refund in the six months ended September 30, 2015. We received the income tax refund in April 2014 for the financial year ended March 31, 2011, however, we are yet to receive the income tax refund for the financial year ended March 31, 2012 because of delays by the tax authorities.

Expenses

Employee benefits expense

Employee benefit expense increased to ₹ 11,791.90 million in the six months ended September 30, 2015 from ₹ 9,148.17 million in the six months ended September 30, 2014. The increase was primarily attributable to increases in salaries, bonus and wages reimbursed to our Associate Employees, which increased to ₹ 10,696.78 million in the six months ended September 30, 2015 from ₹ 8,256.70 million in the six months ended September 30, 2014, and our contribution to provident and other funds, which was ₹ 778.56 million in the six months ended September 30, 2015, compared to ₹ 638.30 million in the six months ended September 30, 2014. The increase in our employee benefit expense was in line with our revenue growth from our sale of services.

Finance costs

Finance costs increased to ₹ 1.76 million in the six months ended September 30, 2015 from ₹ 0.81 million in the six months ended September 30, 2014.

Depreciation and amortization expense

Depreciation and amortization expenses decreased to ₹ 9.05 million in the six months ended September 30, 2015 from ₹ 17.11 million in the six months ended September 30, 2014. The decrease was primarily attributable to a decrease in depreciation on tangible assets to ₹ 4.95 million in the six months ended September 30, 2015 from ₹ 12.49 million in the six months ended September 30, 2014. The decrease was attributable primarily to change in estimated useful lives of the assets under Schedule II of the Companies Act, 2013.

Other expenses

Other expenses decreased to ₹ 191.66 million in the six months ended September 30, 2015 from ₹ 198.24 million in the six months ended September 30, 2014. The main components contributing to this decrease was a decrease in training expenses to ₹ 13.76 million in the six months ended September 30, 2015 from ₹ 56.63 million in the six months ended September 30, 2014 including for our retail learning solutions and our enterprise learning solutions businesses. The decrease in training expenses was because of the cessation of our institutional training business services offered under the Star Scheme.

Profit or loss before taxation

For the reasons discussed above, profit before taxation increased to ₹ 163.56 million for the six months ended September 30, 2015 from a profit before taxation of ₹ 134.61 million for the six months ended September 30, 2014.

Tax expenses

Our tax expenses for the six months ended September 30, 2015 were ₹56.75 million, consisting of ₹69.15 million of current tax less deferred tax benefit of ₹ 12.41 million. However, in the six months ended September 30, 2014, our current tax was only ₹ 23.27 million less deferred tax benefit of ₹ 63.48 million, which resulted in a tax credit of ₹ 40.21 million. Our current tax expenditure in the six months ended September 30, 2015 increased significantly because we no longer had any tax losses that were carried forward from the previous financial periods.

Net profit after taxation

As a result of the higher tax payable by us in the six months ended September 30, 2015 compared to the corresponding period in 2014, net profit after taxation decreased to ₹106.81 million for the six months ended September 30, 2015 from ₹174.82 million for the six months ended September 30, 2014.

Year ended March 31, 2015 compared to year ended March 31, 2014

Revenue

Revenue from operations

Revenue from operations increased to ₹ 20,070.70 million in the year ended March 31, 2015 from ₹ 15,296.49 million in the year ended March 31, 2014. This increase was primarily attributable to an increase in our sale of services, which increased to ₹ 19,731.36 million in the year ended March 31, 2015 from ₹ 15,025.77 million in the year ended March 31, 2014. Our increase in revenue from operations was also attributable to an increase in income from skills and development services which was ₹ 87.89 million in the year ended March 31, 2015 up from ₹ 61.82 million in the year ended March 31, 2014, which primarily consists of our institutional learning solutions business. We also experienced an increase in income from royalty and affiliation fees to ₹ 55.83 million in the year ended March 31, 2015 from ₹ 12.90 million in the year ended March 31, 2014. The increase in revenues in the training business compared to the previous year was largely on account of the implementation of the Star Scheme of the Government of India.

Other income

Other income increased to ₹ 113.90 million in the year ended March 31, 2015 from ₹ 78.76 million in the year ended March 31, 2014. The increase was primarily attributable to interest on fixed deposits increasing to ₹ 79.80 million in the year ended March 31, 2015 from ₹ 66.14 million in the year ended March 31, 2014. We also received interest on income tax refund of ₹ 15.56 million in the year ended March 31, 2015 compared to ₹ 4.76 million in the year ended March 31, 2014. We also received rental income of ₹ 4.20 million in the year ended March 31, 2015 whereas we received no such income in the previous year. The rent income is in connection with the building used for the operations of IIJT previously; since March 2014, this building has been leased out. The increase in interest on fixed deposits was due to higher deposits placed with the banks as compared to the previous year. Our policy is to account for interest on tax refunds on receipt basis.

Expenses

Employee benefits expense

Employee benefit expense increased to ₹ 19,444.80 million in the year ended March 31, 2015 from ₹ 14,838.99 million in the year ended March 31, 2014. The increase was primarily attributable to an increase in the salaries, bonus and wages reimbursed to our Associate Employees to ₹ 17,581.12 million in the year ended March 31, 2015 from ₹ 13,350.38 million in the year ended March 31, 2014, and our contribution to provident and other funds, which was ₹ 1,356.32 million in the year ended March 31, 2015, compared to ₹ 1,045.42 million in the year ended March 31, 2014. The increase in our employee benefit expense was in line with our revenue growth from our sale of services.

Finance costs

Finance costs decreased to ₹ 1.39 million in the year ended March 31, 2015 from ₹ 2.31 million in the year ended March 31, 2014. The decrease was primarily attributable to a decrease in our availing of working capital facilities from banks.

Depreciation and amortization expense

Depreciation and amortization expenses increased to ₹ 27.15 million in the year ended March 31, 2015 from ₹ 19.20 million in the year ended March 31, 2014. The increase was primarily attributable to an increase in depreciation on tangible assets, including computers, furniture, office equipment and vehicles to ₹ 17.11 million in the year ended March 31, 2015 from ₹ 5.53 million in the year ended March 31, 2014.

Other expenses

Other expenses increased to ₹ 385.37 million in the year ended March 31, 2015 from ₹ 337.07 million in the year ended March 31, 2014. The main components contributing to this increase were (i) training expenses of ₹ 100.55 million in the year ended March 31, 2015 from ₹ 56.20 million in the year ended March 31, 2014 including for our retail learning solutions and our enterprise learning solutions businesses; and (ii) rent expenses of ₹ 71.24 million in the year ended March 31, 2015, from ₹ 64.87 million in the year ended March 31, 2014.

Profit or loss before taxation

For the reasons discussed above, profit before taxation increased to ₹ 325.89 million for the year ended March 31, 2015 from a profit before taxation of ₹ 177.68 million for the year ended March 31, 2014.

Tax expenses

Our tax expenses for the year ended March 31, 2015 were ₹ 18.04 million, consisting of ₹ 75.24 million of current tax less deferred tax benefit of ₹ 57.20 million. We did not have any tax expenses in the year ended March 31, 2014 as a result of MAT credit entitlement that completely offset the incurred tax of ₹ 20.88 million.

Net profit after taxation

For the reasons discussed above, net profit after taxation increased to ₹307.85 million for the year ended March 31, 2015 from ₹177.68 million for the year ended March 31, 2014.

Year ended March 31, 2014 compared to year ended March 31, 2013

Revenue

Revenue from operations

Revenue from operations increased to ₹ 15,296.49 million in the year ended March 31, 2014 from ₹ 12,507.32 million in the year ended March 31, 2013. This increase was primarily attributable to an increase in our sale of services, which increased to ₹ 15,025.77 million in the year ended March 31, 2014 from ₹ 12,236.27 million in the year ended March 31, 2013. Our increase in revenue from operations was also attributable to a marginal increase in our income from skills and development services which increased to ₹ 61.82 million in the year ended March 31, 2014 from ₹ 38.04 million in the year ended March 31, 2013 provided by our institutional learning solutions business.

Other income

Other income decreased to ₹ 78.76 million in the year ended March 31, 2014 from ₹ 109.60 million in the year ended March 31, 2013. The decrease was primarily attributable a decrease in sundry balances written back in 2014 as compared to 2013.

Expenses

Employee benefit expense

Employee benefit expense increased to ₹ 14,838.99 million in the year ended March 31, 2014 from ₹ 12,164.82 million in the year ended March 31, 2013. The increase was primarily attributable to an increase in salaries, bonus and wages reimbursed to our Associate Employees, which increased to ₹ 13,350.38 million in the year ended March 31, 2014 from ₹ 10,834.28 million in the year ended March 31, 2013. We also experienced a corresponding increase in contribution to provident fund and employee state insurance in respect of our Associate Employees. The increase in our employee benefit expense was in line with our revenue growth from our sale of services.

Finance costs

Finance costs decreased to ₹2.31 million in the year ended March 31, 2014 from ₹5.13 million in the year ended March 31, 2013. The decrease was primarily attributable to a decrease in our interest on working capital facilities from banks.

Depreciation and amortization expense

Depreciation and amortization expense decreased to ₹ 19.20 million in the year ended March 31, 2014 from ₹ 36.30 million in the year ended March 31, 2013. The decrease was primarily attributable to goodwill in connection with our acquisition of PEPL in May 2012, and which was written off in the year ended March 31, 2013. We also recorded amortization charges in the year ended March 31, 2013 for various software developed for our IT systems.

Other expenses

Other expenses decreased to ₹ 337.07 million in the year ended March 31, 2014 from ₹ 453.38 million in the year ended March 31, 2013. The decrease was primarily attributable to a decrease in rent expenses as we concluded the process of converting our retail learning solutions business into a franchisee model and the shutting down of our retail learning centers. Our rent expenses decreased to ₹ 64.87 million in the year ended March 31, 2014 from ₹ 98.67 million in the year ended March 31, 2013. Our net loss on the sale of fixed assets declined to ₹ 7.49 million in the year ended March 31, 2014 from ₹ 62.02 million in the year ended March 31, 2013. Majority of scrapped assets are as a result of shutting down retail learning solutions. Our legal and professional fees also declined in the year ended March 31, 2014 to ₹ 33.05 million from ₹ 66.10 million in the year ended March 31, 2013.

Profit or Loss before taxation

For the reasons discussed above, profit before taxation increased to ₹ 177.68 million for the year ended March 31, 2014 from a loss before taxation of ₹ 42.71 million for the year ended March 31, 2013.

Tax expenses

We did not have any tax expenses in the year ended March 31, 2014 as a result of MAT credit entitlement that completely offset our current tax under MAT of ₹ 20.88 million. In view of the losses incurred by the company for the year and in the previous years, we did not have any tax expenses in the year ended March 31, 2013.

Net Profit or Loss after taxation

For the reasons discussed above, net profit after taxation increased to ₹ 177.68 million for the year ended March 31, 2014 from a net loss after taxation of ₹ 42.71 million for the year ended March 31, 2013.

Year ended March 31, 2013 compared to year ended March 31, 2012

Revenue

Revenue from operations

Revenue from operations increased to ₹ 12,507.32 million in the year ended March 31, 2013 from ₹ 9,258.28 million in the year ended March 31, 2012. This increase was primarily attributable to an increase in our sale of services, which increased to ₹ 12,236.27 million in the year ended March 31, 2013 from ₹ 9,006.27 million in the year ended March 31, 2012. Our increase in revenue from operations was also attributable to ₹ 29.40 million in income from corporate training services provided by our enterprise learning solutions business, which we established in the year ended March 31, 2012. We also experienced an increase in income from regulatory services which increased to ₹ 31.44 million in the year ended March 31, 2013 from ₹ 17.39 million in the year ended March 31, 2012 provided by our regulatory compliance business. During the year, we were able to stabilize the regulatory compliance business that was commenced in the earlier year.

Other income

Other income increased to ₹ 109.60 million in the year ended March 31, 2013 from ₹ 82.61 million in the year ended March 31, 2012. The increase was primarily attributable to sundry balances written back of ₹ 35.65 million in the year ended March 31, 2013 compared to ₹ 0.33 million in the previous year.

Expenses

Employee benefit expense

Employee benefits expense increased to ₹ 12,164.82 million in the year ended March 31, 2013 from ₹ 9,031.17 million in the year ended March 31, 2012. The increase was primarily attributable to an increase in salaries, bonus and wages reimbursed to our Associate Employees, which increased to ₹ 10,834.28 million in the year ended March 31, 2013 from ₹ 8,620.70 million in the year ended March 31, 2012. The increase in our employee benefits expense was in line with our revenue growth from our sale of services.

Finance costs

Finance costs increased to ₹ 5.13 million in the year ended March 31, 2013 from ₹ 3.39 million in the year ended March 31, 2012. The increase was primarily attributable to an increase in our interest on working capital facilities from banks.

Depreciation and amortization expense

Depreciation and amortization expense decreased to ₹ 36.30 million in the year ended March 31, 2013 from ₹ 37.54 million in the year ended March 31, 2012. The decrease was primarily attributable to a decrease in depreciation on tangible assets, including computers, furniture, office equipment and vehicles to ₹ 12.84 million

in the year ended March 31, 2013 from ₹ 20.78 million in the year ended March 31, 2012. This decrease was offset in part by goodwill in connection with our acquisition of PEPL in May 2012, and which was written off in the year ended March 31, 2013.

Other expenses

Other expenses increased to ₹ 453.38 million in the year ended March 31, 2013 from ₹ 434.27 million in the year ended March 31, 2012. The increase was primarily attributable to our net loss on the sale of fixed assets of ₹ 62.02 million in the year ended March 31, 2013 compared to ₹ 21.88 million in the year ended March 31, 2012. This was due to shutting down of some of our retail learning solutions centres. This increase was offset by a decrease in our rent expenses, which decreased to ₹ 98.67 million in the year ended March 31, 2013 from ₹ 116.20 million in the year ended March 31, 2012.

Net Profit or Loss before taxation

For the reasons discussed above, our net loss before taxation was ₹ 42.71 million in the year ended March 31, 2013 compared to a net loss before taxation of ₹ 165.48 million in the year ended March 31, 2012.

Tax expenses

We did not have any tax expenses in the years ended March 31, 2013 and 2012.

Net Profit or Loss after taxation

For the reasons discussed above, our net loss after taxation was ₹ 42.71 million in the year ended March 31, 2013 compared to a net loss after taxation of ₹ 165.48 million in the year ended March 31, 2012.

Liquidity and Capital Resources

Our principal sources of cash are from operations. We anticipate that our primary uses of cash will be to provide working capital and finance capital expenditures, wherever applicable, though the company largely uses the leasing model for acquiring information technology assets.

We have constantly strived to diversify our sources of capital. We have been able to fund the growth of our operations through internal cash accruals.

As of September 30, 2015, March 31, 2015 and 2014, we had cash and cash equivalents available of ₹354.83 million, ₹218.49 million and ₹128.80 million, respectively, which is available for use in our operations. We currently use working capital facilities funded by our fixed deposits and also invest our surplus cash reserves in short term bank deposits. Based upon our current level of expenditure, we believe our current working capital, together with cash flows from operating activities and the proceeds from the offerings contemplated herein, will be adequate to meet our anticipated cash requirements for capital expenditures and working capital for, at least, the next 24 months.

Cash Flows

The following table sets forth certain our consolidated cash flows for the periods indicated:

	Six months ended September 30,		Year ended March 31,		
	2015	2014	2015	2014	2013
Net cash (used in) / generated from operating activities	112.93	381.34	342.80	163.74	(93.13)
Net cash (used in) / generated from investing activities	25.17	(222.99)	(243.50)	(348.44)	68.81
Net cash (used in) / generated from financing activities	(1.76)	(9.03)	(9.61)	(114.84)	35.04
Net increase /	136.34	149.32	89.69	(299.55)	10.72

₹ in million

(decrease) in cash and cash equivalents					
Cash and cash equivalents as at the end of the year	354.83	278.12	218.49	128.80	428.35

Operating Activities

Six months ended September 30, 2015

For the six months ended September 30, 2015, cash flows generated from operating activities were ₹112.93 million, whereas our restated net profit before taxation was ₹ 165.37 million. The main working capital adjustments were an increase in other current and non-current liabilities of ₹ 884.58 million, which was offset by an increase in trade receivables of ₹394.47 million, an increase in other current assets of ₹ 349.20 million and an increase in other non-current assets of ₹ 73.21 million. The increase in other current and non-current liabilities was mainly attributable to an increase in employee benefits payable as a result of accounting for bonus payments to be made to our permanent and associate employees in the month of September 2015 in connection with important festivals that occurred in September 2015. In previous years, these bonus payments were accounted for later in the year (usually in October). We also were required to make bonus payments to our employees pursuant a government notification that provided for bonus payments to be made to all employees drawing less than Rs.21,000.00 in monthly salaries. Previously, this bonus was only payable to employees making less than Rs.10,000 per month. We are reimbursed these additional bonus payments from our clients, and have invoiced them for these payments, which is the reason for the increase in trade receivables and unbilled revenues.

Six months ended September 30, 2014

For the six months ended September 30, 2014, cash flows generated from operating activities were ₹381.34 million, whereas our restated net profit before taxation was ₹ 132.37 million. The main working capital adjustments were an increase in other current and non-current liabilities of ₹ 697.11 million, which was offset by an increase in trade receivables of ₹235.90. million and an increase in other current assets of ₹274.54 million.

Year ended March 31, 2015

For the year ended March 31, 2015, cash flows generated from operating activities were ₹342.80 million, whereas our restated net profit before taxation was ₹ 316.02 million. The main working capital adjustments were an increase in other current and non-current liabilities of ₹ 706.44 million, which was offset by an increase in trade receivables of ₹231.89 million and an increase in other non-current assets of ₹ 443.60 million.

Year ended March 31, 2014

For the year ended March 31, 2014, cash flows generated from operating activities were ₹ 163.74 million, whereas our restated net profit before taxation was ₹ 178.57 million. The main working capital adjustments were an increase in other current and non-current liabilities of ₹ 66.16 million and an increase in short term and long term provisions of ₹ 43.38 million.

Year ended March 31, 2013

For the year ended March 31, 2013, cash flows used in operating activities were ₹ 93.13 million, whereas our restated net loss before taxation was ₹ 37.00 million. The main working capital adjustments were an increase in other current and non-current liabilities of ₹ 266.52 million, which was offset by an increase in trade receivables of ₹ 109.51 million and an increase in other current assets of ₹ 204.72 million. We also paid direct taxes (net of refund) of ₹ 85.89 million.

Investing Activities

Six months ended September 30, 2015

For the six months ended September 30, 2015, cash flows generated from investing activities were ₹ 25.17 million. This is mainly attributable to interest received on deposits / loans of ₹ 64.59 million and proceeds from

fixed deposits (net) of ₹ 33.92 million, offset in part by loans and / or advances given to related parties (net) of ₹ 35.31 million.

Six months ended September 30, 2014

For the six months ended September 30, 2014, cash flows used in investing activities were ₹ 222.99 million. This is mainly attributable to investments of ₹ 176.21 million in fixed deposits (net) and ₹ 38.37 million in loans and / or advances given to related parties (net). Loans and / or advances to related parties (net) were to fund the operational requirements of the TeamLease Skills University by giving loans to TLEF.

Year ended March 31, 2015

For the year ended March 31, 2015, cash flows used in investing activities were ₹ 243.50 million. This is mainly attributable to investments of ₹ 189.44 million in fixed deposits (net) and ₹ 88.03 million in loans and / or advances given to related parties (net). Loans and / or advances to related parties (net) were to fund the operational requirements of the TeamLease Skills University by giving loans to TLEF.

Year ended March 31, 2014

For the year ended March 31, 2014, cash flows used in investing activities were ₹ 348.44 million, primarily comprising ₹ 377.12 million of investments in fixed deposits.

Year ended March 31, 2013

For the year ended March 31, 2013, cash flows generated from investing activities were ₹ 68.81 million. This is mainly attributable to ₹ 74.47 million in interest from deposits/ loans and proceeds from fixed deposits (net) of ₹ 47.38 million partially offset by loans and advances given to related parties (net) of ₹ 43.21 million.

Financing Activities

Six months ended September 30, 2015

For the six months ended September 30, 2015, cash flows used in financing activities were ₹ 1.76 million, comprising cash used to pay interest on bank loans.

Six months ended September 30, 2014

For the six months ended September 30, 2014, cash flows used in financing activities were ₹ 9.03 million, primarily comprising ₹ 8.22 million for repayment of short term and long terms borrowings (net).

Year ended March 31, 2015

For the year ended March 31, 2015, cash flows used in financing activities was ₹ 9.61 million, primarily comprising ₹ 8.22 million for repayment of short term and long terms borrowings (net).

Year ended March 31, 2014

For the year ended March 31, 2014, cash flows used in financing activities was ₹ 114.84 million, primarily comprising ₹ 112.53 million for repayment of short term and long terms borrowings (net).

Year ended March 31, 2013

For the year ended March 31, 2013, cash flows generated from financing activities was ₹ 35.04 million, primarily comprising ₹ 40.17 million in proceeds from short term and long terms borrowings (net).

Contingent Liabilities

Our contingent liabilities as of September 30, 2015 were ₹ 47.48 million, including ₹ 28.99 million in bank guarantees provided against our fixed deposits. We also have provided a corporate guarantee on behalf of TLSU to TCFSL in July 2014, whereby we have guaranteed all the obligations of TLSU under the Operating Lease

Agreement between TCFSL and TLSU, dated July 24, 2014, in relation to the lease of computer equipment by TCFSL to TLSU.

Quantitative and Qualitative Disclosure about Market Risk

The following discussion about our market risk disclosures involves forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements.

Interest Rate Risk

We do not have significant borrowings. To the extent that we incur significant indebtedness in the future, an increase in the interest rates for such future borrowings may adversely affect our ability to service long-term debt, which in turn may adversely affect our financial condition and results of operations.

Seasonality of Business

While we have certain clients whose business is largely seasonal, considering our large size and diverse client base, seasonality of such businesses does not impact us.

Significant Dependence on a Single or Few Clients

Our business is not significantly dependent on a single or few clients.

Related Party Transactions

For details on related party transactions, please refer to the statement of related party transactions contained in Annexure V in the “Financial Statements” on page 213.

Recent Accounting Pronouncements

There are no recent accounting pronouncements that are expected to impact our accounting policies or the manner of our financial reporting. However, the Ministry of Corporate Affairs, Government of India has notified Ind AS, pursuant to which all specified companies in India, such as us, may be required to prepare their annual and interim financial statements under Ind AS in future, depending on listing or networth. Currently, we have not determined with any degree of certainty the impact that such adoption will have on our financial reporting.

Significant developments after September 30, 2015 that may affect our future results of operations

Except as stated in this Red Herring Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, the operations or profitability of our Company, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings, (ii) actions taken by statutory or regulatory authorities, (iii) material litigation, in each case involving our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Company(ies), (iv) any litigation involving Company, our Promoter, our Directors, our Subsidiaries or our Group Companies or any other person whose outcome could have a material adverse effect on the position of our Company; (v) outstanding claims involving our Company, Subsidiaries, Directors, or Promoters for any direct and indirect tax liabilities; (vi) outstanding dues to creditors of our Company as determined to be material by the Company's Board in accordance with the SEBI ICDR Regulations; and (vii) dues to small scale undertakings and other creditors.

For the purpose of material litigation in (iii) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation to be disclosed by our Company in the Red Herring Prospectus:

- (a) Pre-litigation notices: Notices received by our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Company(ies), from third parties (excluding statutory / regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Company(ies) are impleaded as defendants in litigation proceedings before any judicial forum;*
- (b) Criminal, tax proceedings and actions by statutory authorities / regulatory authorities: All criminal and tax proceedings, and actions by statutory / regulatory authorities involving our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Company(ies) shall be deemed to be material;*
- (c) Directors: Legal proceedings in the nature of criminal proceedings, taxation proceedings, actions by statutory authorities and / or by regulatory authorities involving the directors of the Company shall be deemed to be material; and*
- (d) De minimis monetary threshold for civil litigation: Civil litigation against our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Company(ies) or having any bearing on the Company or any of our Subsidiaries before any judicial forum and having a monetary impact not exceeding 0.5% of the net worth or revenue of our Company amounting to ₹7.41 million, on a consolidated basis as at the end of March 31 of a given financial year, shall not be considered material. However, in the event of civil litigation wherein a monetary liability is not quantifiable, such litigation shall be considered as material only in the event that the outcome of such litigation has a bearing on the operations or performance of our Company or any of our Subsidiaries.*

Further, except as stated in this section, there are no (i) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company or Subsidiaries in the past five years, (ii) fines imposed or compounding of offences against our Company or Subsidiaries, (iii) material frauds committed against our Company, in each case in the preceding five years from the date of this Red Herring Prospectus; (iv) proceedings initiated against our Company for economic offences, (v) defaults in respect of dues payable dues; and (vi) litigation or legal actions against our Promoters by any ministry or government department or statutory authority during the last five years immediately preceeding this Red Herring Prospectus.

Litigation involving our Company

Litigation against our Company

Criminal Proceedings

- (a) A bailable warrant dated February 10, 2015 has been issued by the Chief Judicial Magistrate, Faridabad against our Company under the CLRA Act. The Labour Enforcement Officer (Faridabad) has filed the complaint under Section 24 of the CLRA Act for offences including (i) failure to display notices related to rate of wages and date of payment; (ii) failure to maintain register of persons employed at the work site; (iii) failure to issue wage slips to all workers; (iv) failure to provide drinking water; and (v)*

failure to provide latrines. The complainant has prayed that the court takes cognizance of the case. Our Company has paid a fine of ₹ 500 to the Chief Judicial Magistrate. The matter is currently pending.

- (b) Our Company received a summons dated May 03, 2012 from the Metropolitan Magistrate Court, Ahmedabad to appear before the court on May 17, 2012 with reference to a complaint under Section 23 and 24 of the CLRA Act for offences, at the premises of Unitech Wireless (TN) Private Limited, including (i) failure to display notices related to rate of wages and date of payment; (ii) failure to display an abstract of the CLRA Act and rules thereunder in a language spoken by a majority of the workers; (iii) failure to maintain register of wages and muster roll (iv) failure to maintain register of deductions and overtime at the site of work; and (v) executing contract work without a valid license. The matter is currently pending.

Labour Proceedings

- (a) Our Company has received a summons dated July 29, 2015 from the Assistant Labour Commissioner, Lucknow to appear before him on September 16, 2015. The matter is currently pending.

Statutory Notices

- (a) Our Company has received a show cause notice from the RoC dated July 8, 2015 stating that based on our Company's balance sheet as at March 31, 2014 the paid up capital of our Company is more than ₹ 1000 million and/ or the turnover is more than ₹ 3000 million and subsequently our Company was supposed to appoint at least one woman director to our Company's Board in accordance with Section 149(1) of the Companies Act, 2013. Further, it stated that our Company was in violation of this provision rendering our Company punishable under Section 172 of the Companies Act, 2013. Our Company has replied to the show cause notice on July 21, 2015 stating that our Company was converted to a public company on May 15, 2015 and that our Company was not required to appoint a woman director before the period stated in the show cause notice. Further, we have stated that in compliance with the said provision of Section 149(1), Latika Prakash Pradhan has been appointed on the Board with effect from July 9, 2015. The matter is currently pending.
- (b) Our Company has received a notice dated July 15, 2015 from the Regional Provident Fund Commissioner, Kochi related to the proceedings of the Regional Provident Fund Commissioner in the matter of hearing under Section 7A of the EPF Act with respect to M/s V-Guard Industries (P) Ltd., Vennala. The notice stated that Sreeja Anilkumar, Assistant Manager, Regulatory of our Company had attended the enquiry and that she had submitted an authorisation attested by a director of our Company. Further, it stated that she was unable to produce the original wage register before the Regional Provident Fund Commissioner due to which a fine of ₹ 1,000 was imposed but she was directed to submit the relevant records at the next hearing. On July 29, 2015 we have submitted an application before the Regional Provident Fund Commissioner where our Company has submitted the original wage register required to be submitted and requested a condonation of delay for submitting it. Further, the Regional Provident Fund Commissioner has waived the fine that was imposed. The matter is currently pending.
- (c) The ESIC has issued a summons dated November 27, 2015 to our Company and our Promoter, Mohitkaran Virendra Gupta to appear before the ESIC office within 15 days of receipt of the summons in connection with recovery of statutory dues amounting to ₹ 3.06 million along with interest. Our Company has responded to the ESIC through letter dated December 10, 2015 stating that the statutory dues had been paid on time. However, it was erroneously paid under a different sub code of our Company. Our Company has requested the ESIC to consider its submission favourably. We have not received any further communication from the ESIC.

Material frauds committed against our Company

There have been no material frauds committed against our Company in the last five years.

Litigation involving our Subsidiaries

Litigation against IIJT Education Private Limited ("IIJT")

Labour Proceedings

- (a) IIJT and our Company received a notice from the court of the Presiding Officer, Industrial Tribunal cum Labour Court UT Chandigarh to appear before the court with reference to complaint filed by Vivek Kumar bearing number IDR/119/2011. The complainant has stated that he was employed as a marketing executive with the respondents from April 1, 2008 and resigned on October 14, 2008. During the period of October 14, 2008 to September 4, 2009 he was not employed by the respondents. Further, the complainant has stated that he was again appointed by the respondents on October 7, 2009. The complainant has alleged that the respondents illegally terminated his employment on March 3, 2011 without issuance of a show cause notice, without providing with one months' notice or compensation for retrenchment. The complainant has prayed for reinstatement with full back wages. Our Company has filed a reply stating that it had followed the due process of law and has prayed that the complaint of the complainant be dismissed.

Inquiries, inspections or investigations under the Companies Act

There are no inquiries, inspections or investigations under the Companies Act or any previous companies law against our Company or Subsidiaries in the past five years.

Fines imposed or compounding of offences

There are no fines that have been imposed on or compounding of offences by our Company or our Subsidiaries in the past.

Litigation involving our Promoters

Except as disclosed below, there are no outstanding litigation proceedings involving our Promoters.

Statutory notices

- (a) For details on summons dated November 27, 2015 issued by the ESIC to our Company and our Promoter, Mohitkaran Virendra Gupta refer to paragraph (c) on page 361 in "Litigation against our Company – Criminal Proceedings"

Litigation or legal action against our Promoter taken by any Ministry, Department of Government or any statutory authority

Except as disclosed above, there is no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against the Promoter of our Company during the last five years immediately preceding the year of the issue of this Red Herring Prospectus.

Litigation involving our Directors

There is no outstanding litigation proceedings involving our Directors.

Litigation involving our Group Companies

Except as stated below, there are no outstanding litigation proceedings involving our Group Companies.

Civil Proceedings

The SEBI had filed an appeal bearing C.A. No. 5275/2006 ("**SC Appeal**") before the Supreme Court against ICAP India Private Limited ("**ICAP**") in relation to a SAT order dated August 14, 2006 ("**SAT Order**"). On March 28, 2003, ICAP filed a statement of turnover details, disclosing its turnover as "NIL". In response, the SEBI addressed a letter dated August 4, 2003 to the NSE stating that brokers would be liable to pay fees based on annual turnover and that no concessional rate would be available for any kind of transaction. Through letters dated August 20, 2003 and August 22, 2003, ICAP made representations before the NSE and SEBI, respectively, stating that the interpretation of the term 'total turnover' by SEBI is not correct in light of Schedule III of the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 ("**Brokers Regulations**"). Under

Regulation 10 of the Brokers' Regulations, every stock broker is required to pay such registration fees as specified in schedule III to the Brokers Regulations. As per para 1(bb) (ii) of schedule III of the Brokers Regulations, in respect of transactions involving government securities, bonds issued by any public sector undertaking and units traded in similar manner, the fee payable by the broker is to be computed at the rate of one thousandth of one percent of the turnover.

Subsequently, on August 29, 2003, ICAP made a payment of ₹ 24.22 million under protest and without prejudice, towards registration fees and interest. In response to the ICAP letters dated August 22, 2003 and August 29, 2003, SEBI held a personal hearing on October 31, 2003, and passed an order dated November 28, 2003 ("**SEBI Order**") wherein ICAP was held liable to make a payment of ₹ 335.15 million towards principal and an amount of ₹ 37.83 million towards interest as on November 30, 2003. Aggrieved by the SEBI Order, ICAP filed an appeal before the SAT bearing appeal no. 56 of 2004 wherein it challenged the SEBI Order and SEBI's interpretation of 'annual turnover'. On August 14, 2006, the SAT passed an order in favour of ICAP, holding that as a stock broker in the wholesale debt market does not receive any amount from the sale and purchase of securities in WDM segment, such transactions cannot be included towards the calculation of annual turnover ("**SAT Order**"). Aggrieved, the SEBI filed the SC Appeal, praying for quashing of the SAT Order. As part of the SC Appeal, ICAP filed an interim application bearing I.A. No. 4 of 2014 for the refund of the amount paid by ICAP under protest. Through its order dated March 09, 2015, ("**Interim Appeal Order**") the Supreme Court allowed ICAP's application and directed SEBI to deposit the amount with the Supreme Court Registry with liberty to ICAP to withdraw it on furnishing of a bank guarantee. However, subsequently, pursuant to its order and judgment dated November 24, 2015, ("**SC Judgment**") the Supreme Court set aside the SAT Order as being erroneous in law, and remanded the matter back to the SAT for a consideration of other grounds previously raised by ICAP, in accordance with law. Pursuant to the SC Judgment, the Supreme Court has directed the SAT for deciding on relevant issues and grounds as per law at an early date, preferably within six months. Further, in terms of the SC Judgment, the amount submitted by SEBI with the Supreme Court pursuant to the Interim Appeal Order is required to be refunded to the SEBI without any delay."

Tax proceedings

A summary of tax proceedings involving our Company, our Subsidiary(ies), our Promoter(s), our Directors, or our Group Company(ies) are stated below:

Nature of case		Number of cases	Amount involved (in ₹ million)
Company			
Direct Tax			
1.	Income Tax	1	0.77
Indirect Tax			
1.	Service Tax	1	14.94
Subsidiaries			
Direct Tax			
1.	Income Tax	2	2.3
Indirect Tax			
1.	Service Tax*	1	76.25
Promoters			
Direct Tax			
		Nil	Nil
Indirect Tax			
		Nil	Nil
Directors			
Direct Tax			
		Nil	Nil
Indirect Tax			
		Nil	Nil
Group Companies			
Direct Tax			
		Nil	Nil
Indirect Tax			
		Nil	Nil

*Transferred to our Company pursuant to the Demerger Scheme. For further details, please refer to "History and certain corporate matters" on page 154.

Proceedings initiated against our Company for economic offences

There are no proceedings initiated against our Company for any economic offences.

Defaults in respect of dues payable

Our Company has no outstanding defaults in relation to statutory dues payable, dues payable to holders of any debentures (including interest) or dues in respect of deposits (including interest) or any defaults in repayment of loans from any bank or financial institution (including interest).

Material developments since September 30, 2015

Other than as disclosed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 346, in the opinion of the Board, there has not arisen, since the date of the last Restated Financial Information included in this Red Herring Prospectus, any circumstance that materially and adversely affects or is likely to affect the trading or profitability of our Company taken as a whole or the value of its consolidated assets or its ability to pay its liabilities over the next 12 months.

Outstanding dues to Creditors

For the purpose of material creditors to be disclosed in the Red Herring Prospectus our Board has considered and adopted the following policy:

De minimis monetary threshold for creditors: capital creditors and revenue creditors of the Company having a monetary value not exceeding 0.5% of the total liabilities of the Company as at March 31, 2015 on a consolidated basis, and creditors in the nature of retention money received from capital creditors, shall not be considered material.

As per the above policy, there is no material creditor in the Company.

As on September 30, 2015, our Company had the following dues to small scale undertakings and other creditors:

Material Creditors	Number of cases	Amount involved (in ₹ million)
Small scale undertakings	Nil	Nil
Other Creditors	291	19.09

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at <http://www.teamlease.com/creditors-listing>. It is clarified that such details available on our website do not form a part of this Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company’s website, www.teamlease.com, would be doing so at their own risk.

GOVERNMENT APPROVALS

Our Company and our Subsidiaries have received the necessary consents, licenses, permissions, registrations and approvals from various governmental agencies and other statutory and / or regulatory authorities, required for carrying out its present business and except as mentioned below, no further material approvals are required by our Company and our Subsidiaries for carrying out their existing business operations. Unless otherwise stated, these approvals or licenses are valid as of date of this Red Herring Prospectus.

The main objects clause and objects incidental to the main objects of the Memorandums of Association of our Company and our Subsidiaries enables our Company and our Subsidiaries to undertake their existing business activities.

For further details in connection with the regulatory and legal framework within which we operate, please refer to “Regulations and Policies” on page 142 of this Red Herring Prospectus.

Approvals related to the Offer

For details, please refer to “Other Regulatory and Statutory Disclosures” on page 371 of this Red Herring Prospectus.

Incorporation details of our Company

1. The certificate of incorporation dated February 02, 2000 was issued to our Company, in the name and style of India Life Chakravarti Actuarial Services Private Limited, by the RoC.
2. The certificate of incorporation dated January 24, 2002 was issued to our Company on account of change of name from India Life Chakravarti Actuarial Services Private Limited to Team Lease Services Private Limited.
3. Fresh certificate of incorporation dated May 15, 2015 was issued by the RoC to our Company consequent upon conversion into a public company.
4. Name of our Company was changed to TeamLease Services Limited and a fresh certificate of incorporation was issued on July 24, 2015
5. Corporate Identity Number (“CIN”) of our Company is U74140MH2000PLC124003.

Business related approvals of our Company

In order to operate the business of our Company, we require various approvals, licenses and/or registrations under various laws, rules and regulations. These approvals and/or licenses include registrations under (i) applicable Shops and Establishments Acts; (ii) applicable Professional Tax Acts; (iii) Contract Labour (Regulation and Abolition) Act (iv) Employees’ Provident Fund and Miscellaneous Provisions Act; (v) ESI; and (vi) Service Tax Act.

Certain approvals may have elapsed in their normal course and the Company has either made an application to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications.

1. *Registration under applicable Shops and Establishment Act*

S.No.	Registration number	Address of establishment	Validity
1.	PII/EL/10/000016	TF/322,323, Super Mall, near Lal Bungalow, C.G. Road, Ahmedabad 380 009	It is valid from January 1, 2013 till December 31, 2017
2.	SLIB/151/CE-1155/2008	# 6 th Floor, BMTC Commercial Complex, 80 feet road, Kormangala, Bengaluru 560 095	It is valid from January 1, 2012 till December 31, 2016
3.	2010000653	# 771, 7 th Floor, A.M. Tower-2, Pitampura Near TV Tower, New	It is valid from February 10, 2010

S.No.	Registration number	Address of establishment	Validity
		Delhi 110 034	
4.	DCL-II/Hyd/325/2010	6-3-1109/1 Navbharat Chambers Rajbhavan Road, Somajiguda, Hyderabad 500 082	It is valid from January 01, 2015 till December 31, 2015*
5.	KOI/Bhow/P II/53677	# 3A/1, 3 rd Floor, 228A, A.J.C Bose Road, Kolkata 700 020	It is valid from March 27, 2015 till March 26, 2018
6.	KE015976/COMMERCIAL II/WARD KE	115, Raaj Chambers, 4 th F, Paramhans Marg, opposite Wilson Pen, Andheri (East), Mumbai 400 069	It is valid from January 2015 till December 31, 2017
7.	760461435/COMMERCIAL II/WARD HE	Office No. 5 , C' Wing 3 rd floor, Laxmi Tower, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	It is valid from January 01, 2016 till December 31, 2016
8.	Shivaji/II/37749	Express House, 1 st Floor, 1205/2/6, Shirole Road, Shivaji Nagar, Pune 411 004	It is valid from January 1, 2015 till December 31, 2015**

*Our Company has filed an application dated October 31, 2015 for notice of change and renewing the registration details.

**Our Company has filed an application dated December 14, 2015 for renewing the registration details.

2. **Registration under the Tamil Nadu Industrial Establishments National and Festival Holidays Act, 1958**

Our Company is registered under the Tamil Nadu Industrial Establishments National and Festival Holidays, Act 1958 under registration no. R DIS/681/2010 issued on December 20, 2010 and registration no. R DIS/435/2015. The establishment to which this registration is applicable to are located at New no. 58, 3rd Floor, Karishma Building, Nungambakkam High Road, Chennai 600 034 and Survey no. 239/5, S.S.S Complex, Door no. 07,08,09, Mathur (Oragadam), Changalpattu Highway Road, Kanchipuram district 602 105 respectively. .

3. **ISO Registration**

S.No.	Certificate number	Registered activity	Issuing authority	Validity
1.	ISO 27001:2005 dated September 18, 2013	Operates an information security management system that complies with the requirements of ISO/IEC 27001:2005 such as staffing operations, customer relations, recruitment, placement, learning services, regulatory operations and the support functions such as business development, human resource, finance, regulatory, provident fund and payroll, information technology, customer relations, facilities and administration as per the applicability ver 1.2 dated September 03, 2013	BSI	September 12, 2016
2.	ISO 27001:2013 latest revision dated July 23, 2015	The information security management system that covers the business development, staffing operations, regulatory services, recruitment, learning services, customer relations and support functions like facilities and administration, finance, provident fund, payroll, human resource, application development, IT infrastructure and support as per the applicability ver 3.1 dated June 04, 2015	BSI	September 12, 2016

4. **Tax related registrations**

(a) **Permanent Account Number/Tax Deduction Account Number**

S.No.	Particulars	Registration number
1.	Permanent Account Number	AABCT5458K
2.	Tax Deduction Account Number for Bengaluru office	BLRT06262E
3.	Tax Deduction Account Number for Registered office	MUMT07680B

(b) **Service Tax**

S.No.	Approval granted in relation to premises located at	Authority name	Registration/reference number	Date
1.	6th Floor and 8th Floor, BMTC Commercial Complex, 80 feet road, Kormangala, Bengaluru 560 095 bearing a premise code no. SO0403A001, SO0403A019 and SO0403A013; - Plot no. 115, Raaj Chambers, 4th Floor, Unit no. 401,402 and 403, Paramhans Marg, opposite William Penn, Andheri (E), Mumbai 400 069 bearing a premise code no. SO0403A022; - No. 6-3-1109/1 Navbharat Chambers Rajbhavan Road, Somajiguda, Hyderabad 500 082 bearing a premise code no. SO0403A015; - No. 6, 3rd Floor, C-Wing, Laxmi Towers, Bandra, Mumbai 400 051 bearing a premise code no. SO0403A016; - New No. 58, 2nd and 3rd Floor, Karishma Building, Nungambakkam High Road, Chennai 600 034 bearing a premise code no. SO0403A017; # 3A, 3rd Floor, 228A, A.J.C Bose Road, Kolkata 700 020 bearing a premise code no. SO0403A020; 1st Floor, Express House, Plot no. 1205/2/6 Shirole road Shivaji Nagar, Pune 411 004 bearing a premise code no. SO0403A021; #322-323, Super Mall, CG Road, Near Lal Bungalow, Ahmedabad 380 009 bearing a premise code no. SO0403A018; and - No. 771, 7th Floor, Aggarwal Millemium Tower II, Plot No. E-4, Netaji Subhash Place, District Centre, Wazripur, Opp TV Tower, Pitampura, Delhi 110 034 bearing premise code no. SO0403A014.	Central Board of Excise and Customs	AABCT5458KST002	The registration was last amended on October 09, 2015

(c) **Professional Tax Registration**

S.No.	Relevant statute	Authority name	Registration/reference number	Date of registration
1.	Assam Professions Trades, Callings and Employments Taxations Act, 1947	Assistant Commissioner of Taxes, Guwahati Unit	11087	Effective from February 7, 2007
2.	Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976	Professional Tax Officer, 7 th Circle, Bengaluru	377370230	Effective from August 4, 2012
3.	Telangana Tax on Professions, Trades, Callings and Employments Act, 1987	Professional Tax Officer, Basheerbagh Circle, Hyderabad	36646458958	Effective from July 02, 2015
4.	Bihar Tax on Professions, Traders, Callings and Employments Act, 2011	Deputy Commissioner of Commercial Taxes, Patna Special Circle	10BLRT06262E	Effective from May 16, 2012
5.	Maharashtra State Tax on Professions, Trades, Callings, and Employment Act, 1976	Assistant Commissioner, Sales Tax Office, Mumbai	2728530123P	Effective from June 9, 2015
6.	Orissa State Tax on Professions, Trades, Callings and Employments Act, 2000	Assessment Authority, Professional Tax, Bhubaneswar	PR-BH-II-662	Effective from January 31, 2007

S.No.	Relevant statute	Authority name	Registration/reference number	Date of registration
7.	West Bengal State Tax on Professions, Trades, Callings, and Employments Rules, 1979	Profession Tax Officer, Calcutta	191000776588	Effective from December 1, 2002
8.	Gujarat State Tax on Profession, Trade, Calling and Employments Act, 1976	Assistant Manager, Professional Tax	PRC015140288	Effective from March 22, 2013
9.	Chhattisgarh Professional Tax Act, 1995	Department of Commerce, Raipur Circle, Raipur	RYP/II/2787/PT	Effective From October 22, 2002
10.	Tamil Nadu Urban Local Bodies Tax on Professions, Trades, Callings, Employment Rules, 1998	Commissioner, Corporation of Chennai	08-119-PE-0257	Effective from June 23, 2006
11.	Jharkhand Tax on Professions, Taxes, Callings and Employments Act, 2011	Registration Authority, Commercial Taxes Department, Jharkhand	2089042800356	Effective from February 24, 2014
12.	Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987	Deputy Commissioner, Tax Officer, Professions tax officer, CTO II Circle Chittoor	37176786703	April 23, 2015
13.	Gujarat State Tax on Profession, Trade, Calling and Employments Act, 1976	Assistant Manager, Professional Tax, West Zone 2	R.C.009	Effective from November 03, 2015
14.	Madhya Pradesh Professional Tax Act, 1995	Professional Tax Officer, Commercial Tax Department, Bhopal, Circle 1	0S/01/1451/P	Effective from March 11, 2003

5. *Licenses relating to employee welfare*

S.No.	License number	Date of registration	Authority
1.	Certificate no. KN/BN/KRP/35224/Enf/Cir X/217 under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Effective from June 18, 2002	Regional Provident Fund Commissioner, Karnataka
2.	License no. Kar.INSNP.53-18958-101 under the Employees' State Insurance Act, 1948	Effective from October 24, 2002	Assistant Deputy Director, Employees State Insurance Corporation, Regional Office, Karnataka
3.	Form A (notice of opening) under Rule 3(1) of the Payment of Gratuity Act, 1972 and Rules, 1972 filed by the Company	Effective from January 21, 2011	Deputy Labour Commissioner (Central)

6. *Licenses relating to contract labour*

Our Company has currently obtained 432 licenses under the Contract Labour (Regulation and Abolition) Act, 1970 for providing contract labour to various clients. Out of 432 licenses, we have applied for renewal of 204 licenses that have expired during the regular course of our business and we have made fresh application for 23 due to new engagements with clients.

7. *Electricity related approvals*

Our Company has obtained an electricity approval bearing license no. CEIG/ATS-BS-188/3576-80/11-12 dated May 16, 2011 issued by Office of Chief Electrical Inspector to Government, Bengaluru.

8. *Trademark registration*

S.No.	Trademark	Date of application	Authority
1.	"TeamLease (device)" is a registered trademark bearing no. 1249588 under class 42 of the Trade Marks Act, 1999	November 14, 2003	Registrar of Trademarks, Mumbai
2.	"TeamLease Staffing Solution" is a registered trademark bearing no. 1596112 under class 35 and 42 of the Trade Marks Act, 1999	August 29, 2007	Registrar of Trademarks, Mumbai

S.No.	Trademark	Date of application	Authority
3.	“Team Lease NAC (National Apprenticeship Centre” is a registered trademark bearing no. 1816518 under class 41 of the Trade mark Act, 1999	May 11, 2009	Registrar of Trademarks, Mumbai
4.	“Team Lease Learning for Earning” is a registered trademark bearing no. 1816517 under class 41 of the Trade Marks Act, 1999	May 11, 2009	Registrar of Trademarks, Mumbai

9. Pending applications

We have made an application dated July 27, 2015 for renewal of trademark registration- TeamLease – Putting India to Work” under class 35, 41 and 42 of the Trademarks Act, 1999.

Business related approvals of our Subsidiaries

In order to operate our business we require various approvals and/ or licenses under various laws, rules and regulations. These approvals and/or licenses include registrations under (i) applicable Shops and Establishments Acts; (ii) Professional Tax Act; (iii) Contract Labour (Regulation and Abolition) Act (iv) Employees’ Provident Fund and Miscellaneous Provisions Act; (v) Employees’ State Insurance Act; and (vi) Service Tax Act

Certain approvals may have elapsed in their normal course and our Subsidiaries have either made an application to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications.

IIJT Education Private Limited (“IIJT”)

1. A certificate of incorporation dated July 3, 2006 was issued to IIJT, in the name and style of IIJT Computer Education Limited, the Registrar of Companies, Kolkata;
2. The certificate of incorporation dated June 28, 2010 was issued to IIJT on account of change of name from IIJT Computer Education Limited to IIJT by the Registrar of Companies, Kolkata;
3. CIN of IIJT is U72200WB2006PTC110320;
4. Permanent account number of IIJT is AABC16092E;
5. Tax deduction account number of IIJT is MUMI10171A;
6. Service tax registration number of IIJT is AABC16092EST001 issued by Superintendent of Central Excise, Division III, Service Tax Commissionerate, Kolkata on May 31, 2013;
7. Professional tax registration number of IIJT is 332179093;
8. IIJT has made an application dated July 23, 2015 under the West Bengal Shops and Establishments Rules, 1964 before the Registering Authority, Shops and Establishment, Kolkata for registration of their registered office under commercial establishment;
9. Labour related approvals:

Certificate number under the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 dated January 18, 2008 issued by Regional Provident Fund Commissioner, West Bengal; and

10. Trademark registrations:

S No.	Trade mark registration details	Date	Authority
1.	“IIJT Retail (label)” is registered bearing no. 1543595 under class 41 of Trade Marks Act, 1999	March 26, 2007	Trade Marks Registry, Delhi
2.	“IIJT Retail (label)” is registered bearing no. 1602075 under class 41 of the Trade Marks Act, 1999	September 14, 2007	Trade Marks Registry, Delhi
3.	“IIJT Finance (label)” is registered bearing no. 1602077 under class 41 of Trade Marks Act, 1999	September 14, 2007	Trade Marks Registry, Delhi

S No.	Trade mark registration details	Date	Authority
4.	“IJT” with lable is registered bearing no. 1438193 under class 16 of the Trade Marks Act, 1999	March 27, 2006	Trade Marks Registry, Delhi
5.	“IJT Institute of Job Oriented Training” with label is registered bearing no. 1438194 under class 41 of the Trade Marks Act, 1999	September 14, 2007	Trade Marks Registry, Delhi

TeamLease Education Foundation (“TLEF”)

1. The certificate of incorporation dated June 27, 2011 was issued to TLEF by the Registrar of Companies, Mumbai;
2. CIN of TLEF is U80903MH2011NPL219138;
3. Permanent account number of TLEF is AADCT8958N;
4. Tax deduction account number of TLEF is MUMT16894D;
5. Service tax registration number of TLEF is AADCT8958NSD001 issued by Central Board of Excise and Customs, Bengaluru circle on August 16, 2013; and
6. TLEF has made an application dated July 20, 2015 under the Bombay Shops & Establishments Act, 1948, numbered 760483058, before the Brihan Mumbai Mahanagar Palika Ward, Mumbai for registration of their registered office under commercial II establishment.

India Tourism and Hospitality Skills Education Private Limited (“ITHS”)

1. The certificate of incorporation dated June 28, 2011 was issued to ITHS by the Registrar of Companies, Mumbai;
2. CIN of ITHS is U80900MH2011PTC219217;
3. PAN of ITHS is AACCI6530N;
4. TAN of ITHS is MUMI10083D; and
5. ITHS has made an application dated July 20, 2015 under the Bombay Shops & Establishments Act, 1948, numbered 760483056, before the Brihanmumbai Mahanagar Palika Ward, Mumbai for registration of their registered office under commercial II establishment.

National Employability Apprenticeship Services (“NEAS”)

1. The certificate of incorporation dated February 13, 2013 was issued to NEAS by the Registrar of Companies, Bengaluru;
2. CIN of NEAS is U74900KA2013NPL067835; and
3. NEAS has made an application dated July 20, 2015 under the Bombay Shops & Establishments Act, 1948, numbered 760483076, before the Brihan Mumbai Mahanagar Palika Ward, Mumbai for registration of their registered office under commercial II establishment.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to the resolution passed at their meeting held on July 09, 2015 and our Shareholders have approved the Offer pursuant to a resolution passed at the EGM held on July 10, 2015 under section 62(1)(c) of the Companies Act, 2013.

The Selling Shareholders have each consented to participate in the Offer for Sale in the following manner : (i) HROV has authorised the offer of up to 153,321 Equity Shares in the Offer by way of board resolution dated September 09, 2015; (ii) GAPL has consented to offer up to 76,660 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015; (iii) GTPL (*acting for and on behalf of GCIF*) has consented to offer up to 275,977 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015; (iv) GIL has consented to offer up to 1,180,569 Equity Shares in the Offer for Sale by way of board resolution dated September 07, 2015 and (v) I-VEN (*investment manager of IAF*) has authorised the offer of up to 1,533,206 Equity Shares in the Offer by way of management committee resolution dated July 13, 2015.

Each Selling Shareholder has severally and not jointly confirmed on its own behalf and not on behalf of any other Selling Shareholder that the Equity Shares proposed to be offered by each Selling Shareholder in the Offer for Sale, have been held by such Selling Shareholder for a period of at least one year in accordance with applicable law prior to the filing of the Red Herring Prospectus with SEBI or were issued under a bonus issue (out of the free reserves and/or share premium existing at the end of previous Financial Year and were not issued by utilization of revaluation reserves or unrealized profits of our Company) on Equity Shares as on the date of filing of the Red Herring Prospectus with the SEBI and are eligible for being offered for sale in the Offer, in terms of Regulation 26(6) of the SEBI ICDR Regulations, and further that such Equity Shares are free from any lien, charge, encumbrance or contractual transfer restrictions. Each Selling Shareholder has severally and not jointly also confirmed on its own behalf and not on behalf of any other Selling Shareholder that it is the legal and beneficial owners of the Equity Shares being offered by such Selling Shareholder under the Offer for Sale. Each Selling Shareholders has severally and not jointly confirmed on its own behalf and not on behalf of any other Selling Shareholder that it has not been prohibited from dealings in securities market.

Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated September 30, 2015 and September 29, 2015, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of our Promoter Group, the Group Companies, the persons in control of our Company, the natural persons in control of the Corporate Promoters and the Selling Shareholders have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoters, Directors or persons in control of our Company are or were associated as promoter, directors or persons in control have not been prohibited from accessing capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Other than our Director, Gopal Jain, who is also a director on the board of Bonanza Portfolio Limited, none of our Directors or the entities that our Directors are associated with are engaged in securities market related business and are registered with SEBI. For further details related to the matters against Bonanza Portfolio Limited, please see below.

1. SEBI has issued a letter dated May 19, 2004, to Bonanza, alleging non-exercise of due care and diligence in conduct of its business as a broker, while dealing with clients in the scrip of Radaan Mediaworks India Private Limited, and levied a penalty of ₹ 1.55 million, which has been noted and complied with by Bonanza.
2. SEBI has issued a letter dated February 2, 2005, to Bonanza, alleging non exercise of due skill, care and diligence while dealing with clients in the scrip of Shukun Construction Limited, and levied a penalty of ₹ 0.1 million, which has been noted and complied with by Bonanza.

3. SEBI has issued a letter dated January 6, 2004, to Bonanza, alleging indulgence in creation of artificial volume in scrip of Shree Yaax Pharma & Cosmetics Limited, further to which, SEBI has, by a letter dated August 25, 2008, advised Bonanza to be careful in future in the conduct of its affairs as a capital market intermediary, which has been noted and complied with by Bonanza.
4. SEBI has issued a letter dated February 13, 2004, to Bonanza, alleging non exercise of due skill, care and diligence while dealing with clients in the scrip of Information Technologies (India) Limited. SEBI has, by an order dated June 28, 2007, advised Bonanza to be careful and cautious in its dealings in securities market, which has been noted and complied with.
5. SEBI has issued an order dated April 17, 2013, to Bonanza, in relation to alleged violation under the SEBI Intermediaries Regulations, 2008 in the matter of Shiv Raj Puri-Relationship Manager-Citibank Gurgaon & Others, in the period April 2009-December 2010, by which SEBI disposed of its show cause notice (No. IVD/ID4/SKS/SL/20823/2012) dated September 17, 2012, observing that, considering the facts and circumstances, the matter was not fit for taking action by Bonanza.
6. SEBI has issued a letter dated January 15, 2008, to Bonanza, in the matter of TCI Industries Limited (August 31, 2004 to December 31, 2004), further to which SEBI has, by a letter dated September 18, 2008, advised Bonanza to be cautious in the future to avoid recurrence of such instances, which has been noted and complied with by Bonanza.
7. SEBI has issued a letter dated December 29, 2008, to Bonanza, in the matter of Vipul Limited (May 21, 2008 to July 7, 2008), further to which, SEBI has, by a letter dated June 10, 2009, advised Bonanza to be careful to avoid recurrence of such instances and to take corrective steps and improve systems and keep SEBI informed of this matter, which has been noted and complied with by Bonanza.
8. SEBI has issued a letter dated March 2008, to Bonanza, alleging circular/reversal trades in the scrips of BSEL Information Systems Limited and Maharashtra Seamless Limited, in the period December 1, 2003 - March 31, 2004, further to which SEBI, by a letter dated October 17, 2008, advised Bonanza to be more careful in future to avoid recurrence of such instances, which has been noted and complied with by Bonanza.
9. SEBI has issued a letter dated February 17, 2004, to Bonanza, alleging dealing in illiquid scrips in the matter of Oriental Trade Limited in the period August 30, 2002-October 28, 2002, further to which, SEBI has, by a letter dated July 11, 2008, SEBI has advised Bonanza to be careful in future to avoid recurrence of such instances, which has been noted and complied with by Bonanza.
10. In relation to an inspection by SEBI of books and records of Bonanza for the period 2009-2010, SEBI has, by its letter dated August 11, 2011, advised Bonanza to be careful in future to improve compliance standards and place findings of the inspection and corrective steps taken before SEBI, which has been noted and complied with by Bonanza.
11. In relation to an inspection by SEBI of Bonanza with respect to prevention of money laundering operations for the period 2011-2012, SEBI has, by a letter dated December 20, 2012, advised Bonanza to ensure strict compliance of the Prevention of Money Laundering Act, 2002 and rules and regulations issued thereunder, which has been noted and complied with by Bonanza.
12. In May 2013, SEBI has initiated inspection in relation to certain investor grievances, pursuant to which Bonanza has filed the latest reply dated April 10, 2015 and SEBI's further communication is awaited.

Prohibition by RBI

Neither our Company, nor our Promoters, relatives, as defined under Companies Act, of our Promoters, Directors, Group Companies, nor the Selling Shareholders have been identified as wilful defaulters by the RBI or any other governmental authority. Other than as disclosed in this Red Herring Prospectus, there are no violations of securities laws committed by them in the past or pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(2) of the SEBI ICDR Regulations which states as follows:

“An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net Offer to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers.”

We are an unlisted company, not complying with the conditions specified in Regulation 26(1) of the SEBI ICDR Regulations and are therefore required to meet both the conditions detailed in Clause (a) and Clause (b) of Regulation 26(2) of the SEBI ICDR Regulations, which are set out below:

- We are complying with Regulation 26(2) of the SEBI ICDR Regulations and at least 75% of the Net Offer is proposed to be Allotted to QIBs and in the event we fail to do so, the full application monies shall be refunded to the Bidders.
- We are complying with Regulation 43(2A) of the SEBI ICDR Regulations and Non-Institutional Bidders and Retail Individual Bidders will be allocated not more than 15% and 10% of the Net Offer, respectively.

Hence, we are eligible for the Offer under Regulation 26(2) of the SEBI ICDR Regulations.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000, failing which, the entire application money will be refunded. In case of delay, if any, in refund, our Company shall pay interest on the application money at the rate of 15% p.a. for the period of delay.

Our Company is in compliance with conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, IDFC SECURITIES LIMITED, CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED AND ICICI SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THE DRHP IN RELATION TO THEMSELVES FOR THE RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED BY WAY THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 10, 2015 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING

ISSUE, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:**
 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, AS AMENDED AND REPEALED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE “SEBI ICDR REGULATIONS”) AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. - COMPLIED WITH AND NOTED FOR COMPLIANCE**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C)**

AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALIZED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
 - (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE ISSUE. - COMPLIED WITH AND NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI (ICDR) REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
16. **WE ENCLOSE A STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)’, AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR.**
17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS**

The filing of the Draft Red Herring Prospectus does not, however, absolve any person other than each of the Selling Shareholders who has authorised the issue of the Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013 or from the requirement of obtaining such statutory and/ or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with BRLMs, any irregularities or lapses in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus.

The filing of the Draft Red Herring Prospectus does not absolve the Selling Shareholders from any liabilities to the extent of the statements made by each of them in respect of the Equity Shares offered by such Selling Shareholder as part of the Offer for Sale, under Section 34 and Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26 and 30 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders and the BRLMs

Our Company, the Directors, each Selling Shareholder and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.teamlease.com, would be doing so at his or her own risk. Each Selling Shareholder, its respective directors, affiliates, associates and officers express no opinion and accept / undertake no responsibility for any statements, undertakings or disclosures made by the Company or any other person, including any other Selling Shareholder whether or not relating to the Company, their respective businesses, the Promoters or financial information, other than those made in relation to such Selling Shareholder and to the Equity Shares offered by such Selling Shareholder, by way of the Offer for Sale in the Offer and the directors and officers of such Selling Shareholder shall not be liable in any situation whatsoever for such statement, undertaking or disclosure.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, each of the Selling Shareholders (to the extent applicable to such Selling Shareholder) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in downloading or uploading the Bids due to faults in any software/ hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to FIIs, Eligible NRIs and FPIs. This Red Herring Prospectus does not, however, constitute an invitation to purchase Equity shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or its Subsidiaries since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional investors (as defined in Rule 144A under the U.S. Securities Act) pursuant to Rule 144A under the U.S. Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Disclaimer Clause of BSE

BSE has given vide its letter dated September 30, 2015 permission to this Company to use the BSE’s name in this offer document as one of the Stock Exchanges on which this Company’s securities are proposed to be listed. The BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The BSE does not in any manner:

- a) warrant, certify or endorse the correctness or completeness of any contents of this offer document; or
- b) warrant that this Company’s securities will be listed or will continue to be listed on the BSE; or

- c) take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been declared or approved by the BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the NSE

As required, a copy of this offer document has been submitted to NSE. NSE has given vide its letter Ref.: NSE/LIST/44272 dated September 29, 2015 permission to the Issuer to use NSE's name in this offer document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The NSE has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; now does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013 and would be delivered for registration to the RoC and all legal requirements pertaining to the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be complied with and delivered for registration with RoC at the Office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai 400 002, Maharashtra, India.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company shall forthwith repay, all monies received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 6 Working Days from the Bid/ Offer Closing Date. Further, each Selling Shareholder severally and not jointly confirms that all steps, as may be reasonably required and necessary to be taken by such Selling Shareholder, will be taken and such reasonable support and reasonable cooperation as may be required by our Company shall be provided, as may be necessary for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/ Offer Closing Date.

Price information of past issues handled by the BRLMs

1. IDFC

(a) Price information of past issues handled by IDFC

S. No.	Issuer Name	Issue Size (₹ Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, (+/- % change in closing benchmark) - 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
1.	Narayana Hrudayalaya Limited	613.08	250.00	January 06, 2016	291.00	NA	NA	NA
2.	PNC Infratech Limited	488.44	378.00	May 26, 2015	387.00	+0.32% (+0.26%)	+14.66% (-6.36%)	+42.72% (-5.88%)
3.	MEP Infrastructure Developers Limited	324.00	63.00	May 06, 2015	65.00	-15.71% (+0.42%)	-8.57% (+5.51%)	-13.49% (-0.57%)
4.	Sharda Cropchem Limited	351.86	156.00	September 23, 2014	260.00	+61.06% (-0.27%)	+63.56% (+3.82%)	+91.35% (+6.65%)
5.	Repco Home Finance Limited	270.23	172.00 ^{vi}	April 01, 2013	159.95	-0.64% (+3.96%)	+44.24% (+3.41%)	+41.19% (+2.26%)

Notes:

- Source: www.nseindia.com and www.bseindia.com for the price information and prospectus/basis of allotment for issue details.
- In case of reporting dates falling on a trading holiday, values for the trading day immediately following the trading holiday have been considered.
- BSE was the designated stock exchange for the issue listed as item 1 in the above table therefore Price information and benchmark index values have been shown only for designated stock exchange. SENSEX has been used as the benchmark index.
- NSE was the designated stock exchange for the issues listed as item 2, 3, 4 and 5 in the above table therefore Price information and benchmark index values have been shown only for designated stock exchange. NIFTY has been used as the benchmark index.
- Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for Narayana Hrudayalaya Limited, data for the same is not available.
- Discount of ₹ 16 per equity share to the Issue price offered to employees

(b) Summary statement of disclosure Price information of past issues during current financial year and two financial years preceding the current financial year handled by IDFC Securities Limited:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2015-2016	3	1425.52	-	-	1	-	-	1	-	-	1	-	1	-
2014-2015	1	351.86	-	-	-	1	-	-	-	-	-	1	-	-
2013-2014	1	270.23	-	-	1	-	-	-	-	-	-	-	1	-

Note:

- i. Date of Listing of Equity Shares has been considered for calculating total no. of IPOs in a particular financial year.
- ii. The discount/premium has been calculated based on the closing stock price.
- iii. Since 30 calendar days and 180 calendar days from listing date has not elapsed for Narayana Hrudayalaya Limited, data for the same is not available. Hence the same is not considered while calculating no. of IPOs trading at discount/premium at 30th and 180th calendar days from listing.

2. Credit Suisse

(a) Price information of past issues handled by Credit Suisse

S. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Syngene International Limited	550.00	250.00	August 11, 2015	295.00	36.00%, [-7.61%]	44.90%, [-6.47%]	NA

Source: www.nseindia.com for the price information and prospectus for issue details

Notes:

1. 30th and 90th calendar day from listed day have been taken as listing day plus 29 and 89 calendar days, except wherever 30th, 90th calendar day is a holiday, in which case we have considered the closing data of the next trading day
2. Price information and benchmark index values have been shown only for the designated stock exchange in the above table
3. NSE is the designated stock exchange for the issue listed in the above table. NIFTY has been used as the benchmark index.

(b) Summary statement of price information of past issues handled by Credit Suisse

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ Cr.)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2016	1	550.00	-	-	-	-	1	-	NA	NA	NA	NA	NA	NA

3. I-Sec

(a) Price information of past issues handled by I Sec

S. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Shemaroo Entertainment Limited	120.00	170.00 ⁽¹⁾	October 01, 2014	180.00	-5.74%, [+2.81%]	-5.88%, [+3.79%]	+5.85%, [+6.88%]
2	Wonderla Holidays Limited	181.25	125.00	May 09, 2014	160.00	+72.92%, [+11.60%]	+78.96%, [+11.86%]	+162.32%, [+21.57%]
3	VRL Logistics Limited	467.88	205.00	April 30, 2015	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
4	PNC Infratech Limited	488.44	378.00	May 26, 2015	387.00	+0.32%, [+0.26%]	+14.66%, [-6.36%]	+42.72%, [-5.88%]
5	Manpasand Beverages Limited	400.00	320.00	July 09, 2015	300.00	+23.20%, [+2.83%]	+36.53%, [-2.11%]	+58.34, [-6.45%]
6	Sadbhav Infrastructure Project Limited	491.66	103.00	September 16, 2015	111.00	-2.28%, [+3.55%]	-5.63%, [-3.15%]	-

(1) Discount of Rs. 17 per equity share offered to retail investors. All calculations are based on Issue Price of Rs. 170.00 per equity share

Notes:

1. All data sourced from www.nseindia.com
2. Benchmark index considered is NIFTY
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day

(b) Summary statement of price information of past issues handled by I-Sec

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2015-16	4	1,847.98	-	-	1	1	-	2	-	-	-	2	1	-
2014-15	2	301.25	-	-	1	1	-	-	-	-	-	1	-	1
2013-14	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLMs, as set forth in the table below:

S.No	Name of the BRLM	Website
1.	IDFC	http://www.idfc.com/capital/investment-banking/track-record.aspx
2.	Credit Suisse	www.credit-suisse.com
3.	I-Sec	www.icicisecurities.com

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditors, legal advisors, Banker / Lenders to our Company (b) CRISIL (c) the BRLMs, the Syndicate Member, the Escrow Collection Bank, Escrow Agent and the Registrar to the Offer and (d) each of the Selling Shareholders to the Offer to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

Our Company has received written consent from the Statutory Auditors, namely, Price Waterhouse & Co Bangalore LLP, Chartered Accountants to include its name as an expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the reports of the Statutory Auditors dated January 17, 2016 on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company and the statement of tax benefits, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Red Herring Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as “experts” in this Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors, namely, Price Waterhouse & Co Bangalore LLP, Chartered Accountants to include its name as an expert under Section 26 of the Companies Act, 2013 in this Red Herring Prospectus in relation to the reports of the Statutory Auditors dated January 17, 2016 on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company and the statement of tax benefits, included in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Red Herring Prospectus. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Red Herring Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as “experts” in this Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer expenses consist of listing fees, underwriting fees, selling commission, fees payable to the BRLMs, legal counsel, Registrar to the Offer, expenses for IPO grading, Banker to the Offer including processing fee to the SCSBs for processing Bid cum Application Forms submitted by ASBA Bidders procured by the Members of the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationary expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Offer other than listing fees and expenses in relation to the legal counsel to the Company, which shall be paid by the Company, and expenses in relation to the legal counsel to each of the Selling Shareholders, which shall be paid by such Selling Shareholder, will be

paid by and shared between our Company and each of the Selling Shareholders in proportion to the Equity Shares contributed to the Offer by such Selling Shareholder in accordance with applicable law. For further details of Offer expenses, please refer to “Objects of the Offer” on page 96.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the engagement letter dated September 10, 2015, a copy of which is available for inspection at the Registered Office.

Commission payable to the Registered Brokers, Registrar to the Offer and Share Transfer Agents, and the Collecting Depository Participants

For details of the commission payable to the Registered Brokers, Registrar to the Offer and Share Transfer Agents, and Collecting Depository Participants, please refer to “Objects of the Offer ” on page 96.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement Restated Registrar Agreement entered into, between our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which is available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in the section “Capital Structure” on page 75, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Underwriting, Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company’s inception.

Previous capital issue during the previous three years by listed Group Companies, Subsidiaries and associates of our Company

None of the Group Companies or Subsidiaries of our Company is listed on any Stock Exchanges.

Performance vis-à-vis objects – Public/ rights issue of our Company and/ or listed Group Companies, Subsidiaries and associates of our Company

Our Company has not undertaken any previous public or rights issue. None of the Group Companies or Subsidiaries or associates of our Company have undertaken any public or rights issue in the last ten years preceding the date of this Red Herring Prospectus.

Outstanding Debentures or Bonds

There are no outstanding debentures or bonds as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares

Our Company does not have any outstanding preference shares as on date of this Red Herring Prospectus.

Partly Paid-up Shares

The Company does not have any partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any Stock Exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer, the Selling Shareholders and our Company provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, with respect to the Bid cum Application Forms submitted with the Designated Intermediaries the investor shall also enclose a copy of the Acknowledgment slip duly received from the Registered Broker in addition to the documents/ information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders' Relationship Committee comprising Manish Mahendra Sabharwal, Ashok Kumar Nedurumalli and V Raghunathan as members. For details, please refer to "Our Management" on page 164.

Our Company has also appointed Mruthunjaya Murthy C, Company Secretary of our Company as the Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Mruthunjaya Murthy C.
6th Floor
BMTC Commercial Complex
80 Feet Road, Kormangala
Bengaluru 560 095
Karnataka, India
Tel: + 91 80 3324 3406
Fax: +91 80 3324 3001
E-mail: corporateaffairs@teamlease.com

Changes in Auditors

There has been no change in the auditors during the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in the section “Capital Structure” on page 73.

Revaluation of Assets

Our Company has not re-valued its assets at any time in the last five years.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to this Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, abridged prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/ certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/ or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/ or any other authorities while granting its approval for the Offer.

Offer Expenses

The Offer comprises of an Offer for Sale by the Selling Shareholders. The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer expenses consist of listing fees, underwriting fees, brokerage and selling commission, fees payable to the BRLMs, legal counsel, Registrar to the Offer, for IPO grading, processing fee payable to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Designated Intermediaries and submitted to the SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses in relation to the Offer other than listing fees and expenses in relation to the legal counsel to the Company, which shall be paid by the Company, and expenses in relation to the legal counsel to each of the Selling Shareholders, which shall be paid by such Selling Shareholder, will be paid by and shared between our Company and each of the Selling Shareholders in proportion to the Equity Shares contributed to the Offer by such Selling Shareholder in accordance with applicable law. For further details of Offer expenses, please refer to “Objects of the Offer” on page 96.

Ranking of the Equity Shares

The Equity Shares being issued allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to “Main Provisions of Articles of Association” on page 443.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders of our Company in accordance with the provisions of Companies Act, the Memorandum and Articles of Association and provisions of the Listing Regulations. For further details in relation to dividends, see “Dividend Policy” and “Main Provisions of the Articles of Association” on pages 188 and 443, respectively. In relation to the Offer for Sale, the dividend for the entire year shall be payable to the transferee.

Face Value and Offer Price

The face value of each Equity Share is ₹10 and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and advertised in all English editions of the Financial Express, all Hindi editions of the Jansatta and the Marathi edition of the Navshakti, each with wide circulation, at least five Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the

purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Regulation and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, please refer to “Main Provisions of Articles of Association” on pages 443, 449, 448, 450, 444 and 451 respectively.

Option to receive Equity Shares in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated June 10, 2015 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated July 22, 2015 amongst CDSL, our Company and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts/ authorities in Mumbai, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be qualified institutional investors (as defined in Rule 144A under the U.S. Securities Act) pursuant to Rule 144A under the U.S. Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and applicable laws of the jurisdictions where such offers and sales occur.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of equity share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Net Offer equivalent to at least 25% post-Offer paid up Equity Share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b)(i) and 19(2)(b)(ii) of the SCRR), including devolvement of Underwriters, if any, within 60 days from the date of Bid/ Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations.

Any expense incurred by our Company on behalf of the Selling Shareholders with regard to refunds, interest for delays etc. for the Equity Shares being offered in the Offer will be reimbursed by the Selling Shareholders to our Company in proportion to the Equity Shares being offered for sale by the Selling Shareholders in the Offer.

Arrangements for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, Promoters' Minimum Contribution and the Anchor Investor lock-in as provided in the section "Capital Structure" on page 81 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/ debentures and on their consolidation/ splitting, except as provided in the Articles of Association. For details please refer to "Main Provisions of the Articles of Association" on pages 443, 449, 448, 450, 444 and 451 respectively.

OFFER STRUCTURE

Public Issue of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million comprising a Fresh Issue of up to [●] Equity Shares aggregating to ₹ 1500 million by our Company and an Offer for Sale of up to 275,977 Equity Shares by GCIF, up to 76,660 Equity Shares by GAPL, up to 1,180,569 Equity Shares by GIL, up to 1,533,206 Equity Shares by IAF and up to 153,321 Equity Shares by HROV aggregating up to ₹ [●] million and a reservation of up to 10,000 Equity Shares aggregating to ₹ [●] million for Eligible Employees bidding in the Employee Reservation Portion. The Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company and the Net Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars		QIBs ⁽¹⁾	Non Institutional Bidders	Retail Individual Bidders	Eligible Employees
Number of Equity Shares available for Allotment/ allocation ⁽²⁾		Not less than [●] Equity Shares	Not more than [●] Equity Shares or the Net less allocation to QIBs and Retail Individual Bidders	Not more than [●] Equity Shares or the Net less allocation to QIBs and Non Institutional Bidders	Up to 10,000 Equity Shares
Percentage of Offer available for Allotment/ allocation	Size for	At least 75% of the Net Offer. However, up to 5 % of the QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to QIBs (excluding Anchor Investors)	Not more than 15% of the Net Offer or the Net less allocation to QIBs and Retail Individual Bidders	Not more than 10% of the Net Offer or Net Offer less allocation to QIBs and Non-Institutional Bidders	Up to [●]% of the post Offer capital of our Company
Basis of Allotment/ allocation respective category is oversubscribed	of Size if	Proportionate as follows (excluding the Anchor Investor Portion): (a) [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	In the event, the Bids received from Retail Individual Bidders exceeds [●] Equity Shares, then the maximum number of Retail Individual Bidders who can be allocated/ Allotted the minimum Bid Lot will be computed by dividing the total number of the Equity Shares available for allocation/ Allotment to Retail Individual Bidders by the minimum Bid Lot ("Maximum RIB Allottees"). The allocation/ Allotment to Retail Individual Bidders will then be made in the following manner: In the event the number of Retail Individual Bidders who have submitted valid Bids in the Offer is equal to or	Proportionate

Particulars	QIBs ⁽¹⁾	Non Institutional Bidders	Retail Individual Bidders	Eligible Employees
			less than Maximum RIB Allottees, (i) All such Retail Individual Bidders shall be allocated the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be allocated on a proportionate basis to those Retail Individual Bidders who have received allocation as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot) In the event the number of Retail Individual Bidders who have submitted valid Bids in the Offer is more than Maximum RIB Allottees, the Retail Individual Bidders (in that category) who will then be allocated minimum Bid Lot shall be determined on draw of lots basis For details, please refer to “Offer Procedure” on page 396	
Mode of Bidding	ASBA only	ASBA only	ASBA only	ASBA only
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer , subject to applicable limits	Such number of Equity Shares not exceeding the size of the Offer , subject to applicable limits	Such number of Equity Shares so that the Bid Amount does not exceed ₹ 200,000	Such number of Equity Shares not exceeding that the Bid Amount exceeds ₹ 200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Portion	[●] Equity Shares and in multiples of one Equity Share thereafter
Trading Lot	One Equity Share	One Equity Share	One Equity Share	One Equity Share
Who can	Public financial institutions as specified in	Resident Indian individuals, Eligible NRIs,	Resident Indian individuals, Eligible NRIs	Eligible Employees

Particulars	QIBs ⁽¹⁾	Non Institutional Bidders	Retail Individual Bidders	Eligible Employees
apply ⁽³⁾⁽⁴⁾	Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors	and HUFs (in the name of Karta)	

Terms of Payment	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form (including Anchor Investors) ⁽⁴⁾⁽⁵⁾	Full Bid Amount shall be payable at the time of submission of the Bid cum Application Form ⁽⁵⁾	Full Bid Amount shall be payable at the time of submission of the Bid cum Application ⁽⁵⁾	Full Bid Amount shall be payable at the time of submission of the Bid cum Application ⁽⁵⁾
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- (1) *Our Company, the Selling Shareholders and the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, please refer to "Offer Procedure" on page 396.*
- (2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b)(i) of the SCRR and under the SEBI ICDR Regulations. This Offer will be made through the Book Building Process wherein at least 75% of the Net Offer will be Allotted on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion), shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer will be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.*
- (3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*
- (4) *The entire Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. The balance, if any, shall be paid within the two Working Days of the Bid/ Offer Closing Date.*
- (5) *In case of ASBA Bidders, the SCSBs shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.*

Under subscription, if any, in any category except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs

and the Designated Stock Exchange.

A total of up to 10,000 Equity Shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Offer Price. Under subscription, if any, in the Employees Reservation Portion, will be added back to the Net Offer Portion.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer at any time after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the Bidders within one day from the date of receipt of such notification. Our Company shall also inform the Stock Exchanges on which Equity Shares are proposed to be listed about such development.

If our Company and/ or the Selling Shareholders withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with an issue/ offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges within six Working Days of the Bid/ Offer Closing Date, which our Company shall apply for after Allotment and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/ Offer Programme

BID/ OFFER OPENS ON⁽¹⁾	Tuesday, February 02, 2016
BID/ OFFER CLOSES ON	Thursday, February 04, 2016

- (1) Our Company may, in consultation with the Selling Shareholders and the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	February 04, 2016
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before February 09, 2016
Initiation of refunds for Anchor Investors / Unblocking of funds	On or before February 10, 2016
Credit of Equity Shares to demat accounts of Allottees	On or before February 11, 2016
Commencement of trading of the Equity Shares on the Stock Exchanges	On or before February 12, 2016

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time (“IST”)) during the Bid/ Offer Period (except the Bid/ Offer Closing Date) at the bidding centres and the Designated Branches mentioned on the Bid cum Application Form.

On the Bid/ Offer Closing Date, the Bids and any revision in the Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. IST and shall be uploaded until (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional

Investors, and (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges in case of Bids by Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges within half an hour of such closure.

It is clarified that ASBA Bids not uploaded on the electronic bidding system would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted only on Business Days i.e. Monday to Friday (excluding any public holiday). None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise.

On Bid/ Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding ten Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the other members of the Syndicate and by intimation to the Self-Certified Syndicate Banks (“SCSBs”), Registrar to the Offer and Share Transfer of Agent(s), Collecting Depository Participants and the Registered Brokers.

OFFER PROCEDURE

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued and updated in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 and CIR/CFD/POLICYCELL/11/2015 notified by SEBI (the “General Information Document”) included below under the section “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general and in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. All Designated Intermediaries in relation to the Offer should ensure compliance with the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.

Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein at least 75% of the Net Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders, in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the net QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be allotted to QIBs, then the entire application money shall be refunded forthwith. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Up to 10,000 Equity Shares aggregating up to ₹ [●] shall be made available for allocation on a preferential basis to Eligible Employees bidding in the Employee Reservation Portion subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories (including the Employee Reservation Portion), at the discretion of our Company and the Selling Shareholders and the BRLMs and the Designated Stock Exchange.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected.

Bid cum Application Form

Please note that all the investors (other than Anchor Investors) shall mandatorily apply in the offer through ASBA process only.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres. An electronic copy of the ASBA Form will also be available for download on the websites

of the NSE (www.nseindia.com) and the BSE (www.bseindia.com). Anchor Investor Forms shall be made available at the offices of the BRLMs. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

Also please note that, in addition to the SCSBs, members of Syndicate and Registered Brokers, now RTAs and CDPs are also permitted to accept application forms (both physical as well as online) in public issues. List of collection centres of RTAs and CDPs is available on the websites of Stock Exchanges at http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm and <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6>.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the concerned Designated Intermediary, submitted at the Bidding centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form ¹
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non resident including Eligible NRIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB category), FVCIs or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors ²	White
Employee reservation portion	Pink

⁽¹⁾ Excluding electronic Bid cum Application Form

⁽²⁾ Anchor Investor Forms will be made available at the office of the BRLMs

Designated Intermediaries shall submit/deliver the ASBA Forms to the respective SCSB, where the bidder has a bank account and shall not submit it to any non-SCSB bank or Escrow Bank.

Who can Bid?

In addition to the category of Bidders set forth under the section “**General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Offer**” on page 411, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- Eligible Employees bidding in the Employee Reservation Portion;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares; and
- Any other persons eligible to Bid in this Offer under the laws, rules, regulations, guidelines and policies applicable to them.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Participation by Promoters, Promoter Group, associates and affiliates of the BRLMs and the Syndicate Member

The BRLMs and the Syndicate Member shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Member may purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any persons related to the BRLMs (other than the mutual fund entities related to the BRLMs) can apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) accounts, and eligible NRI Bidders bidding on a non-repatriation basis should authorise their SCSBs to block their Non-Resident Ordinary (“NRO”) accounts the full Bid amount, at the time of submission of the Bid cum Application Form.

NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FIIs and FPIs

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely ‘foreign institutional investors’ and ‘qualified foreign investors’ will be subsumed under a new category namely ‘foreign portfolio investors’ or ‘FPIs’. On March 13, 2014, the RBI amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI

FPI Regulations.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investors and unregulated broad based funds, which are classified as Category II foreign portfolio investors by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders

reserve the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “**Banking Regulation Act**”), and the Master Circular dated July 1, 2014 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company’s paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Price payable by the Eligible Employee does not exceed ₹ 200,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

1. Made only in the prescribed ASBA Forms or Revision Form (i.e. Pink colour form).
2. The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 200,000. The maximum Bid in this category by an Eligible Employee cannot exceed ₹ 200,000.
3. Eligible Employees should mention their employee number at the relevant place in the ASBA Form.
4. The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee.
5. Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.
6. Eligible Employees will have to Bid like any other Bidder. Only those Bids, which are received at or above the Offer Price, would be considered for Allotment under this category.
7. Eligible Employees can apply at Cut-off Price.
8. Bid by Eligible Employees can be made also in the “Net Offer to the Public” and such Bids shall not be treated as multiple Bids.
9. If the aggregate demand in this category at or above the Offer Price is less than or equal to [●] Equity Shares, full allocation shall be made to the Eligible Employees to the extent of their demand.
10. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Employee Reservation Portion does not exceed 5% of the post-Offer share capital of our Company.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, please refer to the section “Basis of Allotment” on page 430.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 as amended are broadly set forth below:

- (a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector to which the investee company belongs: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserves the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, the Selling Shareholders and the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the applicable Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that the Bids are submitted at the Bidding centres only on forms bearing the stamp of the Designated Intermediaries at the Bidding Centres, within the prescribed time;
6. Ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Designated Intermediary, as the case may be, and not to the Escrow Banks (assuming such bank is not an SCSB) or our Company or the Shareholders.
7. Ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. All investors (other than Anchor Investors) should submit their Bids through the ASBA process only;
9. Ensure that the name given in the Bid cum Application Form is exactly the same as the name in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names.
10. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
11. In case of ASBA Investors, ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediary. Instruct your respective banks not to release the funds blocked in the ASBA Account under the ASBA process until six Working Days from the date of closing the Bids;
12. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
13. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same; and (c) all other applications in which PAN is not mentioned, will be considered rejected.;
15. Ensure that the demographic details are updated, true and correct in all respects;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

17. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms.
18. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
19. Ensure that the category and the investor status is indicated;
20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
21. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
22. Ensure that the depository account is active, the correct DP ID, the Client ID and the PAN are mentioned in the Bid cum Application Form and that the name of the Bidder, the DP ID, the Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the Designated Intermediary, as applicable, match with the name, DP ID, Client ID and PAN available in the Depository database;
23. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
24. Ensure that you tick the correct investor category, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the online IPO system of the Stock Exchanges;
25. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
26. Ensure while bidding through a Designated Intermediary that the Bid cum Application Form is submitted to a Designated Intermediary only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>);
27. Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
28. Ensure that you have correctly signed the authorization/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form;
29. Ensure that you receive an acknowledgement from Designated Branch of the concerned Designated Intermediary for the submission of your Bid cum Application Form; and
30. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FIIs, FPIs, QFIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs and QFIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not submit Bid/ revised Bid at a price less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. For ASBA, payment of the Bid Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted under the ASBA process;
6. Do not send Bid cum Application Forms by post; instead submit the same to a Designated Intermediary only;
7. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company, the Selling Shareholders or the Registrar to the Offer (assuming that the Registrar to the Offer is not one of the RTAs);
8. Anchor Investors should not Bid through the ASBA process;
9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders) and Eligible Employees bidding under the Employee Reservation Portion);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
12. Do not instruct your respective banks to release the funds blocked in your ASBA Account;
13. Do not submit the General Index Register number instead of the PAN;
14. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
15. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
16. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit your Bid after 3.00 pm on the Bid/ Offer Closing Date;
18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per demographic details provided by the Depository);
19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
20. Do not submit Bids to a Designated Intermediary at a location other than specified locations;
21. Do not submit Bids to a Designated Intermediary unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Designated Intermediary to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment instructions

Instructions for Anchor Investors:

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- (b) Payments should be made either by RTGS, NEFT, or cheque/demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Anchor Investor Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (c) If the cheque or demand draft accompanying the Anchor Investor Form is not made favouring the Escrow Account, the Bid is liable to be rejected.
- (d) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.
- (e) Anchor Investors are advised to provide the number of the Anchor Investor Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

Payment into Escrow Account for Anchor Investors:

Our Company and the Selling Shareholders in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

1. In case of resident Anchor Investors: “**TeamLease IPO – Escrow –Anchor Investor–R**”
2. In case of Non-Resident Anchor Investors: “**TeamLease IPO – Escrow –Anchor Investor –NR**”

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all English editions of the Financial Express; (ii) all Hindi editions of the Jansatta; and (iii) the Marathi edition of the Navshakti, each with wide circulation. In the pre-Offer advertisement, we shall state the Bid Opening Date, the Bid Closing Date and the QIB Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

Signing of the Underwriting Agreement and the RoC Filing

1. Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.
2. After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the ‘Prospectus’. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

- (c) ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- if our Company or the Selling Shareholders do not proceed with the Offer after the Bid/ Offer Closing Date the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- if our Company and/or the Selling Shareholders withdraw the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company and/ or the Selling Shareholders subsequently decides to proceed with the Offer;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/ Offer Closing Date;
- the Allotment letters will be issued or the application money will be refunded/unblocked within 15 days from the Bid/ Offer Closing Date or such lesser time as specified by SEBI or the application money will be refunded to the Bidders forthwith, failing which interest will be due to be paid to the Bidders at the rate of 15% p.a. for the delayed period;
- where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further Offer of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription, etc.; and
- adequate arrangements shall be made to collect all Bid cum Application Forms by Bidders.

Undertakings by the Selling Shareholders

Each Selling Shareholders (on its own behalf and not on behalf of any other Selling Shareholder), hereby severally and not jointly, undertakes that:

- the Equity Shares being sold by it pursuant to the Offer have been held by it for a period of at least one year or were issued under a bonus issue (out of the free reserves and / or share premium existing at the end of previous Financial Year and were not issued by utilization of revaluation reserves or unrealised profits of our Company) prior to the date of filing the Draft Red Herring Prospectus with SEBI, are fully paid-up and are in dematerialised form
- it is the legal and beneficial owner of, and has clear title to the Equity Shares being sold by it in the Offer;
- the Equity Shares being sold by it pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under

applicable law;

- it shall not have recourse to the proceeds of the Offer until final approval for listing and trading of the Equity Shares from all Stock Exchanges where listing and trading is sought has been received; and
- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer for Sale within the time specified under applicable law.

Utilisation of Offer Proceeds

The Board of Directors certify that:

- all monies received out of the Fresh Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

The Selling Shareholders along with our Company declares that all monies received out of the Offer for Sale shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act., the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/ Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/ Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/ Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/ Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations**”).

Bidders/ Applicants should note that investment in equity and equity related securities involves risk and Bidder/ Applicant should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/ or for subscribing to securities in an Offer and the relevant information about the Issuer undertaking the Offer are set out in the Red Herring Prospectus (“**RHP**”)/ Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Bidders/ Applicants should carefully read the entire RHP/ Prospectus and the Bid cum Application Form/ Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Offer. In case of any difference in interpretation or conflict and/ or overlap between the disclosure included in this document and the RHP/ Prospectus, the disclosures in the RHP/ Prospectus shall prevail. The RHP/ Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Offer and on the website of Securities and Exchange Board of India (“**SEBI**”) at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/ Applicants may refer to section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs/ FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is, *inter alia*, required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/ Applicants may refer to the RHP/ Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is, *inter alia*, required to comply with the eligibility requirements in terms of Regulation 26/ 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/ Applicants may refer to the RHP/ Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to

undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/ Applicants may refer to the RHP/ Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Offer Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-Offer advertisement was given at least five Working Days of the Bid/ Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/ Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/ Applicants should refer to the RHP/ Prospectus or Offer advertisements to check whether the Offer is a Book Built Issue or a Fixed Price Issue.

2.5 OFFER PERIOD

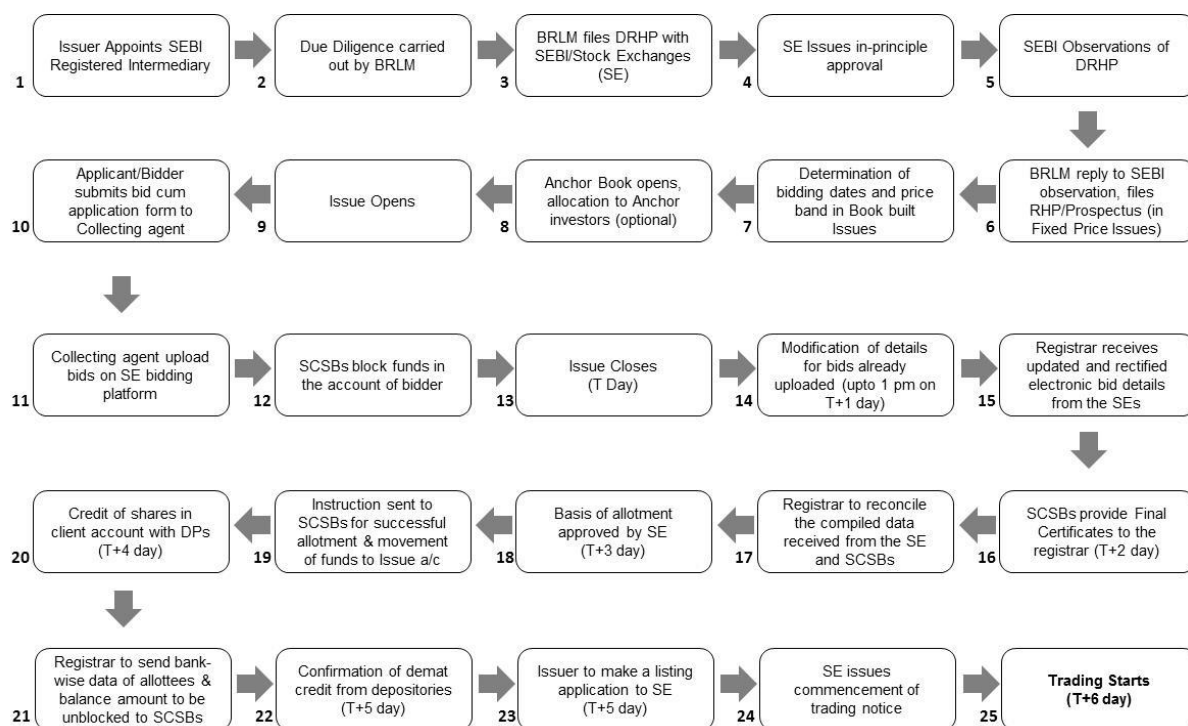
The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/ Applicants) and not more than ten Working Days. Bidders/ Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/ Prospectus for details of the Bid/ Offer Period. Details of Bid/ Offer Period are also available on the website of Stock Exchange(s).

In case of a Book Built Offer, the Issuer may close the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/ Offer Period may be extended by at least three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/ Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/ Applicants may note that this is not applicable for Fast Track FPOs.:

- (a) In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
 - (i) Step 7 : Determination of Offer Date and Price
 - (ii) Step 10: Applicant submits ASBA Form with Designated Intermediaries



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN OFFER

Each Bidder/ Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/ Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/ Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/ Applicants are requested to refer to the RHP/ Prospectus for more details.

Subject to the above, an illustrative list of Bidders/ Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/ Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/ Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/ Application Form as follows: “Name of sole or first Bidder/ Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/ Applications by HUFs may be considered at par with Bids/ Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Bidders (“NIBs”) category;
- FPIs other than Category III foreign portfolio investors bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, bidding under the NIBs category;
- Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/ Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Offer.

SECTION 4: APPLYING IN THE OFFER

Book Built Issue: Bidders should only use the specified Bid cum Application Form bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Designated Intermediaries and at the Registered Office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Offer Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/ Prospectus.

Fixed Price Issue: Applicants should only use the specified Application Form bearing the stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered Office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/ Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/ Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders bidding/ applying in the reserved category	White
Eligible employees under the employees' reservation portion on a repatriation basis	Pink
Eligible employees under the employees' reservation portion on a non-repatriation basis	Pink

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/ Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ APPLICATION FORM

Bidders/ Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																								
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :																								
		Bid cum Application Form No. 																								
SYNDICATE MEMBER'S STAMP & CODE SUB-BROKER'S / SUB-AGENT'S STAMP & CODE BANK BRANCH SERIAL NO.	BROKER/SCSB/DP/RTA STAMP & CODE ESCROW BANK/SCSB BRANCH STAMP & CODE SCSB SERIAL NO.	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. Address Email Tel. No (with STD code) / Mobile 																								
		2. PAN OF SOLE / FIRST BIDDER 																								
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID 		6. INVESTOR STATUS ☐ Individual(s) - IND ☐ Hinds Undivided Family* - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - M F ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ National Investment Fund - NIF ☐ Insurance Funds - IF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VCF ☐ Alternative Investment Funds - AIF ☐ Others (Please specify) - OTH																								
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") <table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			Bid Price	Retail Discount	Net Price	Option 1					(OR) Option 2					(OR) Option 3					5. CATEGORY ☐ Retail Individual Bidder ☐ Non-Institutional Bidder ☐ QIB * HUF should apply only through Karna (Application by HUF would be treated on par with Individual)	
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																						
		Bid Price	Retail Discount	Net Price																						
Option 1																										
(OR) Option 2																										
(OR) Option 3																										
7. PAYMENT DETAILS Amount paid (₹ in figures) (₹ in words) ASBA Bank A/c No. Bank Name & Branch 		PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐																								
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.																										
8A. SIGNATURE OF SOLE/ FIRST BIDDER Date : 	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the line 1) 2) 3) 																									
TEAR HERE																										
LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA Bid cum Application Form No. 																								
DPID / CLID 		PAN of Sole / First Bidder 																								
Amount paid (₹ in figures) Bank & Branch ASBA Bank A/c No. Received from Mr./Ms. Telephone / Mobile Email 		Stamp & Signature of SCSB Branch 																								
TEAR HERE																										
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1" style="width: 100%; border-collapse: collapse; font-size: x-small;"> <thead> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> </thead> <tbody> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="3"></td> </tr> <tr> <td>Bank & Branch</td> <td colspan="3"></td> </tr> </tbody> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Amount Paid (₹)				ASBA Bank A/c No.				Bank & Branch				Stamp & Signature of Broker / SCSB / DP / RTA
	Option 1	Option 2	Option 3																							
No. of Equity Shares																										
Bid Price																										
Amount Paid (₹)																										
ASBA Bank A/c No.																										
Bank & Branch																										
		Name of Sole / First Bidder Acknowledgement Slip for Bidder Bid cum Application Form No. 																								

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER/ APPLICANT

- (a) Bidders/ Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/ Applicants should note that the name and address fields are compulsory and E-mail and/ or telephone number/ mobile number fields are optional. Bidders/ Applicants should note that the contact details mentioned in the Bid-cum Application Form/ Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of Bidders/ Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries only for correspondence(s) related to an Offer and for no other purposes.
- (c) **Joint Bids/ Applications:** In the case of Joint Bids/ Applications, the Bids/ Applications should be made in the name of the Bidder/ Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/ Applicant would be required in the Bid cum Application Form/ Application Form and such first Bidder/ Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favour of the Bidder/ Applicant whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder/ Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/ Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/ Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/ Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN NUMBER OF SOLE/ FIRST BIDDER/ APPLICANT**

- (a) PAN (of the sole/ first Bidder/ Applicant) provided in the Bid cum Application Form/ Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories’ records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/ Applications on behalf of the Central or State Government, Bids/ Applications by officials appointed by the courts and

Bids/ Applications by Bidders/ Applicants residing in Sikkim (“PAN Exempted Bidders/ Applicants”). Consequently, all Bidders/ Applicants, other than the PAN Exempted Bidders/ Applicants, are required to disclose their PAN in the Bid cum Application Form/ Application Form, irrespective of the Bid/ Application Amount. A Bid cum Application Form/ Application Form without PAN, except in case of Exempted Bidders/ Applicants, is liable to be rejected. Bids/ Applications by the Bidders/ Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/ Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/ Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/ Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/ MRD/ DP/ 22/ 2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/ APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/ Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/ Application Form. The DP ID and Client ID provided in the Bid cum Application Form/ Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/ Application Form is liable to be rejected.**
- (b) Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/ Application Form is active.
- (c) Bidders/ Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/ Application Form, the Bidder/ Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/ Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice or unblocking of ASBA Account or for other correspondence(s) related to an Offer.
- (d) Bidders/ Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/ Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/ RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/ Offer Opening Date in case of an IPO, and at least one Working Day before Bid/ Offer Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/ FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))
- (c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-

off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/ Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, Eligible Employees and Retail Individual Shareholders must be for such number of shares, in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form, so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹200,000.

In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

- (b) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (c) Bids by QIBs and NIBs must be for such minimum number of shares, in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form, such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/ Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise or withdraw their bids till closure of the bidding period. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Bids by various schemes of a Mutual Fund shall be aggregated to determine the eligibility. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.
- (g) A Bid cannot be submitted for more than the Offer size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the highest number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. If there is/are one or more bids at prices at or above the Offer Price, the Bid for the highest number of equity Shares shall be considered for Allotment This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
 - i. Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Offer portion in public category.
 - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
 - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
 - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 FIELD NUMBER 5 : CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, for the purpose of Bidding, allocation and allotment in the Offer are RIBs, NIBs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with the SEBI ICDR Regulations, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Offer Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/ Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/ Applicants as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, Bidders/ Applicants may refer to the RHP/ Prospectus.

- (d) The SEBI ICDR Regulations, specify the allocation or allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation Bidder/ Applicant may refer to the RHP/ Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/ Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Offer is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/ Applicants, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid/ Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/ Applicants are requested to refer to the RHP/ Prospectus for more details.
- (c) Bidders/ Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/ Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

- (a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the ASBA Form. If the Discount is applicable in the Offer, the RIBs should indicate the full Bid Amount in the ASBA Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/ Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the ASBA Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) RIBs who Bid at Cut-off price shall arrange to block the Bid Amount based on the Cap Price will be blocked.
- (c) All Bidders (other than Anchor Investors) can participate in the Offer only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, through cheque, or demand draft or pay order or money order or postal order.

4.1.7.1 **Payment instructions for Bidders**

For Anchor Investors

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- (b) Payments should be made either by RTGS or NEFT.
- (c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

For ASBA Bidders

- (a) Bidders may submit the Bid cum Application Form either:
 - i. in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

- ii. in physical mode to any Designated Intermediary. Bidders should specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (b) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- (c) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (d) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (e) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (f) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (g) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (h) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.
- (i) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (j) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- (k) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.
- (l) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.
- (m) SCSBs bidding in the Offer must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.1.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the amount to be unblocked, if any, for the partial allotments (iv) the date by which funds referred to in (v) above may be transferred to the Public Issue Account, and (vi)

details of rejected Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

- (b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Offer Closing Date.

4.1.7.2 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/ Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder/ Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/ Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder/ Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Bids/ Applications, signature has to be correctly affixed in the authorization/ undertaking box in the Bid cum Application Form/ Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/ Application Form.
- (d) Bidders/ Applicants must note that Bid cum Application Form/ Application Form without signature of Bidder/ Applicant and ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by the concerned Designated Intermediary, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bids made in the Offer may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.
- (c) Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.
- (d) For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 **INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Bid/ Offer Period, any Bidder/ Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise or withdraw their bids till the Bid/Offer Closing Date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/ Applicant can make this revision any number of times during the Bid/ Offer Period. However, for any revision(s) in the Bid, the Bidders/ Applicants will have to use the services of the same Designated Intermediary through which such Bidder/ Applicant had placed the original Bid. Bidders/ Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS
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LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN :	Bid cum Application Form No. _____
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SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ Email _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER

BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS
		_____ ☐ NSDL ☐ CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												☐
(OR) Option 2												☐
(OR) Option 3												☐

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												☐
(OR) Option 2												☐
(OR) Option 3												☐

6. PAYMENT DETAILS										PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐	
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____											
ASBA Bank A/c No. _____											
Bank Name & Branch _____											

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.														
7A. SIGNATURE OF SOLE / FIRST BIDDER					7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)					BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)				
Date : _____					I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue:									
					1) _____									
					2) _____									
					3) _____									

LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
------	--	--	------------------------------------

DPID / CLID	PAN of Sole / First Bidder																												
Additional Amount Paid (₹)										Bank & Branch										Stamp & Signature of SCSB Branch									
ASBA Bank A/c No.																													
Received from Mr./Ms.																													
Telephone / Mobile																													

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1			Option 2			Option 3			Stamp & Signature of Broker / SCSB / DP / RTA										Name of Sole / First Bidder									
	No. of Equity Shares																												
	Bid Price									Acknowledgement Slip for Bidder																			
	Additional Amount Paid (₹)																												
	ASBA Bank A/c No.										Bid cum Application Form No.																		
Bank & Branch																													

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/ FIRST BIDDER/

APPLICANT, PAN OF SOLE/ FIRST BIDDER/ APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/ APPLICANT

Bidders/ Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/ Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/ Applicant has Bid for three options in the Bid cum Application Form and such Bidder/ Applicant is changing only one of the options in the Revision Form, the Bidder/ Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/ Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIBs, Eligible Employees and Retail Individual Shareholders, such Bidders/ Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/ Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Bidders/ Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/ Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) Bidder/ Applicant may Offer instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/ Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case the total amount (i.e., original Bid Amount less Discount (if applicable) plus additional payment) exceeds ₹200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/ Prospectus. If, however, the Bidder/ Applicant does not either revise the Bid or make additional payment and the Offer Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/ Applicant and the Bidder/ Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIBs, Eligible Employees and Retail

Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of bidding may be unblocked after the finalisation of the basis of allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/ Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN OFFERS MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/ FIRST BIDDER/ APPLICANT, PAN OF SOLE/ FIRST BIDDER/ APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/ APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Offer (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIBs, Eligible Employees and Retail Individual Shareholders, must be for such number of shares, in multiples of such number of Equity Shares thereafter, as may be disclosed in the ASBA Form, so as to ensure that the application amount payable does not exceed ₹200,000.
- (d) Applications by other investors must be for such minimum number of shares, in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form, such that the application amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Offer size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to the same SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:
 - i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/ Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

- (i) The following applications may not be treated as multiple Bids:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Offer portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5 : CATEGORY OF APPLICANTS

- (a) The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and allotment in the Offer are RIBs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Offer, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations specify the allocation or allotment that may be made to various categories of applicants in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

- (a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Offer..
- (b) Application amount cannot be paid in cash, through money order, cheque or through postal order or through stock invest.

4.3.5.1 Payment instructions for Applicants

Applicants should refer to instructions contained in paragraph 4.1.7.1 of this General Information Document.

4.3.5.1.1 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraph 4.1.7.1 of this General Information Document.

4.3.5.2 Discount (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.2 of this General Information Document .

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/ APPLICATION FORM

4.4.1 Bidders/ Applicants may submit completed Bid-cum-application form/ Revision Form in the following manner:-

Mode of Application		Submission of Bid cum Application Form
Anchor Investor Form	(a)	To the BRLMs at the locations mentioned in the Anchor Investor Form
ASBA Form	(a)	To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres, RTAs at the Designated RTA Location and CDPs at the Designated CDP Location.
	(b)	To the Designated branches of the SCSBs where the ASBA Account is maintained

- (a) Bidders/ Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/ Applicant had placed the original Bid.
- (b) Upon submission of the Bid-cum-Application Form, the Bidder/ Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/ Applicant.
- (c) Upon determination of the Offer Price and filing of the Prospectus with the Registrar of Companies (RoC) the Bid-cum-Application Form will be considered as the application form.

SECTION 5: OFFER PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of the SEBI ICDR Regulations. The Offer Price is finalised after the Bid/ Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/ Offer Period, Bidders/ Applicants may approach the any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the BRLMs to register their Bid.
- (b) Bidders/ Applicants bidding at Cut-off Price (RII, Eligible Employees and Retails Individual Shareholders) may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/ Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The Designated Intermediaries are given time up to 1.00 p.m. on next Working Day after the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid

information to the Registrar further processing.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/ Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Offer Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid/ Offer Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIBs can withdraw their Bids until the Bid/Offer Closing Date. In case a RII wishes to withdraw the Bid the same can be done by submitting a request for the same to the Designated Intermediaries, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) The Registrar to the Offer shall give instructions to the SCSB for unblocking the ASBA Account upon or after the finalisation of this Basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of the Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The members of the Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to
 - i. the Bids accepted by the Designated Intermediary,
 - ii. the Bids uploaded by the Designated Intermediary, and
 - iii. the Bid cum application forms accepted but not uploaded by the Designated intermediary.
- (b) The BRLMs and their affiliate Syndicate Member, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and their affiliate Syndicate Member (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIBs can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/ Application Form can be rejected on any one of the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Designated Intermediaries or (iii) SCSBs. or at the time of finalisation of the Basis of Allotment. Bidders/ Applicants are advised to note that the Bids/ Applications are liable to be rejected, *inter alia*, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Applications accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB;

- (b) Bid/ Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (c) Bids/ Applications by OCBs; and
- (d) In case of partnership firms, Bid/ Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (e) In case of Bids/ Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/ Application Form;
- (f) Bids/ Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (g) Bids/ Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (h) DP ID and Client ID not mentioned in the Bid cum Application Form/ Application Form;
- (i) PAN not mentioned in the Bid cum Application Form/ Application Form except for Bids/ Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (k) Bids/ Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (l) Bids/ Applications at a price less than the Floor Price & Bids/ Applications at a price more than the Cap Price;
- (m) Bids/ Applications at Cut-off Price by NIIs and QIBs;
- (n) Amounts mentioned in the Bid cum Application Form/ Application Form does not tally with the amount payable for the value of the Equity Shares Bid/ Applied for;
- (o) Bids/ Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (p) Submission of more than five Bid cum Application Forms/ Application Form for one ASBA Account;
- (q) Bids/ Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;
- (r) Multiple Bids/ Applications as defined in this GID and the RHP/ Prospectus;
- (s) Bid cum Application Forms/ Application Forms are not delivered by the Bidders/ Applicants within the time prescribed as per the Bid cum Application Forms/ Application Form, Bid/ Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (t) With respect to Bids/ Applications, inadequate funds in the bank account to block the Bid/ Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/ Application Amount in the bank account;
- (u) With respect to Bids/ Applications, where no confirmation is received from SCSB for blocking of funds;

- (v) Bids/ Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/ Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Offer;
- (w) Bids/ Applications not uploaded on the terminals of the Stock Exchanges;
- (x) Bids/ Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/ Application Form.

5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders/ Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/ Prospectus. For details in relation to allocation, the Bidder/ Applicant may refer to the RHP/ Prospectus.
- (b) Under-subscription in any category (except the QIB portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB category is not available for subscription to other categories.
- (c) In case of under subscription in the Net Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/ Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

- (e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“Alternate Book Building Process”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/ Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIIs and Eligible Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/ or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Offer Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“**ASBA Account**”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ Offer Opening Date.

In a fixed price Issue, allocation in the net issue to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP/ Prospectus. No Retail Individual Bidders is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Offer (excluding any Offer for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Offer Price may be grouped together to determine the total demand under this category. If the aggregate demand at or above the Offer Price, in this category is less than or equal to the specified securities earmarked for the Retail Category at or above the Offer Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Offer Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to the RIBs will then be made in the following manner:

- (a) In the event the number of RIBs who have submitted valid Bids in the Offer is equal to or less than Maximum RII Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the

balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

- (b) In the event the number of RIBs who have submitted valid Bids in the Offer is more than Maximum RII Allottees, the RIBs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIBs

Bids received from NIBs at or above the Offer Price may be grouped together to determine the total demand under this category. The allotment to all successful NIBs may be made at or above the Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer Price, full allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Offer Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/ Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

- (a) In the first instance Allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Offer Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Offer Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO EMPLOYEE RESERVATION PORTION

- (a) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Eligible Employees does not exceed ₹200,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation Portion may Bid at Cut-off Price.
- (b) Bids received from the Eligible Employees at or above the Offer Price shall be grouped together to determine the total demand under this category. The allocation to all the successful Eligible Employees will be made at the Offer Price.
- (c) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Employees to the extent of their demand. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.
- (d) If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis up to a minimum of [●]

Equity Shares and in multiple of one Equity Share thereafter. For the method of proportionate basis of allocation, refer below.

- (e) Only Eligible Employees can apply under Employee Reservation Portion.

7.5 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Offer Price will be at the discretion of the Issuer subject to compliance with the following requirements:
- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹100 million and up to ₹2,500 million subject to minimum allotment of ₹50 million per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation up to ₹ 2,500 million and an additional ten Anchor Investors for every additional ₹ 2,500 million or part thereof, for allocation of more than ₹2,500 million subject to minimum allotment of ₹50 million per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **In the event that the Offer Price is higher than the Anchor Investor Offer Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Offer Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (d) **In the event the Offer Price is lower than the Anchor Investor Offer Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.6 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED OFFER

In the event of the Offer being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.7 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Bank shall transfer the funds represented by allocation of Equity Shares from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Offer. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account,. Payments of refund to the Bidders applying in the Anchor Investor Portion shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Offer shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/ Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/ Applicants who have been Allotted Equity Shares in the Offer.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/ Applicants Depository Account will be completed within six Working Days of the Bid/ Offer Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Offer Closing Date. The Registrar to the Offer may initiate corporate action for credit of Equity Shares the beneficiary account with DPs within six Working Days of the Bid/ Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/ list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/ Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/ Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹50,000 but which may extend to ₹3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from the Bidders in pursuance of the RHP/ Prospectus.

If such money is not refunded to the Bidders /unblocked within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/ Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Offer (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Offer Closing Date and repay, without interest, all moneys received from Anchor Investors.. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time, then the Issuer and every director of the Issuer who is an officer in default may be liable to repay the money, with interest at the rate of 15% p.a. in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Offer under Regulation 26(2) of SEBI Regulations but fails to allot at least 75% of the Net Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) In case of ASBA Bids: Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.
- (b) In case of Anchor Investors: Within six Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In case of Anchor Investors, the Registrar to the Offer may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and

PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- (a) NEFT—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (b) Direct Credit—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (c) RTGS—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% p.a. if Allotment is not made and if the refund instructions have not been given to the clearing system in the disclosed manner if Allotment is not made or/ instructions for unblocking of funds in the ASBA Account are not dispatched within the 15 Working days of the Bid/ Offer Closing Date.

The Issuer may pay interest at 15% p.a. for any delay beyond 15 days from the Bid/ Offer Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Offer to successful Bidders/ Applicants
Allottee	An Bidder/ Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/ Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholders in consultation with the BRLMs to Anchor Investors on a discretionary basis One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB which may be blocked by such SCSBs to the extent of the Bid Amount of the ASBA Bidder
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/ Applicant	Prospective Bidders/ Applicants in the Offer who Bid/ apply through ASBA
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/ Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/ Applicants under the Offer
Bid	An indication to make an offer during the Bid/ Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid/ Offer Closing Date	The date after which the Syndicate, Registered Brokers, the SCSBs, RTAs , DP as the case may be, may not accept any Bids for the Offer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the RHP/ Prospectus for the Bid/ Offer Closing Date
Bid/ Offer Opening Date	The date on which the Syndicate, the SCSBs, RTAs, DP as the case may be, may start accepting Bids for the Offer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the RHP/ Prospectus for the Bid/ Offer Opening Date

Term	Description
Bid/ Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date inclusive of both days and during which prospective Bidders/ Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Offer Period for QIBs one working day prior to the Bid/ Offer Closing Date in accordance with the SEBI ICDR Regulations. Applicants/ bidders may refer to the RHP/ Prospectus for the Bid/ Offer Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/ Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/ Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/ Applicant	Any prospective investor (including an ASBA Bidder/ Applicant) who makes a Bid pursuant to the terms of the RHP/ Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/ Applicant should be construed to mean an Bidder/ Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under the SEBI ICDR Regulations, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective website of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
BRLM(s)/ Book Running Lead Manager(s)/ Lead Manager/ LM	The Book Running Lead Manager to the Offer as disclosed in the RHP/ Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Friday (except public holidays)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Cut-off Price	Offer Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/ Applicants are entitled to Bid at the Cut-off Price
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/ Applicants including the Bidder/ Applicant's address, name of the Applicant's father/ husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the Bid cum Application Forms used by the ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time

Term	Description
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/ Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/ Prospectus of the Issuer
Discount	Discount to the Offer Price that may be provided to Bidders/ Applicants in accordance with the SEBI ICDR Regulations.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Eligible Employees	Employees of an Issuer as defined under SEBI ICDR Regulations and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/ Applicant may refer to the RHP/ Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/ Applicants (excluding the ASBA Bidders/ Applicants) may issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement entered into among the Issuer, the Registrar to the Offer, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/ Applicants (excluding the ASBA Bidders/ Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/ Applicant	The Bidder/ Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/ Fixed Price Process/ Fixed Price Method	The Fixed Price process as provided under the SEBI ICDR Regulations, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issuer/ Company	The Issuer proposing the initial public offering/ further public offering as applicable
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996

Term	Description
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/ Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/ Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Offer	The Offer less reservation portion
Non-Institutional Investors or NIBs	All Bidders/ Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors registered with SEBI, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Offer being such number of Equity Shares available for allocation to NRIs on a proportionate basis and as disclosed in the RHP/ Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs registered with SEBI
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/ Prospectus through an offer for sale by the Selling Shareholder
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Offer Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than retail individual bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the IT Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Offer may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Issue Account	An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Offer being such number of Equity Shares to be Allotted to QIBs on a proportionate basis

Term	Description
Qualified Institutional Buyers or QIBs	As defined under the SEBI ICDR Regulations
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Offer. The RHP may be filed with the RoC at least three days before the Bid/ Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/ Applicants), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/ Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/ RTI	The Registrar to the Offer as disclosed in the RHP/ Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/ bidding under reservation portion
Reservation Portion	The portion of the Offer reserved for category of eligible Bidders/ Applicants as provided under the SEBI ICDR Regulations
Retail Individual Bidders/ RIBs	Investors who applies or bids for a value of not more than ₹200,000
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/ or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTA(s)	Registrar to the Offer and Share Transfer of Agent(s)
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Banks or SCSBs	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Offer (excluding Bids from ASBA Bidders/ Applicants)
Syndicate Member(s)/ SM	The Syndicate Member(s) as disclosed in the RHP/ Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)

Term	Description
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the FIPB and the RBI.

The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued Consolidated FDI Policy, Circular of 2015 which with effect from May 12, 2015, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force and effect as on May 11, 2015. However, press note 4 of 2015, dated April 24, 2015, regarding policy on foreign investment in the pension sector, will remain effective. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, the Consolidated FDI Policy of 2015 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Red Herring Prospectus. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws

Accordingly, the Equity Shares are being offered and sold (i) in the United States only to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), in reliance on the exemption from registration under the U.S. Securities Act provided by Rule 144A or another available exemption and (ii) outside the United States in reliance on Regulation S.

Each purchaser of Equity Shares inside the United States will be required to represent and agree, among other things, that such purchaser (i) is a “qualified institutional buyer” (as defined in Rule 144A under the U.S. Securities Act); and (ii) will only reoffer, resell, pledge or otherwise transfer the Equity Shares pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Each purchaser of Equity Shares outside the United States will be required to represent and agree, among other things, that such purchaser is acquiring the Equity Shares in an “offshore transaction” in accordance with Regulation S.

The above information is given for the benefit of the Bidders. Our Company, the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

The Articles of Association of the Company comprise of two parts, Part I and Part II, which parts shall, unless the context otherwise requires, co-exist with each other. It is clarified that the rights of the Investors under Part II are in addition to all other rights that the Investors have as Shareholders under these Articles. In case of inconsistency between Part I and Part II, the provisions of Part II shall be applicable. However, Part II shall automatically terminate and cease to have any force and effect from the date of commencement of trading of the Equity Shares of TeamLease Services Limited on a Recognised Stock Exchange (as defined below) in India pursuant to an IPO (as defined below) without any further action by the Company or by the Shareholders.

Part I of the Articles of Association

Share Capital

Article 4 provides that:

- (a) The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time and the Company may sub-divide, consolidate and increase the Share Capital from time to time and upon the sub-division of shares, apportion the right to participate in profits in any manner as between the shares resulting from the sub-division.
- (b) The Paid up Share Capital shall be at all times a minimum of ₹ 5,00,000/- (Rupees Five Lakhs only) as required under the Act.
- (c) The Company has power, from time to time, to increase its authorised or issued and Paid up Share Capital.
- (d) The Share Capital of the Company may be classified into Equity Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- (e) Subject to Article 4(d), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.
- (f) The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly paid up shares and if so issued shall be deemed as fully/partly paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.
- (g) The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.
- (h) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.
- (i) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new Equity Shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- (j) All of the provisions of these Articles shall apply to the Shareholders.
- (k) Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any Equity Shares therein, shall be an acceptance of shares within the meaning of these

Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

- (l) The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Equity Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Alteration of Share Capital

Article 10 provides that:

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

- (a) increase its Share Capital by such amount as it thinks expedient;
- (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner.
- (c) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination
- (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- (e) cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

Reduction of Share Capital

Article 11 provides that:

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

Power to modify rights

Article 13 provides that:

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Companies Act, 2013 and Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is affected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to Section 107(2) of the Companies Act, 1956 and Law, all provisions hereafter contained as to General Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

Shares and Shares Certificates

Article 15 provides that:

- (a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (b) A duplicate certificate of shares may be issued, if such certificate:
 - (i) is proved to have been lost or destroyed; or
 - (ii) has been defaced, mutilated or torn and is surrendered to the Company.
- (c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- (d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be *prima facie* evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of depository shall be the *prima facie* evidence of the interest of the beneficial owner.
- (e) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.
- (f) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- (g) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.
- (h) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.
- (i) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (j) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (i) of this Article.

- (k) All books referred to in sub-article (j) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.
- (l) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- (m) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.
- (n) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not he shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

Underwriting and Brokerage

Article 17 provides that:

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

Calls

Article 18 provides that:

- (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by installments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.
- (b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.
- (c) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board. A call may be revoked or postponed at the discretion of the Board.

- (d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.
- (e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.
- (f) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.
- (g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.
- (h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
- (j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (k) No Shareholder shall be entitled to voting rights in respect of the money(ies) so paid by him until the same would but for such payment, become presently payable.
- (l) The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.

Company's Lien

Article 19 provides that:

A. On shares:

- (a) The Company shall have a first and paramount lien:
 - (i) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;
 - (ii) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

- (b) Company's lien, if any, on the shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.
- (c) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.
- (d) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

- (e) No Shareholder shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

B. On Debentures:

- (a) The Company shall have a first and paramount lien:
 - (i) on every Debenture (not being a fully paid Debenture), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that Debenture;
 - (ii) on all Debentures (not being fully paid Debentures) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company

Provided that the Board may, at any time, declare any Debentures wholly or in part to be exempt from the provisions of this Article.

- (b) Company's lien, if any, on the Debentures, shall extend to all interest and premium payable in respect of such Debentures.
- (c) Unless otherwise agreed, the registration of a transfer of Debentures shall operate as a waiver of the Company's lien, if any, on such Debentures. The fully paid up Debentures shall be free from all lien and that in case of partly paid Debentures, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such Debentures.
- (d) For the purpose of enforcing such lien, the Board may sell the Debentures, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Debentures and may authorize the debenture trustee acting as trustee for the holders of Debentures or one of the holder of Debentures to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Debentures be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Debenture or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Debentures before the sale) be paid to the Person entitled to the Debentures at the date of the sale.

- (e) No holder of Debentures shall exercise any voting right in respect of any Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

Forfeiture of Shares

Article 20 provides that

- (a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to him or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable, will be liable to be forfeited.
- (c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared

or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.

- (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
- (e) Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.
- (g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
- (j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.
- (k) The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Transfer and transmission of Shares

Article 22 provides that:

- (a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

- (c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act
- (ii) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- (e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (f) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

- (g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.
- (h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.
- (i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.
- (j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession

certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

- (k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- (l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.
- (m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- (n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- (q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the

Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

- (r) There shall be a common form of transfer in accordance with the Act and Rules.
- (s) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

Dematerialization of securities

Article 23 provides that:

(a) Dematerialization:

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

- (b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.
- (c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles.
- (d) If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

(e) Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

(f) Rights of Depositories & Beneficial Owners:

- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities on behalf of the Beneficial Owner.
- (ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- (iii) Every person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
- (iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his

Securities, which are held by a Depository.

- (g) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(h) Register and Index of Beneficial Owners:

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

(i) Cancellation of Certificates upon surrender by Person:

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

(j) Service of Documents:

Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

(k) Transfer of Securities:

- (i) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.
- (ii) In the case of transfer or transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

(l) Allotment of Securities dealt with in a Depository:

Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

(m) Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

(n) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(o) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

(p) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(q) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

(r) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

Borrowing Powers

Article 28 provides that

(a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

- (i) accept or renew deposits from Shareholders;
- (ii) borrow money by way of issuance of Debentures;
- (iii) borrow money otherwise than on Debentures;
- (iv) accept deposits from Shareholders either in advance of calls or otherwise; and
- (v) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

(b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or

debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in General Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

- (c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.
- (d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall *mutatis mutandis* apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- (e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.
- (f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- (g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

Conversion of Shares into stock and Reconversion

Article 30 provides that:

- (a) The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.
- (b) The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Annual General Meeting

Article 31 provides that:

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

Venue, Day and Time for holding Annual General Meeting

Article 33 provides that:

- (a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

Notice of General Meetings

Article 34 provides that:

- (a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty eight) hours after the letter containing the same is posted). However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (i) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
 - (ii) Auditor or Auditors of the Company, and
 - (iii) all Directors.
- (b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.
 - (c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

- (d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.
- (e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.
- (g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

Questions at General Meeting how decided

Article 39 provides that:

- (a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment,

shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.

- (f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (g) No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

Passing resolutions by Postal Ballot

Article 40 provides that:

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

Votes of Members:

Article 41 provides that:

- (a) No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- (b) No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.
- (c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- (d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- (e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having

jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

- (f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint- holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- (g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- (h) Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.
- (j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- (k) A Shareholder present by proxy shall be entitled to vote only on a poll.
- (l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.
- (m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out in the Companies (Management and Administration) Rules, 2014.

- (n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- (o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- (q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.
 - (i) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
 - (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.
 - (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
 - (iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
 - (v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
 - (vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
 - (vii) Any such Minutes shall be evidence of the proceedings recorded therein.
 - (viii) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
 - (ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -
 - a. the names of the Directors and Alternate Directors present at each General Meeting;
 - b. all Resolutions and proceedings of General Meeting.
- (r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record

by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.

- (s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- (t) All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- (u) The Shareholders shall exercise their voting rights as shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- (v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).
- (w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the Listing Agreement or any other Law, if applicable to the Company.

Directors

Article 42 provides that:

Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the Listing Agreement. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

Proceedings of the Board of Directors

Article 69 provides that:

- (a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.
- (b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (c) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.

- (e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- (f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

Quorum for Board Meeting

Article 70 provides that:

(a) Quorum for Board Meetings

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

- (b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

Dividend Policy

Article 96 provides that:

- (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- (b) Subject to the provisions of Section 123 of the Act the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- (c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both provided that: -

- (a) if the Company has not provided for depreciation for any previous Financial Year or years it shall, before declaring or paying a Dividend for any Financial Year provide for such depreciation out of the profits of that Financial Year or out of the profits of any other previous Financial Year or years, and
 - (b) if the Company has incurred any loss in any previous Financial Year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous Financial Year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Section 123 of the Act against both.
- (ii) The declaration of the Board as to the amount of the net profits shall be conclusive.
- (d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.
 - (e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
 - (f)
 - (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is Paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
 - (ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this regulation as paid on shares.
 - (iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.
 - (g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
 - (h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
 - (i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
 - (j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
 - (k) Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent

recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.

- (l) No unpaid Dividend shall bear interest as against the Company.
- (m) Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.
- (n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.
- (o) The Company may pay dividends on shares in proportion to the amount paid-up on each Share in accordance with Section 51 of the Act.

Unpaid or Unclaimed Dividend

Article 97 provides that:

- (a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the “Unpaid Dividend of Team Lease Services Limited”.
- (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. “Investors Education and Protection Fund”.
- (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

Capitalization of Profits

Article 98 provides that:

The Company in General Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts or to the credit of the Company’s profit and loss account or otherwise, as available for distribution, and
- (b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (iii) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- (c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
 - (i) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
 - (ii) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or
 - (iii) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

- (d) A share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

Distribution of Assets in Specie or Kind upon Winding Up

Article 100 provides that:

- (a) If the company shall be wound up , the Liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

Director's and other's rights to Indemnity

Article 101 provides that:

Subject to the provisions of Section 197 of the Act, every Director, Manager and other officer or employee of the company shall be indemnified by the company against any liability incurred by him and it shall be the duty of the Directors to pay out the funds of the company all costs, losses and expenses which any director, Manager, officer or employee may incur or become liable to by reason of any contract entered into by him on behalf of the company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Manager, Officer or employee in defending any proceedings Whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the shareholders over all the claims.

PART II

Part II of these Articles includes the rights and obligations of the parties to the Share Subscription and Shareholders Agreements (as defined below) dated March 30, 2011.

In the event of any inconsistency between Part I and Part II of these Articles, the provisions of Part II of these Articles shall prevail over Part I of these Articles. Part II of these Articles shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of commencement of trading of the Equity Shares on a Recognised Stock Exchange in India, pursuant to an IPO (as defined below). It is clarified that if the Trading (as defined below) of the Equity Shares of the Company on the National Stock Exchange of India Limited or BSE Limited does not commence on or before the date agreed on among the Investors, the Company and the Promoters pursuant to the amendments to the Subscription and Shareholders Agreements to be entered into prior to filing of the Draft Red Herring Prospectus with SEBI, all existing shareholders' of the Company, the Promoters and the Company undertake to take all such actions, and do all such things, necessary to ensure that the Investors and the Promoters are placed in the same position and are in possession of the same rights as they would have been if these Articles had not been amended, approved and implemented except the procedural changes as required under the Companies Act and rules made pursuant to the resolution of the Shareholders dated April 2, 2015, which are not prejudicial to the Investors in any manner whatsoever. However, the Investors may give consent for such procedural changes subject to their rights under the articles of the Company.

The regulations contained in table "F" of schedule I to the Companies Act, 2013 shall apply only in so far as the same are not provided for or are not inconsistent with these Articles.

1. INTERPRETATION AND DEFINITIONS

- 1.1. In these Articles, except to the extent that the context requires otherwise the following terms shall have the meanings set forth below, such meanings to be applicable to both the singular and the plural forms of such terms. The words or expressions contained in these Articles but not defined herein shall bear the same meaning as in the Act or any statutory modification thereof in force at the date on which these Articles become binding on the Company.
- 1.2. Definitions: In this Articles, except to the extent that the context requires otherwise, the following terms shall have the meanings set forth below, such meanings to be applicable to both the singular and the plural forms of such terms:
- 1.3. "Act" means the Companies Act, 2013 or any previous company law (to the extent applicable) and includes any statutory modification or re-enactment thereof for the time being in force and any subsequent amendment thereto;
- 1.3.1. "Affiliate" of a Party means (i) in the case of any Party other than a natural person, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under Common control with such Party; (ii) in the case of any Party that is a natural person, any proprietorship of such person, or any other Person who is a Relative (as defined in the Act) of such Party or is a Person that, either directly or indirectly through one or more intermediate Persons, Controls, is Controlled by or is under common Control with such Party;

As regards the First Round Investors, an Affiliate of the First Round Investors shall include one or more funds and/or investment vehicles controlled or managed by and/ or body/ bodies corporate which is/ are now or which may at any time hereafter be managed/ advised/ administered by the First Round Investors and/ or its managers or its Affiliates, but excludes all its portfolio companies and any of its group companies that are not in the same business as the First Round Investors.

As regards IAF, an Affiliate of IAF shall include any fund(s) and/or body/bodies corporate which is/are now or which may at any time hereafter be managed/advised/administered by I-VEN or any of its Affiliates, but excludes all its portfolio companies and any of its group companies that are not in the same business as IAF and / or I-VEN.

- 1.3.2. "Affirmative Vote" means an affirmative vote in relation to an Affirmative Vote Matter;

- 1.3.3. "Affirmative Vote Matters" means the matters so listed in Article 5.1;
- 1.3.4. "AR" means Mr. Ashok Reddy, having PAN number – AABPN5151G and residing at 303, "A" Block, Elgin Appt. Langford Town, Hosur Road, Bengaluru, 560025;
- 1.3.5. "Articles" means these Articles of Association of the Company;
- 1.3.6. "Assets" of any Person shall be construed as a reference to the whole or any part of its business, undertaking, property, assets and revenues (including any right to receive revenues);
- 1.3.7. "Auditors" means, in relation to the Company and / or its subsidiaries, the statutory auditors of the Company, and / or its subsidiaries (as the case may be and as may be relevant in the context hereof);
- 1.3.8. "Big Four" means the following firms of auditors or their recognised affiliates in India: a) KPMG, b) Price Waterhouse Coopers, c) Deloitte Haskins & Sells and d) Ernst & Young;
- 1.3.9. "Board" means the board of Directors of the Company or the subsidiary (as the case may be and as may be relevant in the context hereof);
- 1.3.10. "Business" means the business of providing temporary staffing and permanent staffing in information technology ("IT") and non-IT sectors, regulatory consulting / compliance / administration services in labour laws and related areas, vocational training in sales and marketing, retail, finance and IT (mainly hardware) courses to retail, corporate and government clients where the duration of the courses ranges from 3 (three) months to 2 (two) years, or such other business as may be carried out by the Company with the approval of the Board from time to time;
- 1.3.11. "Business Plan" means the financial plan to be formulated by the Promoters in consultation with the management team of the Company which contains inter alia financial projections;
- 1.3.12. "Business Promoters" means MS, AR and MG collectively;
- 1.3.13. "Competitor" means a Person who, directly or indirectly, is engaged in a business that is the same or substantially similar to the Business of the Company, including in respect of scale, scope and size of the Business, and shall include Affiliates of such Competitors, except entities which are financial investors or private equity funds that hold investments in Competitors or their Affiliates;
- 1.3.14. "Completion" means the completion of the subscription by each of the Second Round Investors to their respective Investment Shares in accordance with the Share Subscription and Shareholders Agreement;
- 1.3.15. "Completion Date" means the date on which Completion occurs;
- 1.3.16. "Control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any entity, whether through the ownership of voting securities, by contract or otherwise;
- 1.3.17. "Cut-Off Date" means March 31, 2015;
- 1.3.18. "Deed of Adherence" means the form of the Deed of Adherence annexed to the Share Subscription and Shareholders Agreement;
- 1.3.19. "Director" means any director on the Board or the subsidiary (as the case may be and as may be relevant in the context hereof);
- 1.3.20. "Encumbrances" means any form of legal, equitable, or security interests, including, but not limited to, any mortgage, assignment of receivables, debenture, lien, charge, pledge, title retention, right to acquire, hypothecation, options, rights of first refusal, any preference arrangement (including title transfers and retention arrangements or otherwise) and any other encumbrance or condition whatsoever or any other arrangements having similar effect;
- 1.3.21. "Existing Share Subscription and Shareholders Agreement" means the 2 (two) Share Subscription and

Shareholder Agreements dated October 30, 2009 executed between the Company, the Promoters and the First Round Shareholders pursuant to which the First Round Shareholders are the existing shareholders of the Company and have subscribed to the First Round Shareholding;

- 1.3.22. “Equity Share” means an equity share of face value of ₹ 1/- (Rupee One only) each;
- 1.3.23. “Fair Value” shall have the meaning ascribed to it in Article 10.9 of these Articles;
- 1.3.24. “First Round Shareholders” means collectively GTCPL, GAPL and GIL in the context of the First Round Shareholding;
- 1.3.25. “First Round Shareholding” means an aggregate of 9,93,745 (Nine Lakh Ninety Three Thousand Seven Hundred and Forty Five) Equity Shares of the Company held by GTCPL, GAPL and GIL on March 30, 2011;
- 1.3.26. “First Round Investors Cut-Off Percentage” means in the event the shareholding of the First Round Investor and its Affiliates falls below 2% (two percent) of the issued and paid up share capital of the Company, calculated on a Fully Diluted Basis;
- 1.3.27. “Fully Diluted Basis” means the assumption that all the Shares comprised in a proposed issue, the Shares underlying all outstanding warrants, stock options granted or reserved, convertible debentures, preference shares and all instruments convertible to equity shares have been converted;
- 1.3.28. “GAPL” means Gaja Advisors Private Limited, a company incorporated in India under the Companies Act, 1956 and having its registered office at G133, Sarita Vihar, New Delhi – 110044;
- 1.3.29. “GIL” means GPE (INDIA) Limited, a company incorporated under the laws of Mauritius, having its principal office at 14 Poudrière Street, Office 905, 9th Floor, Sterling Tower, Port Louis, Mauritius ;
- 1.3.30. “GTCPL” means Gaja Trustee Company Private Limited, a company incorporated in India under the Companies Act, 1956, having its registered office at G133, Sarita Vihar, New Delhi – 110044 in the capacity as the trustee of Gaja Capital India Fund-1, constituted as a trust under the Indian Trust Act, 1882 and registered with the Securities and Exchange Board of India as a domestic venture capital fund;
- 1.3.31. “Gaja Director” means Director nominated /appointed by the First Round Shareholders to the Board pursuant to the Existing Share Subscription and Shareholders Agreement;
- 1.3.32. “HSVPL” means HR OFF SHORING VENTURES PTE LIMITED, a company incorporated under the laws of Singapore and having its registered office at 150, Cecil Street, #10-06, Singapore-069543;
- 1.3.33. “IAF” means IDBI TRUSTEESHIP SERVICES LIMITED, a company registered under the provisions of the Companies Act, 1956, and having its registered office at Asian Building, 17, R Kamani Marg, Ballard Estate, Mumbai- 400 001, in the capacity as trustee of INDIA ADVANTAGE FUND S3 I, a trust registered under the Indian Trusts Act, 1882, acting through its investment manager ICICI VENTURE FUNDS MANAGEMENT COMPANY LIMITED, a company incorporated pursuant to the Companies Act, 1956, and having its registered office at Ground Floor, ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 and branch office at X Floor, Prestige Obelisk, Kasturba Road, Bengaluru 560 001 (hereinafter referred to as “ICICI Venture”)
- 1.3.34. “IAF Consent” means the prior written consent of IAF in respect of any Affirmative Vote Matters;
- 1.3.35. “IAF Cut-Off Percentage” means in the event the shareholding of IAF and its Affiliates falls below 5% (five percent) of the issued and paid up share capital of the Company, and provided the fall in the shareholding of IAF is solely due to a sale of Shares by IAF;
- 1.3.36. “IAF Investment Amount” means an amount of ₹ 75,00,00,000/- (Rupees Seventy Five Crores Only) to be paid by IAF to the Company on the Completion Date for subscription to the IAF Investment Shares;
- 1.3.37. “IAF Investment Shares” means 8,51,781 (eight lakh fifty one thousand seven hundred eighty one)

fully paid up Equity Shares to be issued by the Company to IAF on the Completion Date in accordance with the terms and conditions of the Share Subscription and Shareholders Agreement;

- 1.3.38. "IIJT" means IIJT Education Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office in Kolkata;
- 1.3.39. "ILCHPL" means INDIA LIFE CREDIT AND HOLDINGS PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at Office No.6, 3rd Floor, 'C' Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051;
- 1.3.40. "Investors" means collectively the First Round Shareholders and the Second Round Investors;
- 1.3.41. "Investment Amount" shall mean an aggregate sum of ₹ 100,00,00,000/- (Rupees One Hundred Crores), comprising of the Second Round Co-Investor Investment Amount and the IAF Investment Amount;
- 1.3.42. "Investment Shares" means, collectively, the Second Round Co-Investor Investment Shares and the IAF Investment Shares;
- 1.3.43. "IPO" means an initial public offering of the equity shares or equity linked instruments of the Company, which is fully and firmly underwritten by an underwriter and consequent to which the Equity Shares or equity linked instruments of the Company are listed on a Recognized Stock Exchange, and includes any merger, reverse merger or amalgamation of the Company with a company listed on a Recognised Stock Exchange (whose shares are actively traded), and which is otherwise in accordance with Article 10.3 of these Articles;
- 1.3.44. "Key Executives" means the executive chairman, managing director, chief executive officer, the chief financial officer, chief operations officer, the head of sales and marketing, head of human resources and administration;
- 1.3.45. "KS" means Kavita Sabharwal, having PAN number – AFLPG2821D and residing at 003, 'A' Block, Elgin Apts., Langford Town, Hosur Road, Bengaluru, 560025;
- 1.3.46. "Law" means all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government authority, tribunal, board, court or recognised stock exchange of India;
- 1.3.47. "MG" means Mr. Mohit Gupta, having PAN number – AAIPG0501G and residing at 304, 'A' Block, Elgin Apts., Langford Town, Hosur Road, Bengaluru, 560025;
- 1.3.48. "MS" means Mr. Manish Sabharwal, having PAN number – AGVPS6333F and residing at 003, 'A' Block, Elgin Apts., Langford Town, Hosur Road, Bengaluru, 560025;
- 1.3.49. "Memorandum" means the Memorandum of Association of the Company;
- 1.3.50. "Other Shareholders" means all the Shareholders of the Company other than the Promoters and the Investors;
- 1.3.51. "Person" includes an individual, an association, a corporation, a partnership, a joint venture, a trust an unincorporated organisation, a joint stock company or other entity or organisation, including a government or political subdivision, or an agency or instrumentality thereof and/or any other legal entity (in each case, whether or not having separate legal personality);
- 1.3.52. "Promoters" means HSVPL, ILCHPL, AR, MS, KS and MG collectively;
- 1.3.53. "Recognised Stock Exchange" means the Stock Exchange, Mumbai or the National Stock Exchange or any Indian or international stock exchange(s) or market acceptable to the Investors and the Promoters;
- 1.3.54. "Representations and Warranties" means the representations and warranties made/provided by the Business Promoters and the Company to the Second Round Investors in Schedule 5 of the Share

Subscription and Shareholders Agreement;

- 1.3.55. “Second Round Co-Investor Investment Amount” means an aggregate amount of ₹ 25,00,00,000/- (Rupees Twenty Five Crores Only) to be paid by GTCPL, GAPL and GIL to the Company on the Completion Date for subscription of the Second Round Co-Investor Investment Shares;
- 1.3.56. “Second Round Co-Investor Investment Shares” means in the aggregate 2,83,927 (two lakh eighty three thousand nine hundred twenty seven) Equity Shares to be issued by the Company to GTCPL, GAPL and GIL on the Completion Date in accordance with the terms and conditions of the Share Subscription and Shareholders Agreement;
- 1.3.57. “Second Round Investors” means IAF and GTCPL, GAPL and GIL collectively (in the context of the Investment Shares);
- 1.3.58. “Share Subscription and Shareholders Agreement” means the Share Subscription and Shareholders Agreement executed by and between the Company, the Promoters, GTCPL, GAPL, GIL, and IAF on March 30, 2011;
- 1.3.59. “Shareholder” means any Person in whose name any Share is registered in the Company’s register of members;
- 1.3.60. “Shares” means the Equity Shares or any other shares of the Company;
- 1.3.61. “Subsidiary” or “subsidiary” shall have the meaning ascribed to it under the Companies Act, 2013;
- 1.3.62. “Transaction Documents” means any share subscription and shareholders agreement entered into by the Company and any of the Shareholders, and any and every document executed in connection with the transactions contemplated under or in connection with such share subscription and shareholders agreement and the other documents specified above; and
- 1.3.63. “Transfer” means sale, transfer, conveyance, assignment or creation of any Encumbrance.

BOARD OF DIRECTORS

- 3.1 **Board of Directors:** The Board shall at all times comprise of a minimum of 5 (five) Directors and up to a maximum of 11 (eleven) Directors, unless agreed to otherwise by the First Round Shareholders, IAF and the Business Promoters. The First Round Shareholders (taken in the aggregate) and IAF shall each have a right to appoint/nominate 1 (one) non-executive, non-retiring Director on the Board (hereinafter the “First Round Investor Director” and “IAF Director” respectively and collectively the “Investor Directors”) and each of the Business Promoters shall have the right to be appointed or to nominate 1 (one) Director on the Board (“Promoter Directors”). The Directors shall not be required to hold any qualification shares. The First Round Shareholders (taken in the aggregate) and IAF shall have the right to appoint 1 (one) non-voting observer each, who shall be entitled to receive all notices and information that a Director is entitled to receive and attend meetings of the Board or committees thereof. All reasonable expenses of the Directors and/or the Observers shall be borne by the Company. The composition of the Board shall be reviewed by the Promoters, the First Round Shareholders and IAF for induction of independent directors prior to the IPO or the next round of fund raising, if any.

In the event the nominee director of IAF is an officer of IAF or ICICI Venture, if IAF so advises the Company, the sitting fees in relation to such nominee director, if payable, shall accrue to IAF and the same shall accordingly be paid by the Company directly to IAF. The Investor Directors shall be entitled to receive all notices, agenda, etc. and to attend all General meetings and Board meetings and meetings of any Committees of the Board of which they are members.

The First Round Shareholders (taken in the aggregate) and IAF shall each be entitled to appoint 1 (one) nominee director on each of the board of the Subsidiaries of the Company. The Company and the Promoters shall ensure that the Person nominated by the First Round Shareholders (taken in the aggregate) and IAF are forthwith appointed by the Subsidiary.

It is clarified that the right of the First Round Investors (taken in aggregate) to nominate a Director as

contemplated in this Article 3.1 is by virtue of its First Round Shareholding.

- 3.2. Removal and Replacement of Investor Directors: The right of appointment/ nomination conferred on the First Round Shareholders and IAF under Article 3.1 above shall include their right to remove at any time from office such person appointed by each of them as a Director and they shall have the right at any time and from time to time to determine the period during which such person shall hold the office of Director and to replace any Director appointed by each of them respectively who ceases to be a Director for any reason. A Director who has been appointed by the First Round Shareholders or IAF, pursuant to Article 3.1, shall not be removed from office except with Affirmative Vote of the First Round Shareholders or the IAF Consent, as the case may be. In the event that any of the First Round Shareholders and/or IAF is desirous of removing its Director as director of the Company and/ or any of the Subsidiaries as the case may be, the Promoters shall exercise their voting rights to enable such Director to be removed from the Board. Each appointment or removal of a Director pursuant to this Article above shall be in writing and signed by or on behalf of the First Round Shareholders or IAF, as applicable, and shall be delivered to the registered office for the time being of the Company.
- 3.3. Alternate Directors: The Board shall have the right to appoint an alternate director to act for a Director (“Original Director”) during his/her absence for a period of not less than 3 (three) months from the state in which the meetings of the Board are ordinarily held. If the Original Director is an Investor Director, the First Round Shareholders or IAF, as the case may be, shall have a right to recommend any other person to be the alternate director in place of such Original Director nominated by them respectively (“Alternate Director”). The First Round Shareholders, IAF and the Business Promoters shall ensure that the Board appoints only such persons to be the Alternate Directors as are recommended by the relevant nominating Party. An Alternate Director shall not hold office for a period longer than that permitted to the Original Director. Such Alternate Director shall be entitled while holding office as such to receive notices of meetings of the Board and to attend any such meeting and generally to exercise all the powers, rights, duties and authorities and to perform all functions as the Original Director.
- 3.4. Casual Vacancy: The First Round Shareholders (taken in the aggregate) and IAF shall have the right to fill in any casual vacancy caused in the office of any of the Directors appointed/nominated by them respectively, by reason of his/her resignation, death, removal or otherwise.
- 3.5. Chairman of the Board: The chairman of the Board shall be appointed by the Board. The chairman of the Board shall also be the chairman of a meeting of the Shareholders. The chairman of the Board or of any meeting of the Shareholders shall not have a second or casting vote at any meeting of the Board or at any general meeting of the Company.
- 3.6. Voting: At any Board meeting, each Director shall exercise one (1) vote. Provided however, in respect of any matter relating to any transaction where any of the Directors are directly or indirectly interested, the Directors shall not be entitled to vote in respect on such matter. Further, in respect of matters listed in Article 5.1, no obligation of the Company shall be entered into and no decision shall be made unless each of the Investor Directors vote and consent in favour of such matter in accordance with Article 5.1 below has been obtained.
- 3.7. Notice for Board Meetings: Meetings of the Board shall be held at such times as the Board shall determine. Any Director shall be entitled to convene meeting of the Board. A meeting of the Board shall be held at least once in every 3 (three) months. Not less than 7 (seven) clear days’ notice (excluding the day of notice and the day of the meeting), or such shorter period of notice in respect of any particular meeting as may be agreed by majority of the Directors, which shall include the Investor Directors and 1 (one) Promoter Director, specifying the date, place and time, of the meeting and the business to be transacted thereat shall be given to all the Directors in and outside India and Alternate Directors and shall be accompanied by an agenda stating in reasonable detail the matters to be considered at such meeting together with all papers to be circulated or presented to the same. No business shall be discussed at a Board meeting unless such business was included in the said agenda.
- 3.8. Quorum:
- 3.8.1. The quorum of a meeting of the Board shall be 2 (two) directors. No quorum at any meeting of the Board, wherein any Affirmative Vote Matter is proposed to be discussed or voted upon, shall be complete without the presence (at the commencement of and throughout such meeting) of both the

Investor Directors or their respective Alternate Directors unless the requirement for the presence of their respective Investor Director is waived by the First Round Shareholders or IAF in writing prior to the Board meeting.

- 3.8.2. In the event that a meeting of the Board duly convened cannot be held for lack of quorum, such meeting may be adjourned to another time at the same place and on a day following 7 (seven) days after the original meeting and, at such adjourned meeting, subject to the provisions of the Act, any 2 (two) Directors present at such adjourned meeting shall constitute a quorum.

Provided however, no Affirmative Vote Matter shall be taken up, discussed, considered or resolved at such adjourned meeting unless (i) the First Round Investor Director has provided his written consent; and (ii) the Company has obtained the IAF Consent to such Affirmative Vote Matter(s) proposed to be discussed at such meeting.

- 3.9. Minutes of Meetings: Minutes of all meetings of the Board shall be circulated to all Directors or their alternates within 14 (fourteen) days after the holding of such meetings.

- 3.10. Board Matters: Subject to Article 5 and applicable Laws:

- 3.10.1 all resolutions of the Directors at a meeting or adjourned meeting of the Directors shall be adopted by a simple majority vote of the Directors present and voting; and
- 3.10.2 no resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors in and outside India, or to all the members of the committee, in and outside India, as the case may be and has been approved by a majority or such of them, as are entitled to vote on the resolution.

Any such resolution may consist of several documents in the like form each signed by one or more of the Directors and any resolution bearing the signature of any Director dispatched by facsimile transmission shall constitute a document for this purpose.

- 3.11. Committees of Directors: In the event that a committee is or committees are formed by the Company in relation to inter alia compensation or audit etc., the First Round Shareholders and IAF shall be entitled to appoint their Directors on the Board of such committees. All the provisions of these Articles relating to the Board shall mutatis mutandis apply to such committees.

- 3.12. Liability of Investors' Directors: The Promoters and the Company expressly agree that all the Investor Directors will be non-executive Directors and shall not be in charge of, or responsible for the day to day management of the Company or the conduct of the business of the Company and shall not be liable for any default or failure of the Company in complying with the provisions of any applicable Laws.

The Promoters and the Company expressly agree that none of the Investor Directors shall be identified as officers in default of the Company or occupier of any premises used by the Company.

- 3.13. Deed of Indemnity:

The Company shall at its own cost, deliver to the IAF Director, a deed of indemnity duly executed by the Company and Business Promoters, substantially in the form agreed to by the Company, the Business Promoters and the IAF Director in any agreement entered into by and amongst themselves. Each of the Investor Directors shall be entitled to invoke and recover any amounts under the deed of indemnity only after exhausting the amounts received by him/her directly under the insurance policies obtained and maintained by the Company under Article 2.1.6 for the benefit of such Directors.

The Company shall at its own cost, deliver to Gaja Director, a deed of indemnity duly executed by the Company and Promoters, substantially in the form set out in Annexure IV of the Existing Share Subscription and Shareholders Agreement. Provided however, the Gaja Director shall be entitled to invoke and recover any amounts under the deed of indemnity only after exhausting the amounts received by him/her under the insurance policies obtained and maintained by the Company under Clause 8.1.6 of the Existing Share Subscription and Shareholders Agreement of the for the benefit of

the Gaja Director.

- 3.14. The Business Promoters and KS further agree and acknowledge that they shall not have any right to vote in any Board meeting in respect of any matter involving any transactions or dealings with the Promoters and/ or their Affiliates.

MEETINGS AND RESOLUTION OF SHAREHOLDERS

- 4.1. Notice for shareholders meetings: Not less than 21 (twenty one) clear days' notice (excluding the day of the notice and the day of the meeting) or such shorter period of notice in respect of any particular meeting as may be agreed to by the Promoters, the First Round Investors and IAF, specifying the date, place, time of the meeting and the business to be transacted thereat shall be given to all the Shareholders and shall be accompanied by an agenda stating in reasonable detail the matters to be considered at such meeting. No business shall be discussed at a meeting of the Shareholders unless such business was specifically included in the said agenda.

4.2. Quorum:

- 4.2.1. The quorum for Shareholders meetings shall be as prescribed under the Act. No quorum in respect of any meeting wherein an Affirmative Vote Matter is proposed to be discussed or voted upon shall be deemed to be validly constituted unless the authorised representatives of the First Round Investors and IAF are present at the beginning and throughout the meeting, unless the requirement for presence of their respective authorised representative is waived by the First Round Investors and IAF in writing prior to the Shareholders meeting.

- 4.2.2. In the event that a meeting of the Shareholders cannot be held for lack of quorum, such meeting may be adjourned to the same time and at the same place and on a day following 7 (seven) days after the original meeting and at such adjourned meeting, any 2 (two) Shareholders present at such adjourned meeting shall constitute a quorum.

Provided however, no Affirmative Vote Matters shall be taken up, discussed, considered or resolved at such adjourned meeting without (i) the prior consent of the First Round Investors; and (ii) the IAF Consent.

- 4.3. Voting by Poll: Subject to Article 5, all matters/resolutions shall be voted by poll.

- 4.4. Related party transactions: In respect of any matter relating to any transaction where any of the Promoters and/ or their Affiliates are directly or indirectly interested, the Promoters and/or their Affiliates shall not be entitled to vote in respect of such matter.

AFFIRMATIVE VOTE MATTERS

- 5.1. The First Round Investor and IAF shall have an Affirmative Vote with respect to all matters listed below ("Affirmative Vote Matters"), whether proposed to be decided upon at the Board and/or at the Shareholders' meeting or in any other manner:

- (i) Acquisition of shares or assets of another corporation or business or the establishment of a joint venture/ partnership (whether incorporated or unincorporated) or a subsidiary, mergers, de-mergers and consolidations in single or multiple tranches for an aggregate amount exceeding ₹ 5,00,00,000/- (Rupees Five Crores only) in any financial year.
- (ii) Divestment of shares of any Subsidiary of the Company, of a transaction value exceeding ₹ 1,00,00,000/- (Rupees One Crore Only).
- (iii) Appointment of, or removal, or determination of the terms of employment by the Company, of any person (including the Promoters) with a remuneration exceeding ₹ 50,00,000/- (Rupees Fifty Lakhs only) p.a., or revising the remuneration of any person, such that his/her remuneration exceeds ₹ 50,00,000/- (Rupees Fifty Lakhs only) p.a. or is reduced below ₹ 50,00,000/- (Rupees Fifty Lakhs only) p.a.

- (iv) Creation of investment in Subsidiaries or investment in other companies including non-liquid investments and/or loans to other companies or entities, or any other investments (other than short term liquid investments in Banks) in single or multiple tranches for an aggregate amount exceeding ₹ 5,00,00,000/- (Rupees Five Crores only) in any financial year.
- (v) Capital expenditure including acquisition of assets, construction or lease in single or multiple tranches for an aggregate amount exceeding ₹ 5,00,00,000/- (Rupees Five Crores only) in any financial year.
- (vi) All related party transactions of a value exceeding ₹ 50,00,000/- (Rupees Fifty Lakhs), including any matter relating to the execution of an agreement or any contract or arrangement between the Company and the Promoters or any of their respective Affiliates, and any transaction, agreement or arrangement between the Company, and any entity or firm, in which any of the Promoters or any of their Affiliates has a financial interest of more than 26% (Twenty Six Percent).
- (vii) Any amendment to the provisions of the Memorandum or Articles or other constitutional documents of the Company, including any amendment pertaining to the change in the number of Directors on the Board.
- (viii) Preparation, amendment, approval and adoption of the Business Plan and annual operating budgets and approval of any deviation from the said Business Plan and/or annual operating budget in excess of ₹ 5,00,00,000/- (Rupees Five Crores Only).
- (ix) Commencement of any business/unit/division, which is outside the ordinary scope of, or which is unrelated to the Business of the Company.
- (x) Settlement of any judicial proceedings, where the amount of the claim involved is in excess of ₹ 5,00,00,000/- (Rupees Five Crores Only) in any financial year.
- (xi) Any changes to material accounting or tax policies and practices adopted by the Company and/or its subsidiaries and/or associates.
- (xii) Recommend, giving or renewing of security for or the guaranteeing of debts or obligations of the Company or its subsidiary in single or multiple tranches for an aggregate amount exceeding ₹ 5,00,00,000/- (Rupees Five Crores only) in any financial year.
- (xiii) Any change in the financial year for preparation of audited accounts.
- (xiv) Recommendation of declaration of any dividend.
- (xv) Creating any lien or charges or proposing the acquisition, sale, lease, transfer, license or in any other way proposing to dispose off any assets or undertaking of the Company and / or its Affiliates or substantially all the assets or undertaking of the Company and / or its Affiliates in single or multiple tranches for an aggregate amount exceeding ₹ 5,00,00,000/- (Rupees Five Crores only) in any financial year.
- (xvi) To acquire, trade or sell shares, securities, debentures or bonds in or of any other company or entity or engage in any activity relating to derivative transactions in single or multiple tranches for an aggregate amount exceeding ₹ 50,00,000/- (Rupees Fifty Lakhs only) in any financial year.
- (xvii) Appointment or removal of the Company's auditors.
- (xviii) A liquidation, dissolution or winding-up of the Company or any of its subsidiaries.
- (xix) Appointment of any Directors on the Board of the Company, other than the Directors appointed pursuant to the terms of the Share Subscription and Shareholders Agreement.
- (xx) Sale or disposal of the Company's undertaking(s) or divestment of or sale, lease, license or exchange or pledge or in any other way proposing to dispose off any assets (including any intellectual property rights or other intangible rights) or undertaking of the Company outside the ordinary scope of the Company's business, in excess of ₹ 5,00,00,000/- (Rupees Five Crores only) for individual

transactions, or ₹ 5,00,00,000/- (Rupees Five Crores only) on a cumulative basis in any financial year.

- (xxi) Any agreement, arrangement, transaction or assignment of the Intellectual Property of the Company.
- (xxii) Any amendment to any of the Transaction Documents.
- (xxiii) Issuance of new shares or increase or reduction or buy-back or conversion of preference shares into equity shares or other alteration or modification in share capital or in the rights and preferences of securities, or any change in the face value of the Shares or creation or issue of securities (including equity shares, preference shares, non-voting shares, warrants, options, optionally or compulsory convertible debentures etc.) and/or the terms thereof and/or approve or disapprove any transfer of Shares and/or entering into any agreement, arrangement or undertaking to do any of those things, or any action which alters the share capital of the Company or any of its subsidiaries.
- (xxiv) Any alterations to the rights attached to the Investment Shares.
- (xxv) Approval of any new scheme or plan for grant of employee stock options, or sweat equity shares to any person or entity, including any modification to any existing scheme or plan.
- (xxvi) Any line of credit or borrowings exceeding ₹ 2,00,00,000/- (Rupees Two Crores Only) for short term borrowings and exceeding ₹ 2,00,00,000/- (Rupees Two Crores Only) towards long term borrowing.
- (xxvii) Commencement of business/unit/division outside the ordinary scope of the Company's Business or the formation or operation by the Company of any new business, or subsidiary, or collective investment vehicle.
- (xxviii) Approval of any financial statements including but not limited to the audited accounts of the Company.
- (xxix) Any action (including the execution, amendment or termination of any agreement or commitment) which will result in or is likely to result in the Company and/or its Affiliates incurring indebtedness or liability (actual, contingent or otherwise) an aggregate amount of ₹ 5,00,00,000 (Rupees Five Crores only) or more in a single transaction or on a cumulative basis (i.e. in more than one transaction), in any calendar year, or any obligation or liability which is not capable of being quantified in monetary terms, whether in a single transaction or in a series of transactions, other than trade liabilities incurred in the ordinary course of the Company's business.
- (xxx) Delegation of authority or any of the powers of the Board relating to any matter contained in this Schedule, to any individual or committee and any commitment.
- (xxxi) Shifting the registered office of the Company.
- (xxxii) Sale of any Intellectual Property or assets of the Company including grant of any licence, assignments, etc.
- (xxxiii) Borrowing or lending of any amounts in single or multiple tranches for an aggregate amount exceeding ₹ 5,00,00,000/- (Rupees Five Crores only) in any financial year.
- (xxxiv) Any agreement to do any of the foregoing.

5.2. Notwithstanding anything contained in the Share Subscription and Shareholders Agreement or these Articles, no resolution shall be validly passed or decision or action be taken by the Board of the Company or the board of any of its subsidiaries in a meeting or by circulation or by the management committee or Committee of Directors or executives of the Company or its Subsidiaries, as the case may be, or at a general meeting of the Shareholders of the Company or its Subsidiaries or in any other manner, on or relating to the Affirmative Vote Matters, unless an Affirmative Vote in favour of such resolutions has been cast by each of the Investor Directors or the concerned Alternate Director thereof, and the Company has obtained IAF Consent. If the First Round Shareholder has not appointed the First Round Investor Director for any reason whatsoever, then their written consent shall be taken in respect of the matter prior to such matter being placed before the Board.

- 5.3 Notwithstanding anything contained in the Share Subscription and Shareholders Agreement or these Articles, no resolution shall be validly passed or decision be taken by the Shareholders in a meeting or in any other manner, on or relating to the Affirmative Vote Matters, unless an Affirmative Vote in favour of such resolutions has been cast by an authorized representative of the First Round Investors and IAF and the Company has obtained the IAF Consent.
- 5.4 IAF shall not have any Affirmative Vote / or the IAF Consent right in respect of any matter that prevent the First Round Shareholders from exercising their rights under Articles 7.2, 7.4, 8.2, 9.1, 9.2, and 9.4 herein below. Neither of the Second Round Investors shall have an Affirmative Vote in respect of any matter that prevents the other Second Round Investor from exercising its respective rights under Articles 9.5, 9.6, 9.7 and 9.8 hereinbelow. For the avoidance of doubt, it is hereby clarified that the First Round Shareholders shall not have any Affirmative Vote in respect of any matter that prevents IAF from exercising its rights under Articles 7.2, 7.4, 8.2, 9.5, 9.6, 9.7 and 9.8.

FURTHER ISSUE OF SHARES

6.1. Pre-Emption Right:

- 6.1.1. If the Company proposes to raise any additional funds (“Additional Funds”) by way of issue of additional shares and/ or securities, the Company shall issue a notice to all the Shareholders (“Pre Emption Notice”) specifying (i) the amount of Additional Funds sought to be raised by the Company; (ii) the number of Shares proposed to be issued (“New Shares”); and (iii) the price at which the New Shares are proposed to be issued (“New Shares Price”).
- 6.1.2. Each of the Shareholders shall have the right to subscribe to the New Shares or part thereof, on a pro-rata basis. If any of the Shareholders is desirous of subscribing to any of the New Shares as per the terms specified in the Pre Emption Notice (“Purchasing Shareholder”), he/she/it shall, within 30 (thirty) days of the date of receipt of the Pre Emption Notice (“Offer Period”), issue a notice to the Company specifying the number of New Shares proposed to be subscribed to by the Purchasing Shareholder (“Acceptance Notice”). The Purchasing Shareholder shall, along with the Acceptance Notice, also pay the subscription amount for subscribing to the New Shares. The Company shall, simultaneously upon the receipt of the subscription amount from the Purchasing Shareholder, issue the New Shares to the Purchasing Shareholder.
- 6.1.3. If any of the Shareholders do not issue the Acceptance Notice within the Offer Period or the amounts invested in aggregate by the Shareholders is less than the Additional Funds, then the other Purchasing Shareholders shall be entitled to subscribe to the remaining New Shares on the same terms as offered in the Pre-Emption Notice, on a pro-rata basis till such time that all the New Shares have been subscribed to by such other Purchasing Shareholders. This process shall be completed no later than 30 (thirty) days from the expiry of the Offer Period. In the event that, subsequent to the aforesaid process, any of the New Shares remain unsubscribed, the Company shall be entitled to issue such unsubscribed number of New Shares to a third party/parties, on terms and conditions not more favourable than those offered to the Shareholders (“Third Party”).
- 6.1.4. The Company shall complete the issue and allotment of the New Shares to the Third Party within a period of 180 (one hundred and eighty) days from the expiry of the Offer Period, failing which, the Company shall not offer such New Shares to a Third Party unless first re-offered to the Shareholders in accordance with Articles 6.1.1 to 6.1.3 above.
- 6.1.5. The Company and the Promoters hereby agree and acknowledge that the issue of the New Shares to a Third Party shall not adversely affect the rights granted to the First Round Investors and IAF under the Share Subscription and Shareholders Agreement. If any additional rights are granted to a Third Party, the First Round Investors and IAF shall be entitled to such rights failing which such rights granted to the Third Party shall be null and void.
- 6.1.6. If the Company does not issue and allot the New Shares subsequent to a Purchasing Shareholder issuing the Acceptance Notice and making payment of the subscription amount, then the Purchasing Shareholder or any Person designated by the Purchasing Shareholder acceptable to the Company shall have the right to require the Company and if so required by the Purchasing Shareholder, the Company

shall forthwith refund to the Purchasing Shareholder the subscription amount paid by the Purchasing Shareholder to the Company, together with interest thereon calculated at the rate of 5% (five percent) p.a. from the date the Purchasing Shareholder paid the said amounts to the date of actual refund by the Company along with interest thereon as liquidated damages. The Shareholders agree and acknowledge that the liquidated damages are a genuine pre estimate of the loss that may be suffered by the Purchasing Shareholder as a result of non-compliance by the Company of the obligations specified in this Article 6.1.

- 6.1.7. 'Shareholders' for the purpose of this Article 6.1 shall mean all Shareholders of the Company, excluding the Other Shareholders.
- 6.1.8. All the New Shares, when issued and allotted, shall be free of Encumbrances and shall rank pari passu with the existing Shares.
- 6.1.9. The right contained in this Article 6.1 shall not be applicable to the issue of Shares pursuant to an ESOP.
- 6.1.10. In the event that the New Shares are issued and allotted to a Third Party, such Third Party shall sign and deliver a deed of adherence, agreeing to be bound by the terms of the Share Subscription and Shareholders Agreement, (in the form that is annexed to the Share Subscription and Shareholders Agreement), which shall not be construed as granting all rights under any such agreement to such Third Party.

6.2. Anti Dilution

- 6.2.1 If the Company issues any new shares or any other instruments that leads to equity dilution to a Third Party at a price per Share lesser than the price paid by (i) the First Round Investors (in respect of their First Round Shareholding); or (ii) the Second Round Investors (in respect of the Investment Shares), as the case may be, then the Company shall, simultaneously with the issue of the new shares to the Third Party, issue to and at the option of the First Round Investors and/or the Second Round Investors, as applicable, such number of additional Shares to the First Round Investors and/ or the Second Round Investor as the case may be or any Person designated by them acceptable to the Company, as may be required ("Anti-Dilution Shares") at the minimum price per Share as permitted under the applicable Laws, such that the average price per Share paid by the First Round Investors and/or the Second Round Investors, as the case may be, to acquire all of the Shares held by it (including the Anti-Dilution Shares) is equal to the price at which the Company issues or proposes to issue the new shares to the Third Party, suitably adjusted for any stock splits or bonus issue of Shares.
- 6.2.2 If the Company is not permitted to issue the Anti-Dilution Shares for any reason whatsoever, the Promoters shall transfer to the First Round Investors and/or the Second Round Investors or any Person designated by them acceptable to the Company, as the case may be, such number of Shares at the minimum price per Share as permitted under the applicable Laws, on a pro-rata basis, as may be required, such that the average price per Share paid by the First Round Investor and/or the Second Round Investors, as the case may be, for all the Shares held by them, is equal to the price at which the Company issues or proposes to issue the new shares to the Third Party, suitably adjusted for any stock splits or bonus issue of Shares.
- 6.2.3 The rights provided in this Article 6 shall not be applicable to (i) issuance of Shares pursuant to and in accordance with an Employee Stock Option Plan approved by the Board ("ESOP"), or to (ii) securities issued in connection with any stock split or stock dividend of the Company.

6.3. ESOP:

- 6.3.1 6.3.1.The Company shall create any Employee Stock Option Plan ("ESOP"), pursuant to which the Promoters shall have an obligation to transfer up to 3,97,498 (Three Lakh Ninety Seven Thousand Four Hundred Ninety Eight) of their Shares for contribution towards such ESOP. Any further issue of shares pursuant to an ESOP shall, subject to Article 6.3.2 below, result in dilution of all the Shareholders. The employees to whom ESOP shares are transferred or issued after March 30, 2011 shall sign the Deed of Adherence.

- 6.3.2 If the Company proposes to issue new Shares pursuant to an ESOP (the “ESOP Shares”), the First Round Shareholders, the Promoters and the Second Round Investors shall have the right but not an obligation to subscribe to additional shares of the Company (“ESOP Anti Dilution Shares”) at the Fair Value, such that the percentage of the issued and paid up share capital of the Company held by the First Round Shareholders, the Promoters and the Second Round Investors after the issue of the ESOP Shares and the ESOP Anti Dilution Shares to the First Round Investors, the Promoters and the Second Round Investors shall be equal to the percentage of the issued and paid up capital of the Company held by the First Round Shareholders, the Promoters and the Second Round Investors prior to the issue and allotment of the ESOP Shares. The Company shall issue the ESOP Anti Dilution Shares simultaneously with the issue of the ESOP Shares, unless otherwise specified in writing by the First Round Shareholders, the Promoters and the Second Round Investors.

TRANSFERS OF SHARES

7.1. Promoters’ Non-Disposal Undertaking:

- 7.1.1 The Promoters shall not, directly or indirectly, Transfer, Encumber or deal with any interest in the Shares held by them in the Company, or in the shares of HSVPL or ILCHPL (excluding any inter-se Transfer of shares between the Promoters, upon written intimation to each of the Investors), (i) without the prior written consent of the First Round Investors, and (ii) without the prior written consent of IAF.
- 7.1.2 In the event the Company is in requirement of funds the Promoters shall, subject to obtaining consent as provided in Article 7.1.1 above, be permitted to pledge the Shares held by them in favour of banks and bonafide financial institutions for the purpose of raising such funds for the Company.
- 7.1.3 The Promoters agree that the Transfer restrictions in these Articles in respect of the Shares held by the Promoters in the Company shall not be capable of being avoided by the holding of such Shares indirectly through a company or other entity or Person that can itself be sold in order to dispose of an interest in Shares of the Company free of such restrictions. Any Transfer, issuance or other disposal of any Shares (or other interest) resulting in any change in the control, directly or indirectly, in any of the Company's and/or Promoter's Affiliates which holds, directly or indirectly, any Shares in the Company, shall be treated as being a Transfer of the Shares of the Company held by such Affiliate, and the provisions of Articles 7.1.1 and Article 7.2 and Article 8 shall apply in respect of the Shares so held.

7.2. Right of First Offer:

- 7.2.1 Subject to Article 7.1, if at any time or in any instance (including in relation to Article 12 below), if any of the Investors or any of the Promoters are desirous of selling their Shares (“Selling Shareholder(s)”), they shall first offer such Shares to the others i.e. to each of the other Investor(s) and/or the Promoters, as the case may be (“Non-Selling Shareholder(s)”) in accordance with this Article 7.2.
- 7.2.2 In such an event, the Selling Shareholder shall serve a notice (the “Selling Notice”) to the Non-Selling Shareholder(s) in writing stipulating the number of shares proposed to be sold (“Sale Shares”) and any other relevant terms and conditions of the offer, including the proposed sale price (the “Sale Terms”).
- 7.2.3 The Non-Selling Shareholder(s) shall within a period of 30 (thirty) days from the date of receipt of the Selling Notice (“Acceptance Period”) inform the Selling Shareholder(s) and the other Non-Selling Shareholders of the number of Sale Shares that it wishes to purchase by way of a letter which shall be binding on the Non-Selling Shareholder(s) and the Selling Shareholder(s), subject to Articles 7.2.4 and 7.2.5 below (“Letter of Acceptance”).
- 7.2.4 In the event that there is more than 1 (one) Non-Selling Shareholder (“Offering Non-Selling Shareholders”) desirous of purchasing the Sale Shares and an offer is made by the Offering Non-Selling Shareholder(s) such that the number of Shares offered to be bought by the Offering Non-Selling Shareholders, in aggregate, is more than the total number of Sale Shares offered by the Selling Shareholders, the Offering Non-Selling Shareholder(s) shall be entitled to purchase the Sale Shares pro-rata, in proportion to their then inter-se shareholding in the Company. In the event an offer is made by the Offering Non-Selling Shareholder such that the number of Shares offered to be bought by the Offering Non-Selling Shareholder in aggregate is less than the total number of Sale Shares offered by the Selling Shareholders, the Offering Non-Selling Shareholder(s) shall be given an opportunity to

purchase the remaining Sale Shares. The Company shall intimate the number of remaining Sale Shares to the Offering Non Selling Shareholders after the expiry of the Acceptance Period and the Offering Non-Selling Shareholders shall be entitled to communicate their offer to purchase the additional Sale Shares within 5 (five) days from the receipt of the notice from the Company ("Additional Acceptance Period"), by issuing a revised letter of acceptance ("Revised Letter of Acceptance").

- 7.2.5 Upon issue of the Letter of Acceptance or the Revised Letter of Acceptance, as the case may be, in the event that all (and not part) of the proposed Sale Shares are offered to be purchased by one or more of the Offering Non-Selling Shareholder(s) during the Acceptance Period or Additional Acceptance Period, as the case may be, such Offering Non-Selling Shareholder(s) and the Selling Shareholder shall complete the transaction by payment of the purchase consideration within 30 (thirty) days from the date of the Letter of Acceptance or the Revised Letter of Acceptance, as the case may be ("Sale Period") against delivery of original share certificates in respect of the Sale Shares and duly executed transfer forms in respect thereof in favour of the Non-Selling Shareholder(s).

If the Offering Non-Selling Shareholder(s) fail to purchase the Sale Shares offered within the 30 (thirty) days as stipulated above, or the Offering Non-Selling Shareholder(s) offer to purchase only a part of the Sale Shares offered for sale after following the process stipulated in Article 7.2.4 above, the Selling Shareholder(s) shall be entitled to sell the remaining Sale Shares offered by it/them in the Selling Notice to any third party who is not a Competitor of the Company ("Buyer"), within 180 (one hundred and eighty) days from the expiry of the Sale Period mentioned above, on terms not more favourable than those last offered to the Offering Non-Selling Shareholder(s).

Provided that if the Selling Shareholder(s) is unable to complete the sale of the remaining Sale Shares to a Buyer, it/he shall be entitled to offer such number of additional Shares to the Buyer that will be less than or equal to the number of Sale Shares offered to be purchased by the Offering Non-Selling Shareholders under their Letter of Acceptance on terms not more favourable to the Buyer than those last offered to the Offering Non-Selling Shareholder(s).

Provided further that if the Selling Shareholder(s) proposes to sell all the Shares held by it/him in the Company and all such Shares are the subject matter of the Selling Notice, in the event the Offering Non Selling Shareholder(s), in aggregate, offer to purchase only a part of the Sale Shares, the Selling Shareholder(s) shall be entitled to keep the Letter of Acceptance or Revised Letter of Acceptance, as the case may be, in abeyance for a period of 180 (one hundred eighty) days and in the event that a Buyer is willing to purchase all (but not part) of the Sale Shares, the Selling Shareholder (s) shall be entitled to sell all (but not part) of the Sale Shares to such Buyer on terms not more favourable to the Buyer than those last offered to the Offering Non-Selling Shareholder(s).

- 7.2.6 If all the Non-Selling Shareholder(s) fail to issue the Letter of Acceptance or do not accept the Sale Terms offered by the Selling Shareholder(s), the Selling Shareholder(s) shall be entitled to transfer all or some of the Sale Shares offered by it / them in the Selling Notice to a Buyer who is not a Competitor of the Company, within 180 (one hundred and eighty) days from the expiry of the Acceptance Period, on terms not more favourable to the Buyer than those last offered to the Non-Selling Shareholder(s) including at a price which is higher than the proposed sale price of the Sale Shares.
- 7.2.7 If the Selling Shareholder(s) do not transfer the Sale Shares to a Buyer in accordance with Article 7.2.5 and/or Article 7.2.6 within the period specified in the said Articles, the Selling Shareholder(s) shall not be entitled to transfer the Sale Shares offered thereafter to any third party, without re-offering the Sale Shares to the Non-Selling Shareholder(s) in accordance with provisions of this Article 7.2. Till the Cut-Off Date, such re-offer can be made only after expiry of 6 (six) months from the date of expiry of the Acceptance Period, the Additional Acceptance Period or the Sale Period (whichever is later), as may be applicable. Provided however, if the Selling Shareholder(s) has received an offer from a third party to purchase all or part of the Sale Shares at a price less than the proposed sale price stipulated in the Selling Notice before the expiry of 6 (six) months from the date of expiry of the Acceptance Period, the Additional Acceptance Period or the Sale Period (whichever is later), as may be applicable, the Selling Shareholder(s) shall be entitled to re-offer the Sale Shares or par thereof to the Non-Selling Shareholder(s) in accordance with the provisions of this Article 7.2 without waiting for expiry of the 6 (six) month period. In the event the Selling Shareholder is a Selling Promoter (as defined in Article 7.3), the period stipulated in Article 7.2.5 and/or Article 7.2.6 shall be extended for the Selling Promoters to the extent required to implement the Tag Along Rights of the First Round Shareholders

and / or the Second Round Investors.

- 7.2.8 In every case of transfer of Sale Shares to any Person other than a Shareholder, the Selling Shareholder(s) shall ensure that before transferring the Sale Shares to such Person, the said Person enters into a deed similar in content and format to the Deed of Adherence, by which the said Person shall agree to be bound by the provisions of such agreement, as if it were originally a Shareholder to such agreement jointly with the Selling Shareholder(s).
- 7.2.9 If the First Round Investors or IAF transfer their shares to a third party in accordance with this Article 7.2, they shall be entitled to assign all or any of their respective rights to such third party.

7.3. First Round Shareholders and Second Round Investors Tag-along Rights

- 7.3.1 If the Selling Shareholder(s) under Article 7.2 are any of the Promoters ("Selling Promoters") and the First Round Shareholders and/or the Second Round Investors, as the case may be, do not propose to purchase any of the Shares ("Non-Purchasing Investor") being offered by the Selling Promoters under Article 7.2 above and the Selling Promoters propose to transfer the Sale Shares to a Buyer, then the Selling Promoters shall issue a notice to the Non-Purchasing Investor ("Tag-along Offer Notice") specifying (i) the proposed consideration, amount and form of consideration; (ii) the manner and proposed time of payment of the consideration; (iii) the proposed date of consummation of the proposed transfer; (iv) a confirmation that the Buyer stated in the Tag-along Offer Notice has been informed of the Tag-along Right of the Investors and has agreed to purchase all the Shares proposed to be transferred by the Selling Promoters; and (iv) a representation that no consideration, tangible or intangible, is being provided to the Selling Promoters which will not be reflected in the above stated consideration. Such Tag-along Offer Notice shall be accompanied by true and complete copy of all agreements between the Selling Promoters and the Buyer regarding the proposed transfer, if any.
- 7.3.2 The Non-Purchasing Investors shall have the right to require the Buyer to purchase up to such number of Shares held by the Non-Purchasing Investor, calculated on a pro-rata basis with the Sale Shares being transferred by the Selling Promoters, as a percentage of the Shares owned by the Selling Promoters before the transfer is done, on the same terms and conditions as those being offered by the Buyer to the Selling Promoters ("Pro-rata Tag Along Right"). The number of Shares, which the Non-Purchasing Investor shall be entitled to sell to the Buyer shall be determined in the manner stated in the formula below:

$$(A/B) \times C = Y$$

Where:

- A = Number of Shares proposed to be transferred by the Selling Promoters
B = Total Number of Shares held by the Selling Promoters prior to the proposed transfer
C = Total Number of Shares held by Non-Purchasing Investor
Y = Number of Shares that Non-Purchasing Investor has the right to offer to the Buyer.

Provided that in the event the First Round Shareholders and the Second Round Investors wish to exercise their Pro-Rata Tag Along Right, they shall be entitled to do so on a pro rata basis, after applying the aforesaid formula to arrive at the total number of Shares that the Non-Purchasing Investors have the right to offer to the Buyer.

Provided however, if the sale by the Selling Promoters results in more than 25% (twenty five percent) of the issued and paid up capital of the Company being transferred to such Buyer, then the Non-Purchasing Investors shall be entitled to require the Buyer to purchase up to all the Shares held by the Non-Purchasing Investors, in priority to the sale of the Sale Shares by the Selling Promoters, on a pro rata basis amongst the Non-Purchasing Investors ("Full Tag Along Right"). The other terms of Article 7.3.1 and 7.3.2 shall apply mutatis mutandis to the Full Tag Along Right.

- 7.3.3 If the Non-Purchasing Investor elects to exercise the Pro-rata Tag-Along Right or the Full Tag Along Right, as the case may be, it shall deliver a written notice of such election to the Selling Promoters (the "Response Notice") within 30 (thirty) days from the date of the Tag-Along Offer Notice provided (the "Tag-Along Offer Period") specifying the total number of Shares offered by them (the "Tag Along Shares") for sale to the Buyer.

- 7.3.4 In the event the Non-Purchasing Investor issues the Response Notice, the Selling Promoters shall cause the Buyer to purchase from the Non-Purchasing Investor the Tag Along Shares at the same price per Share and terms as the Selling Promoters. Provided that the Non-Purchasing Investor shall not be required to make any representation or warranties or covenants other than representations and warranties relating to the clear and unencumbered title of the Tag Along Shares.
- 7.3.5 The Selling Promoters shall not be entitled to sell any of the Sale Shares to the Buyer unless the Buyer first purchases the Tag Along Shares in accordance with the provisions of this Article. If the Non-Purchasing Investor has exercised its Tag-Along Rights and the Buyer fails to purchase the Tag Along Shares from the Non-Purchasing Investor, the Selling Promoters shall not sell the Sale Shares held by them to the Buyer, and if purported to be made, such transfer shall be void and shall not be binding on the Company and shall be deemed to be a breach of the terms of these Articles.
- 7.3.6 The purchase of the Sale Shares of the Promoters and/or Tag Along Shares, as the case may be, by the Buyer shall be held at the principal office of the Company within 30 (thirty) days after the expiry of the Tag-Along Offer Period or at such other time and place as the parties to the transaction may mutually agree. At such closing, the Selling Promoters and the Non-Purchasing Investor shall deliver certificates representing the Sale Shares of the Promoters and/or the Tag Along Shares respectively, as the case may be, accompanied by duly executed instruments of transfer. The Buyer shall deliver at such closing, payment in full of the price in respect of each of the Sale Shares of the Promoters and/or the Tag Along Shares as the case may be to the Selling Promoters and the Non-Purchasing Investor, respectively. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to give effect to the sale of the Sale Shares and/or the Tag Along Shares to the Buyer.

7.4. Transfer to Affiliates

Notwithstanding anything contained in these Articles or in the Share Subscription and Shareholders Agreement, the First Round Investor and IAF shall be entitled to Transfer, without any restrictions whatsoever, all or some of the Shares held by them to their respective Affiliates and assign all or any of their rights to such Affiliates (except a Competitor). In the event that any such Affiliate ceases to be an Affiliate of the First Round Investor or IAF, as the case may be, such Affiliate shall Transfer all the Shares held by it to the First Round Investor or IAF, or their respective Affiliates, as the case may be, forthwith.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. and 5 p.m. on all Working Days from Bid/Offer Opening Date until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated September 10, 2015 between our Company, the Selling Shareholders and the BRLMs.
2. Restated Registrar Agreement dated January 18, 2016 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Escrow Agreement dated January 18, 2016 between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s) and the Refund Bank(s).
4. Share Escrow Agreement dated January 18, 2016 between the Selling Shareholders, our Company, the BRLMs and the Escrow Agent.
5. Syndicate Agreement dated January 18, 2016 between our Company, the Selling Shareholders, the BRLMs, the Syndicate Member and the Registrar to the Offer.
6. Underwriting Agreement dated [●] between our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated February 02, 2000.
3. Fresh certificate of incorporation dated May 15, 2015 issued by the RoC at the time of conversion from a private limited company into a public limited company.
4. Fresh certificate of incorporation dated July 24, 2015 issued by the RoC for change of name.
5. Resolutions of the Board of Directors dated July 9, 2015 in relation to the Offer and other related matters.
6. Shareholders' resolution dated July 10, 2015 in relation to this Offer and other related matters.
7. Board Resolution dated September 07, 2015, passed by GTPL (*acting for and on behalf of GCIF*) consenting to participate in the Offer for Sale.
8. Board Resolution dated September 07, 2015, passed by GAPL consenting to participate in the Offer for Sale.
9. Board Resolution dated September 07, 2015, passed by GIL consenting to participate in the Offer for Sale.

10. Waiver letter dated August 28, 2015 from GCIF, in relation to the Offer for Sale.
11. Waiver letter dated August 28, 2015 from GAPL, in relation to the Offer for Sale.
12. Waiver letter dated August 28, 2015 from GIL, in relation to the Offer for Sale.
13. Waiver letter dated September 10, 2015 from I-VEN (*investment manager of IAF*), in relation to the Offer for Sale.
14. Management committee resolution dated July 13, 2015 passed by I-VEN (*investment manager of IAF*) approving the Offer for Sale.
15. The examination reports of the Statutory Auditor, on our Company's Restated Standalone Financial Information and Restated Consolidated Financial Information, included in this Red Herring Prospectus.
16. The Statement of Tax Benefits dated January 17, 2016 from the Statutory Auditors.
17. Consent of the Directors, the BRLMs, the Syndicate Member, Domestic Legal Counsel to our Company, Domestic Legal Counsel to the BRLMs, International Legal Counsel to the BRLMs, Registrar to the Offer, Escrow Collection Bank(s), Bankers to the Offer, Bankers to our Company, Company Secretary and Compliance Officer as referred to in their specific capacities.
18. Due Diligence Certificate dated September 10, 2015 addressed to SEBI from the BRLMs.
19. Business transfer agreement between IIJT and our Company dated April 01, 2012.
20. Share Purchase, Share Subscription and Shareholder's Agreement dated March 12, 2010, entered into between our Company, Devesh Srivastava, Manisha Srivastava, Saisha Electronics Private Limited and IIJT.
21. Share Purchase Agreement dated March 12, 2010, entered into between our Company, Tiger Global Four IIJT Holdings, and IIJT.
22. Scheme of Arrangement between our Company, IIJT and their respective shareholders dated October 07, 2011.
23. Business transfer agreement entered into between PEPL, FCSPL and our Company, dated May 15, 2012.
24. Share Subscription and Shareholders Agreement between our Company, our individual Promoters, HROV, India Life Credit Holdings Private Limited, Kavitha Sabharwal, GTPL in the capacity as trustee of GCIF, GAPL, GIL and IDBI Trusteeship Limited in the capacity as trustee of IAF dated March 30, 2011.
25. CRISIL report dated April 30, 2015.
26. Annual reports for the financial years 2011-2012, 2012-2013, 2013-2014 and 2014-2015.
27. Appointment letter dated September 03, 2015 for appointment of Manish Mahendra Sabharwal as the Chairman of the Company.
28. Appointment letter dated September 03, 2015 for appointment of Ashok Kumar Nedurumalli as the Managing Director of the Company.
29. Appointment letter dated July 21, 2015 for appointment of Mohitkaran Virendra Gupta as the advisor of the Company.
30. Board resolution dated July 20, 2015.

31. IPO Committee resolution dated September 10, 2015.
32. Letter dated September 10, 2015 from Manian & Rao, Chartered Accountants on working capital estimates of the Company.
33. In-principle listing approvals dated September 30, 2015 and September 29, 2015 issued by BSE and NSE respectively.
34. Tripartite agreement dated June 10, 2015 between our Company, NSDL and the Registrar to the Offer.
35. Tripartite agreement dated July 22, 2015 between our Company, CDSL and the Registrar to the Offer.
36. Quotations received for purchasing IT equipment, software and services.
37. IPO grading of **4/5** received from CRISIL Research on December 10, 2015.
38. SEBI observation letter no. CFD/DIL-III/NR/SK/OW/34366/2015 dated December 11, 2015.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

Gaja Capital India Fund – I certifies that all statements expressly made or confirmed by it in this Red Herring Prospectus in relation solely to itself in connection with the Offer for Sale and the Equity Shares being offered by it in the Offer for Sale, are true and correct. Gaja Capital India Fund – I assumes no responsibility for any other statements, including, *inter-alia*, any of the statements made by or relating to the Company, other Selling Shareholders, including any other Gaja Selling Shareholder, their respective businesses or any expert or other persons in this Red Herring Prospectus.

Signed by the Selling Shareholder

Abhinav Jain

(Authorised Signatory)

Date: January 22, 2016

DECLARATION

Gaja Advisors Private Limited certifies that all statements expressly made or confirmed by it in this Red Herring Prospectus in relation solely to itself in connection with the Offer for Sale and the Equity Shares being offered by it in the Offer for Sale, are true and correct. Gaja Advisors Private Limited assumes no responsibility for any other statements, including, inter-alia, any of the statements made by or relating to the Company, other Selling Shareholders, including any other Gaja Selling Shareholder, their respective businesses or any expert or other persons in this Red Herring Prospectus.

Signed by the Selling Shareholder

Ranjit Shah

(Authorised Signatory)

Date: January 22, 2016

DECLARATION

GPE (India) Ltd. certifies that all statements expressly made or confirmed by it in this Red Herring Prospectus in relation solely to itself in connection with the Offer for Sale and the Equity Shares being offered by it in the Offer for Sale, are true and correct. GPE (India) Ltd. assumes no responsibility for any other statements, including, *inter-alia*, any of the statements made by or relating to the Company, other Selling Shareholders, including any other Gaja Selling Shareholder, their respective businesses or any expert or other persons in this Red Herring Prospectus.

Signed by the Selling Shareholder

Deven Coopoosamy

(Authorised Signatory)

Date: January 22, 2016

DECLARATION

India Advantage Fund S3 I certifies that all statements expressly made or confirmed by it in this Red Herring Prospectus in relation solely to itself in connection with the Offer for Sale and the Equity Shares being offered by it in the Offer for Sale, are true and correct. India Advantage Fund S3 I assumes no responsibility for any other statements, including, inter-alia, any of the statements made by or relating to the Company, other Selling Shareholders, their respective businesses or any expert or other persons in this Red Herring Prospectus.

Signed by the Selling Shareholder

T. S. Suresh

(Authorised Signatory)

Date: January 22, 2016

DECLARATION

HR Offshoring Ventures Pte Ltd. certifies that all statements expressly made or confirmed by it in this Red Herring Prospectus in relation solely to itself in connection with the Offer for Sale and the Equity Shares being offered by it in the Offer for Sale, are true and correct. HR Offshoring Ventures Pte Ltd. assumes no responsibility for any other statements, including, inter-alia, any of the statements made by or relating to the Company, other Selling Shareholders, their respective businesses or any expert or other persons in this Red Herring Prospectus.

Signed by the Selling Shareholder

Manish Mahendra Sabharwal

(Authorised Signatory)

Date: January 22, 2016

DECLARATION

All relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY DIRECTORS OF OUR COMPANY

_____ **Manish Mahendra Sabharwal**
(Chairman)

_____ **Ashok Kumar Nedurumalli**
(Managing Director)

_____ **Gopal Jain**
(Non Executive Nominee Director)

_____ **Latika Prakash Pradhan**
(Independent Director)

_____ **Narayan Ramachandran**
(Independent Director)

_____ **V. Raghunathan**
(Independent Director)

SIGNED BY CHIEF FINANCIAL OFFICER

_____ **N. Ravi Vishwanath**
(Chief Financial Officer)

Place: Bengaluru

Date: January 22, 2016