



August 25, 2020

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| To<br>Listing Department<br>BSE Limited,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort,<br>Mumbai - 400 001<br><br>Scrip Code: 539658 | To<br>Listing Department<br>National Stock Exchange of India Limited,<br>Exchange Plaza, 5th Floor,<br>Plot no. C/1, G Block,<br>Bandra Kurla Complex, Bandra(E),<br>Mumbai - 400 051<br><br>Scrip Code: TEAMLEASE |
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Dear Sir/Madam,

**Sub:** Voluntary issue of clarification on the qualification made by Statutory Auditor of TeamLease Services Limited (the Company/TeamLease) on the Financial Statements for the year ended March 31, 2020, and the facts taken into consideration by the Audit Committee and Board thereon

**Ref:** Announcement made by the Company on June 09, 2020 on adoption of accounts for the year ended March 31, 2020 (Enclosed)

With reference to the above mentioned subject and in continuation of the announcement made by the Company on above referred date, pertaining to adoption of accounts for the year ended March 31, 2020, read with applicable provisions of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015, the Company would like to provide more clarity on the qualification made by Statutory Auditor and the facts taken into consideration by the Audit Committee and Board thereon:

1. TeamLease PF Trust has total assets under management to the tune of Rs.1,274 crores as of March 31, 2020 out of which Rs.174 crores were invested in two NBFCs in the past period (Rs.114 crores in IIFL and Rs.54 crores in DHFL). The said investments have maturities up to FY2026-27.
2. Both ILFS and DHFL are currently undergoing bankruptcy proceedings. In case of ILFS, the NCLAT has directed to give precedence in release of amounts payable towards 'Pension Fund'; 'Provident Fund'; 'Army Group Insurance Fund'; 'Gratuity Fund'; 'Superannuation Fund'; 'Postal Life Insurance Fund'; etc. The PF investment is significantly lower in value as against the total assets of IL&FS group.
3. The Trust has net surplus of Rs.38 crores in reserves and unrealized mark-to-market gains of Rs.78 crores as of March 31, 2020 (~Rs.90 crores as of June 30, 2020). Prior to ILFS/DHFL defaults, the Trust has been consistently making an annual surplus of Rs.8 crores on its investments year on year. All reserves and surplus of the Trust can be utilized to offset any losses on its investments.
4. Further, the Trust has Rs.470 crores in unclaimed balances of accountholders who have been inactive for more than a year, and do not foresee any cash shortfall arising in near future in the books of Trust. Since there is no expected cash shortfall, TeamLease Services Limited need not transfer any cash to its PF Trust to honour the regular claims.
5. The statutory auditor has only given an uncertainty qualification, pending clarity on quantum of any potential shortfall.

**TeamLease Services Limited, CIN No: L74140KA2000PLC118395**

Registered Office : 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095.

Ph : (91-80) 6824 3000 Fax: (91-80) 6824 3001 corporateaffairs@teamlease.com / www.teamlease.com



Given all of the above, the Audit Committee and Board have taken a view that no provision in this regard is required in the books of accounts for the year ended March 31, 2020, as the Trust has sufficient reserves and cash balances.

Kindly take the above said information on record as per the requirement of SEBI LODR Regulations, 2015 and oblige

Thanking You.

Yours faithfully,

For **TeamLease Services Limited**

**Alaka Chanda**

**Company Secretary and Compliance Officer**

**Enclosure: As above**

**TeamLease Services Limited, CIN No: L74140KA2000PLC118395**

Registered Office : 6th Floor, BMTc Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095.

Ph : (91-80) 6824 3000 Fax: (91-80) 6824 3001 [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com) / [www.teamlease.com](http://www.teamlease.com)

June 09, 2020

|   |  |
|---|--|
| To<br>Listing Department<br>BSE Limited,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort,<br>Mumbai - 400 001<br><br>Scrip Code: 539658 | To<br>Listing Department<br>National Stock Exchange of India Limited,<br>Exchange Plaza, 5th Floor,<br>Plot no. C/1, G Block,<br>Bandra Kurla Complex, Bandra(E),<br>Mumbai - 400 051<br><br>Scrip Code: TEAMLEASE |
|---|--|

Dear Sir/Madam,

**Sub:** Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2020 of TeamLease Services Limited (TeamLease/the Company)  
**Ref:** Regulation 33 of the SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015

With reference to the captioned subject and pursuant to Regulation 33 of the SEBI LODR Regulations, 2015, the Audited Financial Results (Standalone and Consolidated) of TeamLease Services Limited for the quarter and year ended March 31, 2020 together with Auditor's Report and Statement on Impact of Audit Qualifications (Standalone and Consolidated) is enclosed herewith. A copy of Press Release for aforesaid financial results is also enclosed herewith.

Publication of the above said results in newspaper is being done as required under the SEBI LODR Regulations, 2015.

Kindly take the above said information on record as per the requirement of SEBI LODR Regulations, 2015.

Thanking You  
Yours faithfully,  
For TeamLease Services Limited

*Alaka Chanda*  
**Alaka Chanda**  
**Company Secretary and Compliance Officer**  
Encl: As above



**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
TeamLease Services Limited**

**Report on the audit of the Standalone Financial Results****Qualified Opinion**

We have audited the accompanying statement of quarterly and year to date standalone Ind-AS financial results of TeamLease Services Limited (the "Company") for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

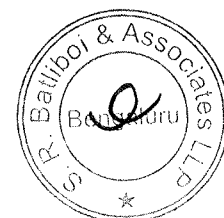
In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. except for the possible effect of the matter described in basis of qualified opinion paragraph below, gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit/(loss) and other comprehensive income/(loss) and other financial information of the Company for the quarter ended March 31, 2020 and for the year ended March 31, 2020.

**Basis for Qualified Opinion**

Attention is invited to Note 3 of the accompanying standalone Ind-AS financial results, more fully explaining management's position in relation to non-provision for possible shortfall in the value of the assets of the Provident Fund Trust managing the Company's defined benefit plan ("Team Lease Employees Provident Fund Trust" or "PF Trust"). The PF Trust has made unsecured investments of Rs. Rs. 17,373.78 lakhs in bonds of certain non-banking financial companies ("NBFC Companies"), which are under severe liquidity stress. These bonds fall due for repayment between FY 2020-21 to FY 2026-27. In the absence of sufficient evidence regarding eventual repayment of the bonds (including interest arrears) by the NBFC Companies, we are unable to comment on the appropriateness or otherwise of management's position regarding the non-provisioning of the possible shortfall in the value of the assets of the PF Trust and the consequential impact on the standalone Ind-AS financial results and the financial positions of the Company as at and for the year ended March 31, 2020. Our review report for the quarter ended December 31, 2019 was also qualified in respect of this matter.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



**Emphasis of Matter**

We draw attention to Note 10 of the accompanying standalone financial results, as regards the management's evaluation of uncertainties related to COVID-19 and its consequential effects on the carrying value of the assets as at March 31, 2020 and operations of the Company. Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Standalone Ind-AS Financial Results**

The Statement has been prepared on the basis of the standalone annual Ind-AS financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/(loss) and other comprehensive income/(loss) of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Ind-AS Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

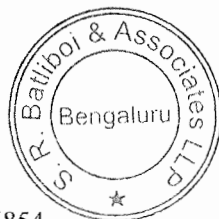
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

*NA*

per Navin Agrawal  
Partner  
Membership No.: 056102



UDIN: 20056102AAAABC6854

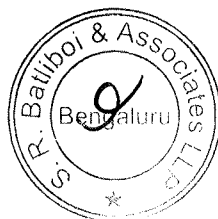
Bengaluru  
June 9, 2020

**TEAMLEASE SERVICES LIMITED**  
 Regd. Off: 6th Floor, BMT Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095  
 CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
 Statement of audited standalone financial results for the quarter and year ended March 31, 2020

| Particulars  | (Rs. In Lakhs except per share data) |  |   |                          |                          |
|--|--------------------------------------|--|---|--------------------------|--------------------------|
|  | 3-Months Ended<br>31/03/2020         | Preceding<br>3-Months<br>Ended<br>31/12/2019 | Corresponding<br>3-Months Ended<br>31/03/2019 | Year Ended<br>31/03/2020 | Year Ended<br>31/03/2019 |
|  | Audited<br>(Refer note 11)           | Unaudited                                    | Audited<br>(Refer note 11)                    | Audited                  | Audited                  |
| <b>Revenues</b>  |                                      |  |   |                          |                          |
| Revenue from operations (net of taxes)                                   | 122,185.18                           | 124,481.82                                   | 108,159.07                                    | 478,337.68               | 413,246.85               |
| Other income   | 1,725.48                             | 1,058.24                                     | 817.76  | 4,365.17                 | 2,946.11                 |
| <b>Total income</b>  | <b>123,910.66</b>                    | <b>125,540.06</b>                            | <b>108,976.83</b>                             | <b>482,702.85</b>        | <b>416,192.96</b>        |
| <b>Expenses</b>  |                                      |  |   |                          |                          |
| Employee benefits expense  | 116,741.13                           | 119,096.47                                   | 103,310.41                                    | 458,018.89               | 393,735.62               |
| Finance costs  | 282.97                               | 210.31                                       | 51.22   | 868.79                   | 206.67                   |
| Depreciation and amortisation expense                                    | 403.22                               | 396.80                                       | 56.77   | 1,473.16                 | 303.93                   |
| Other expenses   | 3,881.12                             | 3,228.14                                     | 2,810.94                                      | 12,840.35                | 12,210.22                |
| <b>Total expenses</b>  | <b>121,308.44</b>                    | <b>122,931.72</b>                            | <b>106,229.34</b>                             | <b>473,201.19</b>        | <b>406,456.44</b>        |
| <b>Profit before tax</b>   | <b>2,602.22</b>                      | <b>2,608.34</b>                              | <b>2,747.49</b>                               | <b>9,501.66</b>          | <b>9,736.52</b>          |
| Current tax (including MAT write offs)                                   | 5,022.36                             | -  | -   | 5,022.36                 | 128.10                   |
| Deferred tax (credit)/ charge  | 450.74                               | (104.57)                                     | 32.87   | 321.10                   | (93.53)                  |
| <b>Income tax (credit)/ expense</b>                                      | <b>5,473.10</b>                      | <b>(104.57)</b>                              | <b>32.87</b>                                  | <b>5,343.46</b>          | <b>34.57</b>             |
| <b>Net Profit/(loss) for the period/year</b>                             | <b>(2,870.88)</b>                    | <b>2,712.91</b>                              | <b>2,714.62</b>                               | <b>4,158.20</b>          | <b>9,701.95</b>          |
| <b>Other comprehensive income</b>  |                                      |  |   |                          |                          |
| Items that will not be reclassified to profit or loss                    |                                      |  |   |                          |                          |
| Re-measurement gains/ (losses) on defined benefit plans                  | 7.44                                 | 14.61  | 16.46   | 38.04                    | 9.91                     |
| Income tax effect  | 1.12                                 | (5.10)                                       | (5.75)  | (9.57)                   | (3.46)                   |
| <b>Other comprehensive income, net of tax</b>                            | <b>8.56</b>                          | <b>9.51</b>                                  | <b>10.71</b>                                  | <b>28.47</b>             | <b>6.45</b>              |
| <b>Total comprehensive income/(loss)</b>                                 | <b>(2,862.32)</b>                    | <b>2,722.42</b>                              | <b>2,725.33</b>                               | <b>4,186.67</b>          | <b>9,708.40</b>          |
| <b>Paid-up equity share capital (face value Rs 10/- each fully paid)</b> | <b>1,709.68</b>                      | <b>1,709.68</b>                              | <b>1,709.68</b>                               | <b>1,709.68</b>          | <b>1,709.68</b>          |
| <b>Other Equity</b>  |                                      |  |   | <b>55,169.95</b>         | <b>51,183.32</b>         |
| <b>Earnings per equity share (face value Rs 10/- each fully paid)</b>    |                                      |  |   |                          |                          |
| Basic EPS (Rs)   | (16.79)                              | 15.87  | 15.88   | 24.32                    | 56.75                    |
| Diluted EPS (Rs)   | (16.79)                              | 15.87  | 15.88   | 24.32                    | 56.75                    |

**Notes**

- In terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended, the aforesaid statement of audited standalone financial results for the quarter and year ended March 31, 2020, of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 09, 2020. The aforesaid results for the quarter and year ended March 31, 2020 have been audited by the statutory auditors of the Company.
- The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (IND-AS) prescribed under section 133 of the Companies Act, 2013, as amended, read with the relevant rules issued thereunder.
- The Company has its own Provident Fund Trust i.e. "TeamLease Services Ltd. Employees Provident Fund Trust" ("PF Trust") through which it manages provident fund liability for its employees. Accordingly, the PF Trust is considered as a defined benefit plan. The PF Trust has made investments of Rs. 173.74 crore in two non-banking financial companies ('NBFCs') which have maturities between FY 2020-21 to FY 2026-27, which are currently undergoing financial stress / bankruptcy proceedings.  
  
The total assets under the PF Trust as at March 31, 2020, amounts to Rs. 1,274.19 crores, and there is an unrealised MTM gain of Rs. 78 crores on account of certain other investments. There is a net surplus of Rs. 38.24 crores as at March 31, 2020 without considering the impact of any MTM gains/losses on the investment portfolio of the Trust.  
  
The management, in consultation with its PF Trust's investment advisor, is of the view that the current reserves of the Trust and unrealised MTM gains will be sufficient to absorb any potential shortfall in Trust accounts till FY 2020-21. Pending clarity on the actual quantum of shortfall, no provision has been made in the accompanying financial results, towards any future potential obligation that may arise on the Company.  
  
This matter will be monitored closely and any incremental shortfall identified will be provided, as and when determined by the PF Trust.
- On October 25, 2019, the Arbitration Tribunal council passed an order in the matter relating to contingent consideration payable towards acquisition of M/s. ASAP Info Systems Private Limited ('ASAP'). On December 16, 2019, the Arbitration Tribunal council has passed a revised order basis which, TeamLease Digital Private Limited ('TDPL') a subsidiary of the Company, is required to pay Rs. 595.56 lakhs to the erstwhile promoter's of ASAP along with interest and legal costs.  
  
The management, based on a legal opinion, is confident that the aforesaid Order is not tenable under law and has filed an appeal on March 06, 2020 with City Civil Court, Bengaluru. Accordingly, no provision has been made in this regard.

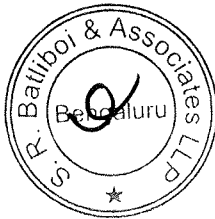


TEAMLEASE SERVICES LIMITED

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CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
Statement of audited standalone financial results for the quarter and year ended March 31, 2020

- 5 Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" for all long term lease contracts existing on April 1, 2019 using the modified retrospective method and the cumulative adjustment of Rs. 464.93 lakhs on the date of initial application has been debited to retained earnings (net of deferred tax). Accordingly, comparatives for the prior year/quarters have not been restated. The adoption of the new standard resulted in recognition of Right-of-Use asset of Rs. 3,655.68 lakhs and lease liability of Rs. 4,370.15 lakhs as at March 31, 2020. The effect of the above adoption does not have any material impact on the profit for the current quarter/year.
- 6 During the quarter ended June 30, 2019, the Company through its subsidiary TDPL acquired the IT Staffing vertical of E Centric Solutions Private Limited ("eCentric"), at an agreed consideration of Rs. 2,709.27 lakhs. eCentric is engaged in the business of providing staffing and recruitment services to clients in the Information Technology sector.
- 7 During the quarter ended December 31, 2019, the Company entered into share purchase agreement with IMSI Staffing Private Limited (IMSI), to acquire 100% stake in IMSI at an agreed consideration of Rs. 6,455.56 lakhs. IMSI is engaged in the business of providing staffing services to clients in Information Technology sector.
- 8 During the quarter ended March 31, 2020, no options have been granted, forfeited or exercised under the scheme TeamLease Employees Stock Option Plan 2015.
- 9 The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from current year. Accordingly, the Company has written off accumulated MAT credit of Rs. 4,957.80 lakhs (net of tax provision reversals) and re-measured net deferred tax assets as at 31 December, 2019, resulting in additional deferred tax charge of Rs. 514.66 Lakhs in the financial results.
- 10 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments in subsidiaries/associates. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Company will continue to monitor future economic conditions for any significant change.
- 11 The figures for the quarter ended March 31, 2020 and corresponding quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year upto March 31, 2020 and March 31, 2019 respectively and the unaudited published year to date figures upto December 31, 2019 and December 31, 2018 respectively, being the date of the end of the third quarter of the respective financial year, which were subjected to limited reviews.
- 12 The figures of the previous periods have been regrouped/ reclassified, wherever necessary.
- 13 The above standalone financial results of the Company are available on the Company's website (www.teamleasegroup.com) and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.

Date: June 09, 2020  
Place: Bengaluru



For and on behalf of the Board  
For TeamLease Services Limited

Ashok Kumar Nedurumalli  
Managing Director  
DIN : 00151814





**TEAMLEASE SERVICES LIMITED**

Regd. Off: 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095  
 CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
 Standalone Segment-wise revenue, results, assets and liabilities for the quarter and year ended March 31, 2020

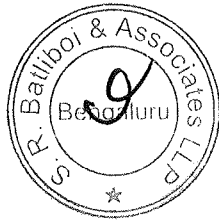
The Company is primarily engaged in the business of providing manpower services. The Company has identified following reportable segments in context of IND AS 108 Operating Segments:

**General Staffing and Allied Services** - Comprises of Staffing Operations, Temporary Recruitment and Payroll & NETAPP.

**Other HR Services** - Comprises of Permanent Recruitment, Regulatory Compliance and Training Operations.

(Rs. In lakhs)

| Sr. No. | Particulars                          | 3-Months Ended 31/03/2020 | Preceding 3-Months Ended 31/12/2019 | Corresponding 3-Months Ended 31/03/2019 | Year Ended 31/03/2020 | Year Ended 31/03/2019 |
|---------|--------------------------------------|---------------------------|-------------------------------------|---|-----------------------|-----------------------|
|         |                                      | Audited                   | Unaudited                           | Audited                                 | Audited               | Audited               |
| 1       | <b>Segment revenue</b>               |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 119,540.81                | 121,610.91                          | 105,645.39                              | 468,128.71            | 401,153.80            |
|         | Other HR Services                    | 2,644.37                  | 2,870.91                            | 2,513.68                                | 10,208.97             | 12,093.05             |
|         | <b>Total Income from operations</b>  | <b>122,185.18</b>         | <b>124,481.82</b>                   | <b>108,159.07</b>                       | <b>478,337.68</b>     | <b>413,246.85</b>     |
| 2       | <b>Segment results</b>               |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 2,518.99                  | 1,959.57                            | 2,424.69                                | 8,779.03              | 7,814.04              |
|         | Other HR Services                    | (192.65)                  | 241.21                              | 77.44                                   | (350.17)              | 618.98                |
|         | Unallocated                          | 558.85                    | 617.87                              | 296.58                                  | 1,941.59              | 1,510.17              |
|         | <b>Total</b>                         | <b>2,885.19</b>           | <b>2,818.65</b>                     | <b>2,798.71</b>                         | <b>10,370.45</b>      | <b>9,943.19</b>       |
|         | <b>Less: Unallocable items</b>       |                           |                                     |   |                       |                       |
|         | Finance costs                        | 282.97                    | 210.31                              | 51.22                                   | 868.79                | 206.67                |
|         | <b>Profit before tax</b>             | <b>2,602.22</b>           | <b>2,608.34</b>                     | <b>2,747.49</b>                         | <b>9,501.66</b>       | <b>9,736.52</b>       |
| 3       | <b>Segment assets:</b>               |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 45,858.72                 | 48,639.40                           | 39,110.83                               | 45,858.72             | 39,110.83             |
|         | Other HR Services                    | 8,055.06                  | 8,560.17                            | 6,569.84                                | 8,055.06              | 6,569.84              |
|         | Unallocated                          | 64,146.45                 | 66,977.45                           | 57,263.70                               | 64,146.45             | 57,263.70             |
|         | <b>Total</b>                         | <b>118,060.23</b>         | <b>124,177.02</b>                   | <b>102,944.37</b>                       | <b>118,060.23</b>     | <b>102,944.37</b>     |
| 4       | <b>Segment liabilities:</b>          |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 41,851.67                 | 44,689.92                           | 37,376.86                               | 41,851.67             | 37,376.86             |
|         | Other HR Services                    | 3,796.99                  | 3,687.63                            | 3,159.70                                | 3,796.99              | 3,159.70              |
|         | Unallocated                          | 15,531.94                 | 16,115.23                           | 9,514.81                                | 15,531.94             | 9,514.81              |
|         | <b>Total</b>                         | <b>61,180.60</b>          | <b>64,492.78</b>                    | <b>50,051.37</b>                        | <b>61,180.60</b>      | <b>50,051.37</b>      |



Date: June 09, 2020  
Place: Bengaluru

For and on behalf of the Board  
For TeamLease Services Limited

*Ashok Kumar Nedurumalli*

Ashok Kumar Nedurumalli  
Managing Director  
DIN : 00151814

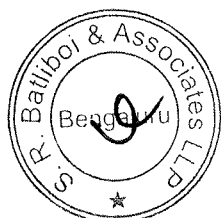


TEAMLEASE SERVICES LIMITED

Regd. Off: 6th Floor, BMTc Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095  
CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
Audited Standalone Statement of Assets and Liabilities as of March 31, 2020

(Rs. in Lakhs)

| Sr. No.  | Particulars   | As at             | As at             |
|----------|---|-------------------|-------------------|
|          |   | March 31, 2020    | March 31, 2019    |
|          |   | Audited           | Audited           |
| <b>A</b> | <b>ASSETS</b>   |                   |                   |
| 1        | <b>Non-current assets</b>   |                   |                   |
|          | Property, plant and equipment   | 999.88            | 650.65            |
|          | Right of use assets   | 3,655.68          | -                 |
|          | Other intangible assets   | 30.30             | 54.33             |
|          | Intangible assets under development   | 1,142.40          | 304.74            |
|          | <b>Financial assets</b>   |                   |                   |
|          | (i) Investments   | 28,694.42         | 19,408.87         |
|          | (ii) Loans  | 9,579.77          | 9,119.79          |
|          | (iii) Others  | 7,821.63          | 6,290.20          |
|          | Deferred tax assets (net)   | 1,389.84          | 6,428.58          |
|          | Income tax assets (net)   | 18,708.47         | 12,161.46         |
|          | Other non-current assets  | 70.05             | 22.56             |
|          | <b>Total non-current assets</b>   | <b>72,092.44</b>  | <b>54,441.18</b>  |
| 2        | <b>Current Assets</b>   |                   |                   |
|          | <b>Financial assets</b>   |                   |                   |
|          | (i) Investments   | -                 | 1,600.77          |
|          | (ii) Trade receivables  | 23,975.66         | 24,214.15         |
|          | (iii) Cash and cash equivalents   | 6,036.91          | 5,910.83          |
|          | (iv) Bank balances other than cash and cash equivalents                       | 2,990.02          | 5,154.67          |
|          | (v) Loans   | 520.79            | 63.47             |
|          | (vi) Others   | 11,050.53         | 10,048.16         |
|          | Other current assets  | 1,393.88          | 1,511.14          |
|          | <b>Total current assets</b>   | <b>45,967.79</b>  | <b>48,503.19</b>  |
|          | <b>Total assets</b>   | <b>118,060.23</b> | <b>102,944.37</b> |
| <b>B</b> | <b>EQUITY AND LIABILITIES</b>   |                   |                   |
| 1        | <b>EQUITY</b>   |                   |                   |
|          | Equity share capital  | 1,709.68          | 1,709.68          |
|          | Other equity  | 55,169.95         | 51,183.32         |
|          | <b>Total equity</b>   | <b>56,879.63</b>  | <b>52,893.00</b>  |
| 2        | <b>LIABILITIES</b>  |                   |                   |
|          | <b>Non-current liabilities</b>  |                   |                   |
|          | <b>Financial liabilities</b>  |                   |                   |
|          | Lease Liability   | 3,002.00          | -                 |
|          | Other financial liabilities   | -                 | 521.11            |
|          | Net employee defined benefit liabilities                                      | 7,059.69          | 5,532.60          |
|          | Other non-current liabilities   | 421.90            | 421.90            |
|          | <b>Total non-current liabilities</b>  | <b>10,483.59</b>  | <b>6,475.61</b>   |
| 3        | <b>Current liabilities</b>  |                   |                   |
|          | <b>Financial liabilities</b>  |                   |                   |
|          | (i) Borrowings  | 6,486.76          | 0.95              |
|          | (ii) Trade payables   |                   |                   |
|          | (a) total outstanding dues of micro enterprises and small enterprises         | 169.91            | 59.94             |
|          | (b) total outstanding dues other than micro enterprises and small enterprises | 2,907.49          | 2,223.18          |
|          | (iii) Lease Liability   | 1,368.15          | -                 |
|          | (iv) Other financial liabilities  | 16,146.74         | 18,845.90         |
|          | Net employee defined benefit liabilities                                      | 4,775.89          | 3,858.19          |
|          | Other current liabilities   | 18,842.07         | 18,587.60         |
|          | <b>Total current liabilities</b>  | <b>50,697.01</b>  | <b>43,575.76</b>  |
|          | <b>Total liabilities</b>  | <b>61,180.60</b>  | <b>50,051.37</b>  |
|          | <b>Total equity and liabilities</b>   | <b>118,060.23</b> | <b>102,944.37</b> |

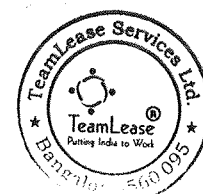


Date: June 09, 2020  
Place: Bengaluru

For and on behalf of the Board  
For TeamLease Services Limited

*Ashok Kumar Nedurumalli*

Ashok Kumar Nedurumalli  
Managing Director  
DIN : 00151814



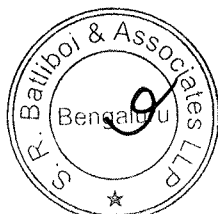
TEAMLEASE SERVICES LIMITED

Regd. Off: 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095  
 CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
 Audited Standalone Statement of Cash Flows for the year ended March 31, 2020

(Rs. in Lakhs)

| Particulars   | Year ended        |                   |
|---|-------------------|-------------------|
|   | March 31, 2020    | March 31, 2019    |
|   | (Audited)         | (Audited)         |
| <b>I Cash flow from operating activities</b>                            |                   |                   |
| Profit before tax   | 9,501.66          | 9,736.52          |
| <b>Adjustments to reconcile profit before tax to net cash flows:</b>    |                   |                   |
| Depreciation and amortisation expenses                                  | 1,473.16          | 303.93            |
| Dividend income on mutual fund investments                              | (70.82)           | (256.06)          |
| Finance costs   | 868.79            | 206.67            |
| Interest income   | (2,647.01)        | (2,326.91)        |
| Intangible assets written off   | -                 | 21.89             |
| Loss/ (profit) on disposal of property, plant and equipment (net)       | 0.03              | (3.48)            |
| Fair value adjustments (net)  | -                 | (3.88)            |
| Liabilities/provisions no longer required written back                  | (1,621.98)        | (330.65)          |
| GST and Service tax written off   | 604.21            | -                 |
| Bad debts written off   | 940.77            | 284.47            |
| Provision for expected credit loss                                      | 796.87            | 275.97            |
| Provision for doubtful advances   | 24.55             | -                 |
| Share-based payment expenses  | 264.88            | 19.08             |
| <b>Working capital adjustments</b>                                      |                   |                   |
| (Increase)/decrease in trade receivables                                | (1,499.15)        | (5,261.55)        |
| (Increase)/decrease in loans  | (189.25)          | (278.00)          |
| (Increase)/decrease in other assets                                     | 69.77             | (213.81)          |
| (Increase)/decrease in other financial assets                           | (2,210.29)        | (6,449.72)        |
| Increase/(decrease) in trade payables and other financial liabilities   | (2,513.45)        | 5,975.23          |
| Increase/(decrease) in other liabilities                                | 1,209.57          | 1,087.43          |
| Increase/(decrease) in net employee defined benefit liabilities         | 2,482.83          | 2,903.85          |
|   | <b>7,485.14</b>   | <b>5,690.98</b>   |
| Income tax paid (net)   | (6,611.56)        | (7,166.96)        |
| <b>Net cash flows from/ (used in) operating activities</b>              | <b>873.58</b>     | <b>(1,475.98)</b> |
| <b>II Cash flows from Investing activities</b>                          |                   |                   |
| Purchase of property, plant and equipment                               | (615.63)          | (611.79)          |
| Purchase of intangible assets (including intangibles under development) | (734.87)          | (321.72)          |
| Proceeds from sale of property, plant and equipment                     | 0.23              | 3.82              |
| Sale of current investments   | 1,600.77          | 1,630.75          |
| Dividend income on mutual fund investments                              | 70.82             | 256.06            |
| Debenture application money pending allotment                           | (1,292.00)        | (1,060.00)        |
| Loans and advances given to subsidiaries/Joint Venture                  | (10,907.00)       | (14,828.33)       |
| Loans and advances repaid by subsidiaries/Joint Venture                 | 10,188.41         | 13,802.33         |
| Investments in subsidiaries etc.  | (8,275.56)        | (1,543.66)        |
| Matured fixed deposits (net)  | 2,327.53          | 778.35            |
| Interest received   | 2,358.61          | 2,345.21          |
| <b>Net cash flows from / (used in) investing activities</b>             | <b>(5,278.69)</b> | <b>451.02</b>     |
| <b>III Cash flows from Financing activities</b>                         |                   |                   |
| Proceeds from issue on exercise of stock options                        | 1.27              | 2.88              |
| Proceeds from borrowings (net of repayments)                            | 2,000.00          | -                 |
| Repayment of of principal portion of lease liability                    | (1,133.99)        | -                 |
| Finance costs (including on lease liability)                            | (821.89)          | (177.58)          |
| <b>Net cash flows from / (used in) financial activities</b>             | <b>45.39</b>      | <b>(174.70)</b>   |
| <b>IV Net decrease in cash and cash equivalents (I + II + III)</b>      | <b>(4,359.72)</b> | <b>(1,199.66)</b> |
| <b>V Cash and cash equivalents at the beginning of the period</b>       | <b>5,909.88</b>   | <b>7,109.54</b>   |
| <b>VI Cash and cash equivalents at the end of the period (IV + V)</b>   | <b>1,550.16</b>   | <b>5,909.88</b>   |

Note: Cash and cash equivalents shown above is bank balances net of bank overdrafts.



Date: June 09,2020  
 Place: Bengaluru

For and on behalf of the Board  
 For TeamLease Services Limited

*Ashok Kumar Nedurumalli*

Ashok Kumar Nedurumalli  
 Managing Director  
 DIN : 00151814



| Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - Standalone  |  |  |   |
|--|--|--|---|
| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020<br>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]   |  |  |   |
| Sl. No.  | Particulars  | Audited Figures (as reported before adjusting for qualifications)  | Adjusted Figures (audited figures after adjusting for qualifications) |
| I.   | 1. Turnover / Total Income   | 482,702.85   | Not determinable  |
|  | 2. Total Expenditure   | 473,201.19   |   |
|  | 3. Net Profit / (Loss)   | 4,158.20   |   |
|  | 4. Earnings Per Share  | 24.32  |   |
|  | 5. Total Assets  | 118,060.23   |   |
|  | 6. Total Liabilities   | 61,180.60  |   |
|  | 7. Net Worth   | 56,879.63  |   |
|  | 8. Any other financial item(s) (as felt appropriate by the management) | -  |   |
| <b>Audit Qualification each audit qualification separately:</b>  |  |  |   |
| II.  | a.   | <b>Details of Audit Qualification:</b> Attention is invited to note 3 of the accompanying standalone Ind-AS financial results, more fully explaining management's position in relation to non-provision for possible shortfall in the value of the assets of the Provident Fund Trust managing the Company's defined benefit plan ("Team Lease Employees Provident Fund Trust" or "PF Trust"). The PF Trust has made unsecured investments of Rs. Rs. 17,373.78 lakhs in bonds of certain non-banking financial companies ("NBFC Companies"), which are under severe liquidity stress. These bonds fall due for repayment between FY 2020-21 to FY 2026-27. In the absence of sufficient evidence regarding eventual repayment of the bonds (including interest arrears) by the NBFC Companies, we are unable to comment on the appropriateness or otherwise of management's position regarding the non- provisioning of the possible shortfall in the value of the assets of the PF Trust and the consequential impact on the standalone Ind-AS financial results and the financial positions of the Company as at and for the year ended March 31, 2020. Our review report for the quarter ended December 31, 2019 was also qualified in respect of this matter. |   |
|  | b.   | <b>Type of Audit Qualification :</b> Qualified Opinion   |   |
|  | c.   | <b>Frequency of qualification:</b> First year of qualification   |   |
|  | d.   | <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b> Not Applicable  |   |
|  | e.   | <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>   |   |
|  |  | <b>i) Management's estimation on the impact of audit qualification:</b> Not Applicable   |   |
|  |  | <b>ii) If management is unable to estimate the impact, reasons for the same:</b> The management, in consultation with its PF Trust's investment advisor, is of the view that the current reserves of the Trust and unrealised MTM gains will be sufficient to absorb any potential shortfall in Trust accounts till FY 2020-21. Refer note 3 of the standalone financial results which is self explanatory.  |   |
|  |  | <b>ii) Auditors' Comments on (i) or (ii) above:</b> Audit qualification is self explanatory.   |   |
| <p>For S.R. BATLIBOI &amp; ASSOCIATES LLP<br/>ICAI Firm Registration Number: 101049W/E300004<br/>Chartered Accountants</p> <p><i>MAA</i><br/>Per Navin Agrawal<br/>Partner<br/>Membership Number: 056102</p> <p>Date: June 09, 2020<br/>Place: Bengaluru</p> |  | <p><i>Ashok</i><br/>Ashok Kumar Nedurumalli<br/>Managing Director<br/>DIN: 00151814</p> <p><i>Pradhan</i><br/>Latika Pradhan<br/>Audit Committee Chairman<br/>DIN: 07118801</p> <p><i>Rawi</i><br/>N. Ravi Vichwanath<br/>Chief Financial Officer</p>  |   |

**Independent Auditor's Report on the Quarterly and Year to Date Consolidated Ind AS Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

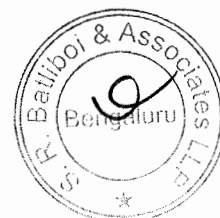
To  
**The Board of Directors of  
TeamLease Services Limited**

**Report on the audit of the Consolidated Ind-AS Financial Results****Qualified Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated Ind-AS financial results of TeamLease Services Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint venture for the quarter ended March 31, 2020 and for the year ended March 31, 2020 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements of the subsidiaries, associate and joint venture, the Statement:

- i. includes the results of the following entities
  - Subsidiaries
    - (1) TeamLease Digital Private Limited
    - (2) IIJT Education Private Limited
    - (3) Keystone Business Solutions Private Limited
    - (4) Evolve Technologies and Services Private Limited
    - (5) TeamLease Education Foundation
    - (6) TeamLease e-Hire Private Limited
    - (7) I.M.S.I Staffing Private Limited
  - Associate
    - (1) SchoolGuru Eduserve Private Limited
  - Joint Venture
    - (1) Avantis Regtech Private Limited
- ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. except for the possible effect of the matter described in basis of qualified opinion paragraph below, gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit/(loss) and other comprehensive income/(loss) and other financial information of the Group for the quarter ended March 31, 2020 and for the year ended March 31, 2020.



## **Basis for Qualified Opinion**

Attention is invited to Note 3 of the accompanying consolidated Ind-AS financial results, more fully explaining management's position in relation to non-provision for possible shortfall in the value of the assets of the Provident Fund Trust managing the Holding Company's defined benefit plan ("Team Lease Employees Provident Fund Trust" or "PF Trust"). The PF Trust has made unsecured investments of Rs. 17,373.78 lakhs in bonds of certain non-banking financial companies ("NBFC Companies"), which are under severe liquidity stress. These bonds fall due for repayment between FY 2020-21 to FY 2026-27. In the absence of sufficient evidence regarding eventual repayment of the bonds (including interest arrears) by the NBFC Companies, we are unable to comment on the appropriateness or otherwise of management's position regarding the non-provisioning of the possible shortfall in the value of the assets of the PF Trust and the consequential impact on the consolidated Ind-AS financial results and the financial positions of the Group as at and for the year ended March 31, 2020. Our review report for the quarter ended December 31, 2019 was also qualified in respect of this matter.

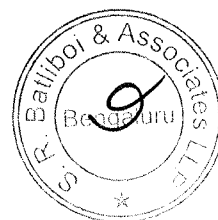
We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Results" section of our report. We are independent of the Group, its associate and joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

## **Emphasis of Matter**

We draw attention to Note 11 of the accompanying consolidated Ind-AS financial results, as regards the management's evaluation of uncertainties related to COVID-19 and its consequential effects on the carrying value of its assets as at March 31, 2020 and the operations of the Group. Our opinion is not modified in respect of this matter.

## **Management's Responsibilities for the Consolidated Ind-AS Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit/(loss) and other comprehensive income/(loss) and other financial information of the Group including its associate and joint venture in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.



In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

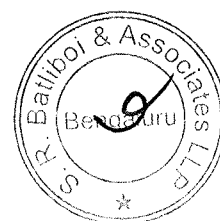
The respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

## **Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associate and joint venture of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

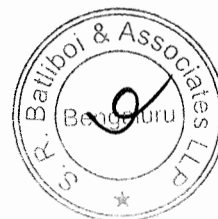
## **Other Matter**

The accompanying Statement includes the audited financial statements and other financial information, in respect of:

- seven subsidiaries, whose financial statements include total assets of Rs. 37,330.27 Lakhs as at March 31, 2020, total revenues of Rs. 11,155.92 Lakhs and Rs. 42,694.94 Lakhs, total net loss after tax of Rs. 424.64 Lakhs and Rs. 1,299.57 Lakhs, total comprehensive loss of Rs. 382.33 Lakhs and Rs. 1,299.07 Lakhs, for the quarter and the year ended on that date respectively, and net cash inflows of Rs. 582.12 Lakhs for the year ended March 31, 2020, as considered in the Statement which have been audited by their respective independent auditors.
- one associate and one joint venture, whose financial statements include Group's share of net loss after tax of Rs. 27.82 Lakhs and Rs. 206.59 Lakhs and Group's share of total comprehensive loss of Rs. 29.95 Lakhs and Rs. 208.56 Lakhs for the quarter and for the year ended March 31, 2020 respectively, as considered in the Statement whose financial statements, other financial information have been audited by their respective independent auditors.

The independent auditor's report on the financial statements of these entities have been furnished to us by the Management and our opinion on the Statement in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate is based solely on the reports of such auditors and the procedures performed by us as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.






# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

  
per Navin Agrawal  
Partner  
Membership No.: 056102



UDIN: 20056102AAAABD2199

Bengaluru  
June 9, 2020

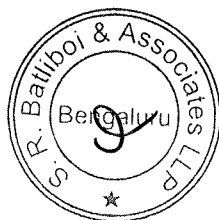
TEAMLEASE SERVICES LIMITED

Regd. Off: 6th Floor, BMT Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095  
 CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
 Statement of audited consolidated financial results for the quarter and year ended March 31, 2020

| Particulars   | (Rs. In Lakhs except per share data) |  |   |                          |                          |
|---|--------------------------------------|--|---|--------------------------|--------------------------|
|   | 3-Months Ended<br>31/03/2020         | Preceding<br>3-Months<br>Ended<br>31/12/2019 | Corresponding<br>3-Months Ended<br>31/03/2019 | Year Ended<br>31/03/2020 | Year Ended<br>31/03/2019 |
|   | Audited<br>(Refer note 12)           | Unaudited                                    | Audited<br>(Refer note 12)                    | Audited                  | Audited                  |
| <b>Revenues</b>   |                                      |  |   |                          |                          |
| Revenue from operations (net of taxes)  | 1,33,029.88                          | 1,35,139.59                                  | 1,16,337.71                                   | 5,20,072.26              | 4,44,759.95              |
| Other income  | 1,470.33                             | 727.89                                       | 519.95  | 3,084.28                 | 1,806.20                 |
| <b>Total income</b>   | <b>1,34,500.21</b>                   | <b>1,35,867.48</b>                           | <b>1,16,857.66</b>                            | <b>5,23,156.54</b>       | <b>4,46,566.15</b>       |
| <b>Expenses</b>   |                                      |  |   |                          |                          |
| Employee benefits expense   | 1,26,151.41                          | 1,28,179.70                                  | 1,09,612.23                                   | 4,93,647.74              | 4,19,715.30              |
| Finance costs   | 367.65                               | 288.22                                       | 143.57  | 1,228.89                 | 522.44                   |
| Depreciation and amortisation expense   | 830.66                               | 762.60                                       | 247.65  | 2,858.92                 | 1,051.11                 |
| Other expenses  | 4,884.09                             | 4,210.98                                     | 4,152.88                                      | 16,915.03                | 15,599.73                |
| <b>Total expenses</b>   | <b>1,32,233.81</b>                   | <b>1,33,441.50</b>                           | <b>1,14,156.33</b>                            | <b>5,14,650.58</b>       | <b>4,36,888.58</b>       |
| <b>Profit before tax and before share of profit/(loss) from associate / joint venture</b> | <b>2,266.40</b>                      | <b>2,425.98</b>                              | <b>2,701.33</b>                               | <b>8,505.96</b>          | <b>9,677.57</b>          |
| Share of (loss)/ profit from associate and joint venture                                  | (29.95)                              | (42.34)                                      | (20.99)                                       | (208.56)                 | (36.44)                  |
| <b>Profit before tax</b>  | <b>2,236.45</b>                      | <b>2,383.64</b>                              | <b>2,680.34</b>                               | <b>8,297.40</b>          | <b>9,641.13</b>          |
| Current tax (including MAT write offs)  | 5,122.91                             | 34.10  | 40.44   | 5,227.99                 | 264.82                   |
| Deferred tax (credit)/ charge   | 56.60                                | (196.85)                                     | 37.60   | (428.12)                 | (426.68)                 |
| <b>Income tax (credit)/ expense</b>   | <b>5,179.51</b>                      | <b>(162.75)</b>                              | <b>78.04</b>                                  | <b>4,799.87</b>          | <b>(161.86)</b>          |
| <b>Net Profit/(loss) for the period/year</b>  | <b>(2,943.06)</b>                    | <b>2,546.39</b>                              | <b>2,602.30</b>                               | <b>3,497.53</b>          | <b>9,802.99</b>          |
| <b>Other comprehensive income</b>   |                                      |  |   |                          |                          |
| Items that will not be reclassified to profit or loss                                     |                                      |  |   |                          |                          |
| Re-measurement gains/ (losses) on defined benefit plans                                   | 66.22                                | 11.79  | 19.16   | 38.51                    | 33.78                    |
| Income tax effect   | (15.36)                              | (3.65)                                       | (6.35)  | (9.55)                   | (10.44)                  |
| <b>Other comprehensive income, net of tax</b>   | <b>50.86</b>                         | <b>8.14</b>                                  | <b>12.81</b>                                  | <b>28.96</b>             | <b>23.34</b>             |
| <b>Total comprehensive income/(loss)</b>  | <b>(2,892.20)</b>                    | <b>2,554.53</b>                              | <b>2,615.11</b>                               | <b>3,526.49</b>          | <b>9,826.33</b>          |
| <b>Paid-up equity share capital (face value Rs 10/- each fully paid)</b>                  | <b>1,709.68</b>                      | <b>1,709.68</b>                              | <b>1,709.68</b>                               | <b>1,709.68</b>          | <b>1,709.68</b>          |
| <b>Other Equity</b>   |                                      |  |   | <b>55,499.15</b>         | <b>52,201.90</b>         |
| <b>Earnings per equity share (face value Rs 10/- each fully paid)</b>                     |                                      |  |   |                          |                          |
| Basic EPS (Rs)  | (17.21)                              | 14.89  | 15.22   | 20.46                    | 57.34                    |
| Diluted EPS (Rs)  | (17.21)                              | 14.89  | 15.22   | 20.46                    | 57.34                    |

Notes

- In terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, the aforesaid statement of audited consolidated financial results for the quarter and year ended March 31, 2020, of the Company have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 09, 2020. The aforesaid results for the quarter and year ended March 31, 2020 have been audited by the statutory auditors of the Company.
- The financial results have been prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (IND-AS) prescribed under section 133 of the Companies Act, 2013, as amended, read with the relevant rules issued thereunder.
- The Company has its own Provident Fund Trust i.e. "TeamLease Services Ltd. Employees Provident Fund Trust" ("PF Trust") through which it manages provident fund liability for its employees. Accordingly, the PF Trust is considered as a defined benefit plan. The PF Trust has made investments of Rs. 173.74 crore in two non-banking financial companies ('NBFCs') which have maturities between FY 2020-21 to FY 2026-27, which are currently undergoing financial stress / bankruptcy proceedings.  
  
The total assets under the PF Trust as at March 31, 2020, amounts to Rs. 1,274.19 crores, and there is an unrealised MTM gain of Rs. 78 crores on account of certain other investments. There is a net surplus of Rs. 38.24 crores as at March 31, 2020 without considering the impact of any MTM gains/losses on the investment portfolio of the Trust.  
  
The management, in consultation with its PF Trust's investment advisor, is of the view that the current reserves of the Trust and unrealised MTM gains will be sufficient to absorb any potential shortfall in Trust accounts till FY 2020-21. Pending clarity on the actual quantum of shortfall, no provision has been made in the accompanying financial results, towards any future potential obligation that may arise on the Company.  
  
This matter will be monitored closely and any incremental shortfall identified will be provided, as and when determined by the PF Trust.
- On October 25, 2019, the Arbitration Tribunal council passed an order in the matter relating to contingent consideration payable towards acquisition of M/s. ASAP Info Systems Private Limited ('ASAP'). On December 16, 2019, the Arbitration Tribunal council has passed a revised order basis which, TeamLease Digital Private Limited ('TDPL') a subsidiary of the Company, is required to pay Rs. 595.56 lakhs to the erstwhile promoter's of ASAP along with interest and legal costs.  
  
The management, based on a legal opinion, is confident that the aforesaid Order is not tenable under law and has filed an appeal on March 06, 2020 with City Civil Court, Bengaluru. Accordingly, no provision has been made in this regard.

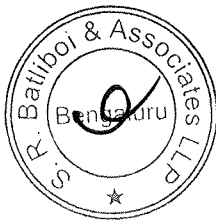


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Statement of audited consolidated financial results for the quarter and year ended March 31, 2020

- 5 Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" for all long term lease contracts existing on April 1, 2019 using the modified retrospective method and the cumulative adjustment of Rs. 493.76 lakhs on the date of initial application has been debited to retained earnings (net of deferred tax). Accordingly, comparatives for the prior year/quarters have not been restated. The adoption of the new standard resulted in recognition of Right-of-Use asset of Rs. 4,010.06 lakhs and lease liability of Rs. 4,743.97 lakhs as at March 31, 2020. The effect of the above adoption does not have any material impact on the profit for the current quarter/year.
- 6 During the quarter ended June 30, 2019, the Company through its subsidiary TDPL acquired the IT Staffing vertical of E Centric Solutions Private Limited ("eCentric"), at an agreed consideration of Rs. 2,709.27 lakhs. eCentric is engaged in the business of providing staffing and recruitment services to clients in the Information Technology sector.
- 7 During the quarter ended December 31, 2019, the Company entered into share purchase agreement with IMSI Staffing Private Limited (IMSI), to acquire 100% stake in IMSI at an agreed consideration of Rs. 6,455.56 lakhs. IMSI is engaged in the business of providing staffing services to clients in Information Technology sector.
- 8 The audited consolidated financial results for the quarter and year ended March 31, 2020 include the financial results of acquired wholly owned subsidiary TeamLease e-Hire Private Limited ("TEPL") (formerly known as Cassius Technologies Private Limited) and joint venture Avantis Regtech Private Limited (ARPL), which were acquired during August 2018/ November 2018. It also includes financial results of the acquired business of eCentric and subsidiary IMSI in current year. Accordingly the audited consolidated financial results for the quarter and year ended March 31, 2020 may not be comparable with the results for the quarter and year ended ended March 31, 2019.
- Further, it includes the audited financial results of subsidiaries IJIT Education Private Limited, TeamLease Digital Private Limited, Keystone Business Solutions Private Limited, Evolve Technologies and Services Private Limited and TeamLease Education Foundation and associate Schoolguru Eduserve Private Limited.
- 9 During the quarter ended March 31, 2020, no options have been granted, forfeited or exercised under the scheme TeamLease Employees Stock Option Plan 2015.
- 10 The group (except for subsidiary Evolve Technologies Private Limited) has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 with effect from current year. Accordingly, the group has written off accumulated MAT credit of Rs. 4,957.80 lakhs (net of tax provision reversals) and re-measured net deferred tax assets as at December 31, 2019, resulting in additional deferred tax charge of Rs. 281.73 Lakhs in the current quarter.
- 11 The group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments in associate and Joint Venture. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the group's financial statements may differ from that estimated as at the date of approval of these financial statements. The group will continue to monitor future economic conditions for any significant change.
- 12 The figures for the quarter ended March 31, 2020 and corresponding quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the full financial year upto March 31, 2020 and March 31, 2019 respectively and the unaudited published year to date figures upto December 31, 2019 and December 31, 2018 respectively, being the date of the end of the third quarter of the respective financial year, which were subjected to limited reviews.
- 13 The figures of the previous periods have been regrouped/ reclassified, wherever necessary.
- 14 The above consolidated financial results of the Company are available on the Company's website (www.teamleasegroup.com) and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the Company are listed.

Date: June 09, 2020  
Place: Bengaluru



For and on behalf of the Board  
For TeamLease Services Limited

*Ashok Kumar Nedurumalli*

Ashok Kumar Nedurumalli  
Managing Director  
DIN : 00151814



**TEAMLEASE SERVICES LIMITED**

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 CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
 Consolidated Segment-wise revenue, results, assets and liabilities for the quarter and year ended March 31, 2020

The Company is primarily engaged in the business of providing manpower services. The Company has identified following reportable segments in context of IND AS 108 Operating Segments:

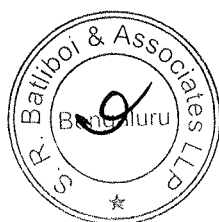
**General Staffing and Allied Services** - Comprises of Staffing Operations, Temporary Recruitment and Payroll & NETAPP.

**Specialised Staffing Services** - Comprises of IT Staffing Operations and Telecom Staffing Operations.

**Other HR Services** - Comprises of Permanent Recruitment, Regulatory Compliance, Training Operations and Job Portal.

(Rs. In lakhs)

| Sr. No. | Particulars                          | 3-Months Ended 31/03/2020 | Preceding 3-Months Ended 31/12/2019 | Corresponding 3-Months Ended 31/03/2019 | Year Ended 31/03/2020 | Year Ended 31/03/2019 |
|---------|--------------------------------------|---------------------------|-------------------------------------|---|-----------------------|-----------------------|
|         |                                      | Audited                   | Unaudited                           | Audited                                 | Audited               | Audited               |
| 1       | <b>Segment Revenue</b>               |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 119,540.81                | 121,610.91                          | 105,645.39                              | 468,128.71            | 401,153.80            |
|         | Specialised Staffing Services        | 10,649.11                 | 10,464.15                           | 7,939.29                                | 40,977.89             | 30,916.30             |
|         | Other HR Services                    | 2,839.96                  | 3,064.53                            | 2,753.03                                | 10,965.66             | 12,689.85             |
|         | <b>Total Income from operations</b>  | <b>133,029.88</b>         | <b>135,139.59</b>                   | <b>116,337.71</b>                       | <b>520,072.26</b>     | <b>444,759.95</b>     |
| 2       | <b>Segment results</b>               |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 2,518.99                  | 1,959.57                            | 2,424.69                                | 8,779.03              | 7,814.04              |
|         | Specialised Staffing Services        | 711.02                    | 771.15                              | 477.69                                  | 2,725.21              | 2,088.33              |
|         | Other HR Services                    | (391.50)                  | 58.23                               | 150.10                                  | (1,004.70)            | 767.18                |
|         | Unallocated                          | (234.41)                  | (117.09)                            | (228.57)                                | (973.25)              | (505.98)              |
|         | <b>Total</b>                         | <b>2,604.10</b>           | <b>2,671.86</b>                     | <b>2,823.91</b>                         | <b>9,526.29</b>       | <b>10,163.57</b>      |
|         | <b>Less: Unallocable items</b>       |                           |                                     |   |                       |                       |
|         | Finance costs                        | 367.65                    | 288.22                              | 143.57                                  | 1,228.89              | 522.44                |
|         | <b>Profit before tax</b>             | <b>2,236.45</b>           | <b>2,383.64</b>                     | <b>2,680.34</b>                         | <b>8,297.40</b>       | <b>9,641.13</b>       |
| 3       | <b>Segment Assets:</b>               |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 45,858.72                 | 48,639.40                           | 39,110.83                               | 45,858.72             | 39,110.83             |
|         | Specialised Staffing Services        | 33,491.92                 | 33,839.39                           | 24,463.47                               | 33,491.92             | 24,463.47             |
|         | Other HR Services                    | 10,602.69                 | 11,054.38                           | 8,868.89                                | 10,602.69             | 8,868.89              |
|         | Unallocated                          | 35,572.18                 | 38,836.10                           | 36,511.15                               | 35,572.18             | 36,511.15             |
|         | <b>Total</b>                         | <b>125,525.51</b>         | <b>132,369.27</b>                   | <b>108,954.34</b>                       | <b>125,525.51</b>     | <b>108,954.34</b>     |
| 4       | <b>Segment Liabilities:</b>          |                           |                                     |   |                       |                       |
|         | General Staffing and Allied Services | 41,851.67                 | 44,689.92                           | 37,376.86                               | 41,851.67             | 37,376.86             |
|         | Specialised Staffing Services        | 6,999.40                  | 7,633.68                            | 4,886.50                                | 6,999.40              | 4,886.50              |
|         | Other HR Services                    | 4,184.82                  | 4,123.97                            | 3,293.08                                | 4,184.82              | 3,293.08              |
|         | Unallocated                          | 15,280.79                 | 15,960.69                           | 9,486.32                                | 15,280.79             | 9,486.32              |
|         | <b>Total</b>                         | <b>68,316.68</b>          | <b>72,408.26</b>                    | <b>55,042.76</b>                        | <b>68,316.68</b>      | <b>55,042.76</b>      |

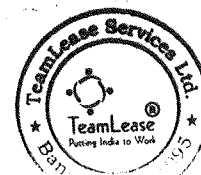


Date: June 09, 2020  
Place: Bengaluru

For and on behalf of the Board  
For TeamLease Services Limited

*Ashok Kumar Nedurumalli*

**Ashok Kumar Nedurumalli**  
Managing Director  
DIN : 00151814



TEAMLEASE SERVICES LIMITED

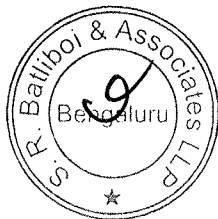
Regd. Off: 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095  
CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
Audited Consolidated Statement of Assets and Liabilities as of March 31, 2020

| Sr. No.  | Particulars   | (Rs. in Lakhs)          |                         |
|----------|---|-------------------------|-------------------------|
|          |   | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
| <b>A</b> | <b>ASSETS</b>   | <b>Audited</b>          | <b>Audited</b>          |
| <b>1</b> | <b>Non-current assets</b>   |                         |                         |
|          | Property, plant and equipment   | 1,342.48                | 931.48                  |
|          | Right of use assets   | 4,010.06                | -                       |
|          | Goodwill on consolidation   | 16,483.45               | 12,567.92               |
|          | Other intangible assets   | 4,628.95                | 1,676.05                |
|          | Intangible assets under development   | 1,142.40                | 601.29                  |
|          | <b>Financial assets</b>   |                         |                         |
|          | (i) Investments   | 2,531.31                | 2,539.87                |
|          | (ii) Loans  | 6,160.13                | 6,624.00                |
|          | (iii) Others  | 6,542.85                | 5,245.71                |
|          | Deferred tax assets (net)   | 1,442.45                | 6,531.34                |
|          | Income tax assets (net)   | 24,432.08               | 16,142.98               |
|          | Other non-current assets  | 70.06                   | 224.83                  |
|          | <b>Total non-current assets</b>   | <b>68,786.22</b>        | <b>53,085.47</b>        |
| <b>2</b> | <b>Current assets</b>   |                         |                         |
|          | <b>Financial assets</b>   |                         |                         |
|          | (i) Investments   | -                       | 1,600.77                |
|          | (ii) Trade receivables  | 29,593.62               | 26,434.91               |
|          | (iii) Cash and cash equivalents   | 6,424.07                | 6,076.11                |
|          | (iv) Bank balances other than cash and cash equivalents                       | 3,276.19                | 6,228.08                |
|          | (v) Loans   | 598.78                  | 135.18                  |
|          | (vi) Others   | 14,723.55               | 13,233.19               |
|          | Other current assets  | 1,901.35                | 1,938.90                |
|          | Assets held for sale  | 221.73                  | 221.73                  |
|          | <b>Total current assets</b>   | <b>56,739.29</b>        | <b>55,868.87</b>        |
|          | <b>Total assets</b>   | <b>125,525.51</b>       | <b>108,954.34</b>       |
| <b>B</b> | <b>EQUITY AND LIABILITIES</b>   |                         |                         |
| <b>1</b> | <b>EQUITY</b>   |                         |                         |
|          | Equity share capital  | 1,709.68                | 1,709.68                |
|          | Other equity  | 55,499.15               | 52,201.90               |
|          | <b>Total equity</b>   | <b>57,208.83</b>        | <b>53,911.58</b>        |
| <b>2</b> | <b>LIABILITIES</b>  |                         |                         |
|          | <b>Non-current liabilities</b>  |                         |                         |
|          | <b>Financial liabilities</b>  |                         |                         |
|          | Lease Liability   | 3,222.45                | -                       |
|          | Other financial liabilities   | -                       | 521.11                  |
|          | Net employee defined benefit liabilities                                      | 7,274.06                | 5,662.50                |
|          | Other non-current liabilities   | 421.90                  | 421.90                  |
|          | <b>Total non-current liabilities</b>  | <b>10,918.41</b>        | <b>6,605.51</b>         |
| <b>3</b> | <b>Current liabilities</b>  |                         |                         |
|          | <b>Financial liabilities</b>  |                         |                         |
|          | (i) Borrowings  | 7,623.42                | 1,063.11                |
|          | (ii) Trade payables   |                         |                         |
|          | (a) total outstanding dues of micro enterprises and small enterprises         | 546.24                  | 90.52                   |
|          | (b) total outstanding dues other than micro enterprises and small enterprises | 3,236.09                | 2,707.85                |
|          | (iii) Lease Liability   | 1,521.52                | -                       |
|          | (iv) Other financial liabilities  | 19,578.44               | 21,273.08               |
|          | Net employee defined benefit liabilities                                      | 4,854.60                | 3,906.34                |
|          | Other current liabilities   | 20,021.71               | 19,380.10               |
|          | Liabilities associated with assets held for sale                              | 16.25                   | 16.25                   |
|          | <b>Total current liabilities</b>  | <b>57,398.27</b>        | <b>48,437.25</b>        |
|          | <b>Total liabilities</b>  | <b>68,316.68</b>        | <b>55,042.76</b>        |
|          | <b>Total equity and liabilities</b>   | <b>125,525.51</b>       | <b>108,954.34</b>       |

For and on behalf of the Board  
For TeamLease Services Limited

*Ashok Kumar Nedurumalli*

Ashok Kumar Nedurumalli  
Managing Director  
DIN : 00151814



Date: June 09, 2020  
Place: Bengaluru



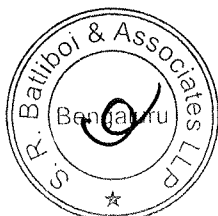
**TEAMLEASE SERVICES LIMITED**  
 Regd. Off: 6th Floor, BMTc Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095  
 CIN: L74140KA2000PLC118395 E-MAIL: corporateaffairs@teamlease.com WEBSITE: www.teamleasegroup.com  
 Audited Consolidated Statement of Cash Flows for the year ended March 31,2020

(Rs. in Lakhs)

| SL No | Particulars   | Year ended        |                   |
|-------|---|-------------------|-------------------|
|       |   | March 31,2020     | March 31,2019     |
|       |   | (Audited)         | (Audited)         |
| I     | <b>Cash flow from operating activities</b>                              |                   |                   |
|       | Profit before tax   | 8,505.96          | 9,677.57          |
|       | <b>Adjustments to reconcile profit before tax to net cash flows:</b>    |                   |                   |
|       | Depreciation and amortisation expenses                                  | 2,858.92          | 1,051.11          |
|       | Dividend income on mutual fund investments                              | (70.82)           | (256.06)          |
|       | Finance costs   | 1,228.89          | 522.44            |
|       | Interest income   | (1,218.67)        | (1,145.23)        |
|       | Intangible assets written off   | -                 | 21.89             |
|       | Loss/ (Profit) on disposal of property, plant and equipment (net)       | 7.58              | (3.48)            |
|       | Fair value adjustments (net)  | (3.62)            | 10.78             |
|       | Liabilities/provisions no longer required written back                  | (1,676.31)        | (330.65)          |
|       | GST and Service tax written off   | 604.21            | -                 |
|       | Bad debts written off (net)   | 912.92            | 294.79            |
|       | Provision for expected credit loss                                      | 895.92            | 366.73            |
|       | Provision for doubtful advances   | 251.81            | 6.94              |
|       | Share-based payment expenses  | 264.88            | 19.12             |
|       | Sundry balances written off   | 27.84             | 1.14              |
|       | <b>Working capital adjustments</b>                                      |                   |                   |
|       | (Increase)/decrease in trade receivables                                | (3,131.34)        | (4,805.50)        |
|       | (Increase)/decrease in loans  | (195.55)          | (270.77)          |
|       | (Increase)/decrease in other assets                                     | 1,061.58          | (670.55)          |
|       | (Increase)/decrease in other financial assets                           | (2,679.72)        | (7,288.31)        |
|       | Increase/(decrease) in trade payables and other financial liabilities   | (1,862.94)        | 6,221.95          |
|       | Increase/(decrease) in other liabilities                                | 1,200.02          | 1,005.94          |
|       | Increase/(decrease) in net employee defined benefit liabilities         | 2,541.04          | 2,954.79          |
|       |   | <b>9,522.60</b>   | <b>7,384.64</b>   |
|       | Income tax paid (net)   | (8,553.18)        | (8,621.68)        |
|       | <b>Net cash flows from/ (used in) operating activities</b>              | <b>969.42</b>     | <b>(1,237.04)</b> |
| II    | <b>Cash flows from Investing activities</b>                             |                   |                   |
|       | Purchase of property, plant and equipment                               | (801.59)          | (637.20)          |
|       | Purchase of intangible assets (including intangibles under development) | (773.16)          | (489.01)          |
|       | Proceeds from sale of property, plant and equipment                     | 4.91              | 3.82              |
|       | Acquisition of business   | (8,900.51)        | (922.43)          |
|       | Sale/(purchase) of current investments                                  | 1,600.77          | 1,630.75          |
|       | Dividend income on mutual fund investments                              | 70.82             | 256.06            |
|       | Loans and advances repaid by/ (given to) related parties                | 206.11            | (1,166.46)        |
|       | Purchase of non-current investments                                     | (200.00)          | (505.67)          |
|       | Matured fixed deposits (net)  | 3,114.78          | 838.92            |
|       | Interest received   | 948.00            | 1,167.35          |
|       | <b>Net cash flows from / (used in) investing activities</b>             | <b>(4,729.87)</b> | <b>176.13</b>     |
| III   | <b>Cash flows from Financing activities</b>                             |                   |                   |
|       | Proceeds from issue on exercise of stock options                        | 1.27              | 2.95              |
|       | Repayment of of principal portion of lease liability                    | (1,270.90)        | -                 |
|       | Proceeds from borrowings (net of repayments)                            | 2,443.74          | (122.84)          |
|       | Finance costs (including on lease liability)                            | (1,181.99)        | (493.34)          |
|       | <b>Net cash flows from / (used in) financial activities</b>             | <b>(7.88)</b>     | <b>(613.23)</b>   |
| IV    | <b>Net decrease in cash and cash equivalents (I + II + III)</b>         | <b>(3,768.33)</b> | <b>(1,674.14)</b> |
| V     | Cash and cash equivalents at the beginning of the period                | 5,013.00          | 6,687.14          |
| VI    | <b>Cash and cash equivalents at the end of the period (IV + V)</b>      | <b>1,244.67</b>   | <b>5,013.00</b>   |

Note: Cash and cash equivalents shown above is bank balances net of bank overdrafts.

Date: June 09,2020  
Place: Bengaluru



For and on behalf of the Board  
For TeamLease Services Limited

*Ashok Kumar*

Ashok Kumar Nedurumoffi  
Managing Director  
DIN : 00151814



Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted  
along-with Annual Audited Financial Results - Consolidated

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

| Sl. No. | Particulars   | Audited Figures<br>(as reported before<br>adjusting for<br>qualifications) | Adjusted Figures<br>(audited figures<br>after adjusting for<br>qualifications) |
|---------|---|--|--|
| 1.      | Turnover / Total Income   | 523,156.54   | Not determinable   |
| 2.      | Total Expenditure   | 514,650.58   |  |
| 3.      | Net Profit / (Loss)   | 3,497.53   |  |
| 4.      | Earnings Per Share  | 20.46  |  |
| 5.      | Total Assets  | 125,525.51   |  |
| 6.      | Total Liabilities   | 68,316.68  |  |
| 7.      | Net Worth   | 57,208.83  |  |
| 8.      | Any other financial item(s) (as felt appropriate by the management) | -  |  |

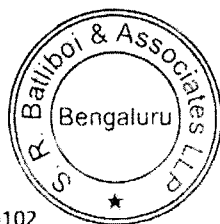
**Audit Qualification each audit qualification separately:**

- a. Details of Audit Qualification:** Attention is invited to note 3 of the accompanying consolidated Ind-AS financial results, more fully explaining management's position in relation to non-provision for possible shortfall in the value of the assets of the Provident Fund Trust managing the Holding Company's defined benefit plan ("Team Lease Employees Provident Fund Trust" or "PF Trust"). The PF Trust has made unsecured investments of Rs. 17,373.78 lakhs in bonds of certain non-banking financial companies ("NBFC Companies"), which are under severe liquidity stress. These bonds fall due for repayment between FY 2020-21 to FY 2026-27. In the absence of sufficient evidence regarding eventual repayment of the bonds (including interest arrears) by the NBFC Companies, we are unable to comment on the appropriateness or otherwise of management's position regarding the non-provisioning of the possible shortfall in the value of the assets of the PF Trust and the consequential impact on the consolidated Ind-AS financial results and the financial positions of the Company as at and for the year ended March 31, 2020. Our review report for the quarter ended December 31, 2019 was also qualified in respect of this matter.
- b. Type of Audit Qualification :** Qualified Opinion
- c. Frequency of qualification:** First year of qualification
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:**
- i) Management's estimation on the impact of audit qualification:** Not Applicable
- ii) If management is unable to estimate the impact, reasons for the same:** The management, in consultation with its PF Trust's investment advisor, is of the view that the current reserves of the Trust and unrealised MTM gains will be sufficient to absorb any potential shortfall in Trust accounts till FY 2020-21. Refer note 3 of the consolidated financial results which is self explanatory.
- ii) Auditors' Comments on (i) or (ii) above:** Audit qualification is self explanatory.

For S.R. BATLIBOI & ASSOCIATES LLP  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

*MA*

Per Navin Agrawal  
Partner  
Membership Number: 056102



Date: June 09, 2020  
Place: Bengaluru

*Ashok*

Ashok Kumar Nedurumalli  
Managing Director  
DIN: 00151814

*Pradhan*

Latika Pradhan  
Audit Committee Chairman  
DIN: 07118801



*N. Ravi Vishwanath*  
N. Ravi Vishwanath  
Chief Financial Officer

## Press Release- Q4 FY20

**Bengaluru, India, June 09, 2020-** TeamLease Services Limited (**NSE: TEAMLEASE, BSE: 539658**), one of India's largest staffing companies, today announced its results for the fourth quarter (**Q4FY20**) and for the financial year ended March 31, 2020.

### Summary of Consolidated financial results:

*(all numbers in Rupees' Crores except Margins)*

| Particulars                          | Q4FY20       | Q4FY19      | YoY Growth % | Q3FY20      | QoQ Growth % | FY20        | FY19        | YoY Growth % |
|--------------------------------------|--------------|-------------|--------------|-------------|--------------|-------------|-------------|--------------|
| Total Revenue                        | 1,345.0      | 1,168.6     | 15%          | 1,358.7     | -1%          | 5,231.6     | 4,465.7     | 17%          |
| Operating Revenue                    | 1,330.3      | 1,163.4     | 14%          | 1,351.4     | -2%          | 5,200.7     | 4,447.6     | 17%          |
| EBITDA                               | 19.6         | 25.5        | -23%         | 27.1        | -27%         | 93.0        | 94.1        | -1%          |
| <b>EBITDA margin</b>                 | <b>1.5%</b>  | <b>2.2%</b> |              | <b>2.0%</b> |              | <b>1.8%</b> | <b>2.1%</b> |              |
| PBT                                  | 22.4         | 26.8        | -17%         | 23.9        | -7%          | 83.0        | 96.4        | -14%         |
| <b>PBT margin</b>                    | <b>1.7%</b>  | <b>2.3%</b> |              | <b>1.8%</b> |              | <b>1.6%</b> | <b>2.2%</b> |              |
| Net Profit (PAT)                     | (29.4)       | 26.0        | -213%        | 25.5        | -216%        | 35.0        | 98.0        | -64%         |
| <b>PAT margin</b>                    | <b>-2.2%</b> | <b>2.2%</b> |              | <b>1.9%</b> |              | <b>0.7%</b> | <b>2.2%</b> |              |
| <b>EPS (Basic and Diluted) - Rs.</b> | <b>-17.2</b> | <b>15.2</b> | <b>-213%</b> | <b>14.9</b> | <b>-216%</b> | <b>20.5</b> | <b>57.3</b> | <b>-64%</b>  |

### Highlights of Q4FY20 performance:

1. Revenue grew by 17% YoY. Our total employee/ trainee headcount increased by ~4000 on YoY basis and as at March 31, 2020 was ~220,000 compared to ~216,000 on March 31, 2019.
2. Average realization per associate in general staffing has improved to Rs.748 p.m. in Q4FY20 from Rs.714 p.m. in Q4FY19.
3. We have continued to maintain our funding exposure at 14% in general staffing business over the last 24 months.
4. TL.com, the technology enabler of hiring in the Staffing business, went live during FY20 and contributed to 20% of the total hiring in the Staffing business for the quarter. Hiring from TL.com is expected to grow to 40% by end of FY21.
5. The Company has created an additional provision across P&L's of Rs. 6.2 cr out of abundant caution on account of the current situation.
6. FY20 Profit after Tax includes one-time non-cash charge i.e. Minimum Alternate Tax credit of ₹ 49.6 crores on account of the Company adopting and moving to the new tax regime.





## Press Release- Q4 FY20

### Management Comment

**Mr. Ashok Reddy, Managing Director, TeamLease Services Limited** commenting on the quarterly results said, *“We are currently going through unprecedented times and have thus far managed the situation reasonably well, whether be it in terms of connect with our clients, employees and other stakeholders. We are optimistic at the prospects of growth reviving and do believe that the formal staffing industry would stand to gain from the economy opening up and simplification of labour laws. We also believe that some of the businesses we have acquired like SchoolGuru and Avantis would be able to capitalize on the opportunities arising out of the current situation. We have utilized the lockdown period to be more efficient, the results of which should flow into the future.”*

### About TeamLease Services Limited

TeamLease Services is one of India’s leading human resource companies offering a range of solutions to 3500+ employers for their hiring, productivity and scale challenges. A Fortune India 500 company listed on the NSE & BSE, TeamLease has hired 17 lakhs people over the last 17 years and has 2 lakhs+ open jobs every day. One of India’s fastest growing employers, TeamLease also operates India’s first Vocational University and India’s fastest growing PPP National Employability through Apprenticeship Program. The Company offers solutions to large, medium and small clients across the 3Es of employment (1.6 lakhs+ employees), employability (2 lakhs+ students) and Ease-of-doing Business (1000+ employers).

### Investor contact

|  |   |
|--|---|
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|--|---|