



# 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 of the Red Herring Prospectus ("RHP").

**Registered Office:** Office No. 6, 3<sup>rd</sup> 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:** 6<sup>th</sup> Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bengaluru 560 095, Karnataka, India; Tel: + 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.

**Price Band: ₹ 785 to ₹ 850 Per Equity Share of Face Value of ₹ 10 each.**  
**The Floor Price is 78.5 times the Face Value and the Cap Price is 85 times the Face Value.**  
**Bids can be made for a minimum of 15 Equity Shares and in multiples of 15 Equity Shares thereafter.**

### Risks to Investors:

- The 3 Merchant Bankers associated with the Offer have handled 11 public issues in the past three years, out of which 3 issues closed below the issue price on listing date.
- There are no listed peers engaged in the Issuer's line of business.
- The Price / Earnings ratio based on annualised consolidated diluted EPS for the six months period ended September 30, 2015 for the Issuer at the upper end of the Price Band is as high as 59.36, as compared to the NIFTY 50 index Price / Earnings ratio of 20.01 (as on 22 January 2016)
- As on date of the Red Herring Prospectus, the average cost of acquisition per Equity Share by our Promoters viz. HR Offshoring Ventures Pte Ltd is Rs. 0.42, MKS Management Consultancy Services LLP is Rs. Nil, NED Consultants LLP is Rs. Nil, Dhana Management Consultancy LLP is Rs. Nil and by our Selling Shareholders viz. HR Offshoring Ventures Pte Ltd is Rs. 0.42, GPE India Limited is Rs. 199.33, Gaja Advisors Private Limited is Rs. 195.67, Gaja Capital India Fund - I is Rs. 199.10 and India Advantage Fund S3 I is Rs. 293.50

### 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 78.5 times the face value at the lower end of the Price Band and 85 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 of the RHP, 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 of the RHP.

#### 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 of the RHP.

**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 was 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 had 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 were consolidated to 1 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.

For further details, see the section "Basis for Offer Price" on page 98 of the RHP

## BID / OFFER PROGRAMME

# OPENS ON: Tuesday, February 02, 2016<sup>(1)</sup>

# CLOSES 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.

## ASBA\*

## Simple, Safe, Smart way of Application - Make use of it!!!

\*Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.

**Mandatory in Public Issue from January 01, 2016. No cheque will be accepted.**

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 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 of RHP.

**Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Offer. 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' sole risk. Bidders should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected.**

**Contents of the Memorandum of the Company as regards its Objects:** Investors are requested to refer to clause III of the Memorandum of Association of the Company for the main objects to provide and other objects of the Company. The Memorandum of Association of the Company is a material document for inspection in relation to the Offer. For details, see the section "Material Contracts and Documents for Inspection" on page 483 of the RHP.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
<b>IDFC Securities Limited</b> 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	<b>Credit Suisse Securities (India) Private Limited</b> 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.igcmler-bnkg@credit-suisse.com Website: www.credit-suisse.com Contact Person: Somwita Biswas SEBI Registration No.: MB/INM000011161	<b>ICICI Securities Limited</b> 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/INM000011179	<b>Karvy Computershare Private Limited</b> 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.: INR000000221	<b>Mruthunjaya Murthy C</b> 6 <sup>th</sup> Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bengaluru 560 095, Karnataka, India Tel: +91 80 3324 3406; Fax: +91 80 3324 3001 E-mail: corporateaffairs@teamlease.com Website: www.teamlease.com  Bidders can contact the Compliance Officer, the Registrar to the Offer or the BRLMs, in case of any pre-Offer or post-Offer related problems, such as non-receipt of Allotment Advice, credit of allotted shares in the respective beneficiary account or refund orders, etc.

\* 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.

**AVAILABILITY OF RED HERRING PROSPECTUS:** Investors are advised to refer to the RHP, and the Risk Factors contained therein, before applying in the Offer. Full copy of the RHP is available at www.sebi.gov.in, website of the Company at www.teamlease.com, the websites of the BRLMs to the Offer at www.idfccapital.com, www.credit-suisse.com, www.icicisecurities.com and websites of BSE and NSE i.e. www.bseindia.com and www.nseindia.com, respectively.

**AVAILABILITY OF BID CUM APPLICATION FORMS:** Bid-cum-application Forms can be obtained from the registered office of **TEAMLEASE SERVICES LIMITED**, BRLMs and Syndicate Member to the Offer: **IDFC Securities Limited**, Tel: +91 22 6622 2600, Fax: +91 22 6622 2501; **Credit Suisse Securities (India) Private Limited**, Tel: +91 22 6777 3885, Fax: +91 22 6777 3820; **ICICI Securities Limited**, Tel: +91 22 2288 2460, Fax: +91 22 2282 6580; Syndicate Member: **Sharekhan Limited**, Tel: +91 22 6115 0000; Fax: +91 22 6748 1891 and at the select locations of the Sub-Syndicate Members (as given below), Registered Brokers, RTAs and CDPs participating in the Offer. Bid-cum-application Forms will also be available on the websites of BSE, NSE and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

Axis Capital Ltd., Anand Rathi Share & Stock Brokers Ltd., Angel Broking Private Ltd., Axis Securities Ltd., B N Rathi Securities Ltd., Bonanza Portfolio Ltd., Centrum Broking Ltd., DB(International) Stock Brokers Ltd., Edelweiss Broking Ltd., Eureka Stock & Share Broking Services Ltd., Geojit BNP Paribas Financial Services Ltd., HDFC Securities Ltd., Hem Securities Ltd., Hitesh Shah, ICICI Securities Ltd., IDBI Capital Market Services Ltd., India Infoline Ltd., JM Financial Services Ltd., Joindre Capital Services Ltd., Kaushik N Shah, Keynote Capital Services Ltd., Kjcnc Capital Market Services Ltd., Kotak Securities Ltd., LKP Securities Ltd., Matalia Stook Broking Pvt Ltd., Matalia Stook Broking Pvt Ltd., Motilal Oswal Securities Ltd., Network Stock Broking Ltd., Nirmal Bang Securities Pvt Ltd., Nin Parikh & Co., OJ Financial Services Ltd., Prabhudas Lilladher Pvt Ltd., Pravin Ratilal Share & Stock Brokers Ltd., Reliance Securities Ltd., RR Equity Brokers Pvt Ltd., RR Investors Capital Services Pvt Ltd., SBICAP Securities Ltd., Sharekhan Ltd., SMC Global Securities Ltd., SMC Corporate Securities Ltd., Suresh Rathi Securities Pvt Ltd., Sushil Financial Services Private Ltd., Systematic Shares & Stocks (I) Ltd.

**APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (ASBA):** All the investors except Anchor Investors have to compulsorily apply through ASBA only. For details on the ASBA process, please refer to the details given in ASBA Form and Abridged Prospectus and also please refer to the section "Offer Procedure" on page 396 of the RHP. ASBA Form can be obtained from the Members of the Syndicate, SCSBs, Registered Brokers, RTAs and CDPs the list of which is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/listen/5/33/0/0/Recognised-Intermediaries>.

**Bankers to the Offer:** HDFC Bank Limited

**Escrow Collection Bank and Refund Bank (For Anchor Investors):** HDFC Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus dated January 22, 2016 ("RHP").

Place : Mumbai

Date : January 23, 2016

**TeamLease Services Limited** is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the RHP with the Registrar of Companies, Mumbai, Maharashtra. The RHP shall be available on the websites of SEBI, BSE, NSE at [www.sebi.gov.in](http://www.sebi.gov.in), [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, the Company at [www.teamlease.com](http://www.teamlease.com), BRLMs at [www.idfccapital.com](http://www.idfccapital.com), [www.credit-suisse.com](http://www.credit-suisse.com) and [www.icicisecurities.com](http://www.icicisecurities.com). Any Potential Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see the section titled "Risk Factors" on page 15 of the RHP.

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.

For **TeamLease Services Limited**

On behalf of the Board of Directors

Sd/-

**Company Secretary and Compliance Officer**