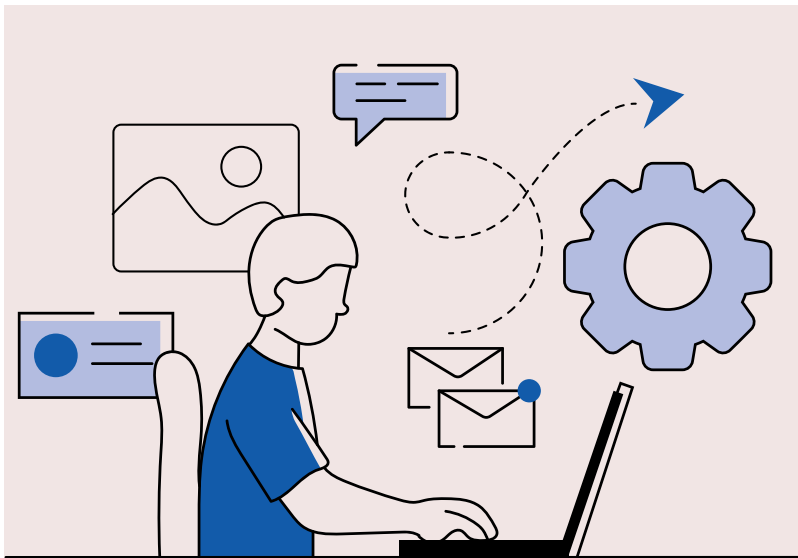


**TeamLease**®  
Putting India to Work



**PUTTING  
INDIA TO WORK**





To see the report  
online please log on to  
<https://group.teamlease.com/>  
or scan the QR code

## SAFE HARBOUR

This Annual Report contains 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and are based on our current expectations, assumptions, estimates and projections about the Company, our industry, economic conditions in the markets in which we operate, and certain other matters. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will', 'project', 'seek', 'should' and similar expressions. Those statements include, among other things, risks and uncertainties regarding COVID-19 and the effects of government and other measures seeking to contain its spread, the discussions of our business strategy, including the localization of our workforce and investments to reskill our employees and expectations concerning our market position, future operations, margins, profitability, liquidity, capital resources, wage increases in India, change in the Indian regulations governing wages. These statements are subject to known and unknown risks, uncertainties and other factors, which may cause actual results or outcomes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results or outcomes to differ from those implied by the forward-looking statements include, but are not limited to, those discussed in the MD&A section in this Annual Report. In the light of these and other uncertainties, stakeholders should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this Annual Report are based on information and estimates available to us on the date hereof, and we do not undertake any obligation to update these forward-looking statements unless required to do so by law.

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## About the Report

TeamLease presents its second Integrated Annual Report for the fiscal year ending on March 31, 2023. The objective of this report is to offer a comprehensive and detailed overview of the Company's operations, strategy, and performance. It delves into the trends and challenges in our business, showcases our strategies, and emphasizes our responsible approach to creating value. At the core of our business lies integrated and sustainable thinking, ensuring the management of resources and relationships in a manner that generates value over time.

### REPORTING FRAMEWORK

The report follows the IIRC framework, elucidating how we create value for our members and stakeholders. The report assesses the six capitals, as per the International Integrated Reporting Council (IIRC) framework, which drives our strategy and internal materiality process. Additionally, our activities are aligned with the United Nations Sustainable Development Goals (SDGs), reflecting our commitment to achieving multi-stakeholder objectives.

The financial and statutory data adhere to the relevant legal requirements, including the Companies Act, 2013, Indian Accounting Standards, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standards.

### REPORTING PERIOD

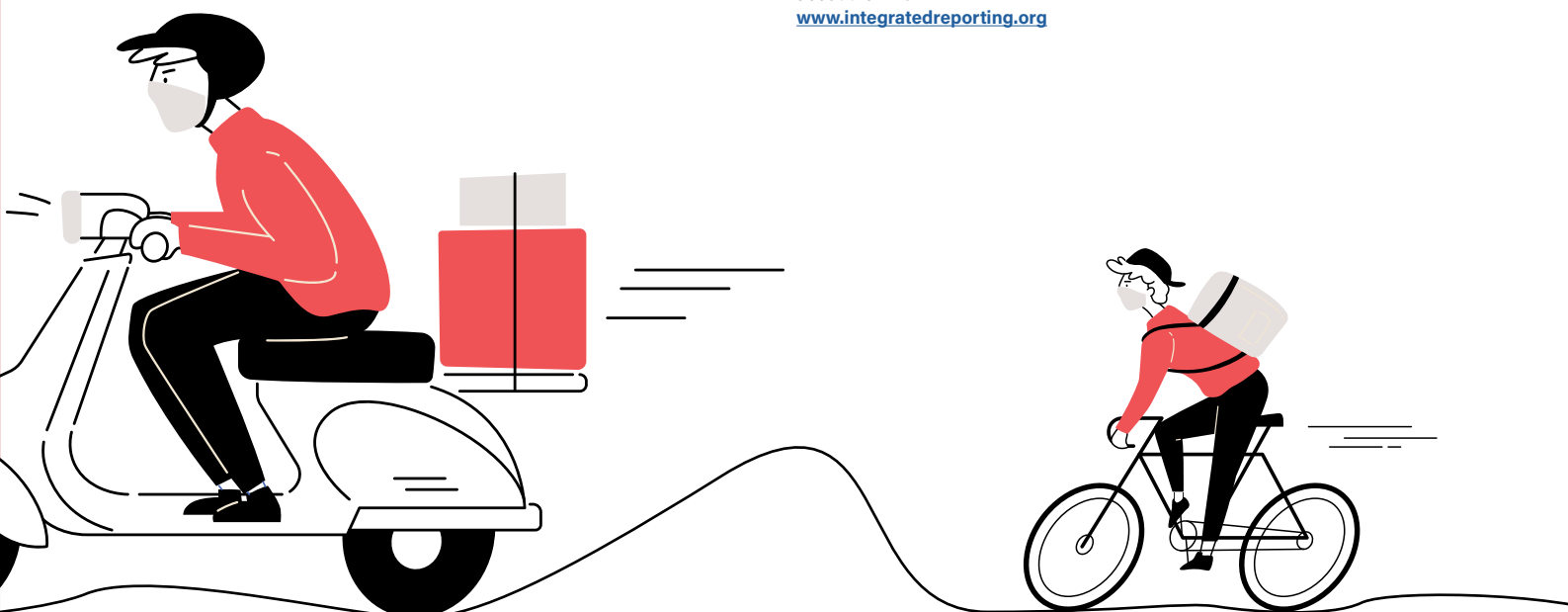
The reporting period primarily covers the 12 months from April 01, 2022, to March 31, 2023, with certain sections incorporating data from previous years. The report pertains to TeamLease Services Limited on a standalone basis, complying with the laws, regulations, and standards of the Republic of India.

### ASSURANCE

To ensure the integrity of facts and information, the Management has conducted a thorough review of the Annual Report, and the statutory auditors, M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, have provided an unmodified opinion on the financial statements, which has been duly incorporated in the report as part of our assurance process.



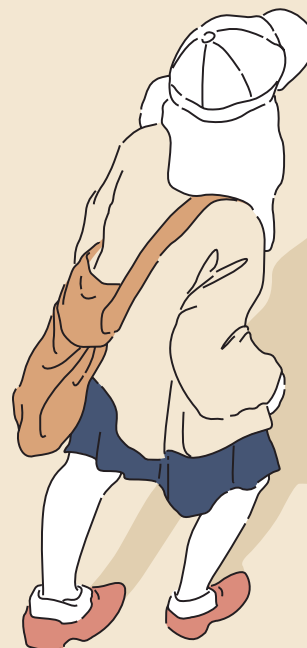
Scan this QR code to know more about the IIRC:  
[www.integratedreporting.org](http://www.integratedreporting.org)



**Changes in the business climate for Indian enterprises and a growing number of entrepreneurial ventures have created a dominant shift in the Indian staffing industry.**

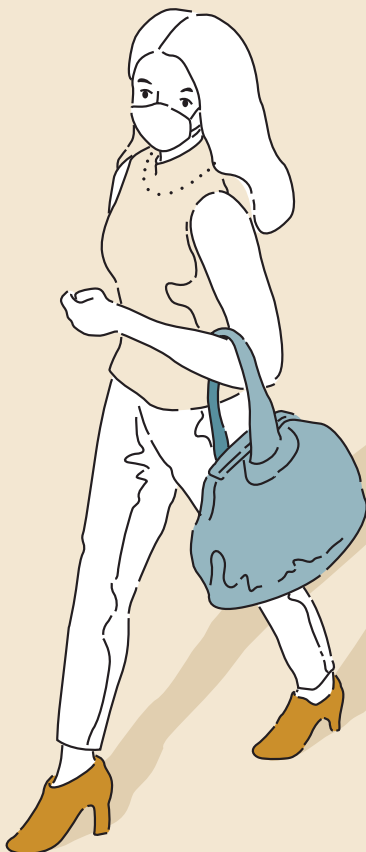


While the lure of coveted compensation packages, learning opportunities and options for career growth drove people towards emerging options, the lack of formal training and regulatory hurdles posed great challenges for numerous Indians.



Identifying the need to address concerns related to staffing, financing and governing businesses, we seek to offer tailored solutions that bridge the gap between employers and employees. Our vision of putting India to work encourages us to leverage digital platforms and advanced technology to innovate new methods for fulfilling the expectations and ambitions of young Indians. Along with an emphasis on hiring candidates for specialised roles across different industry verticals, we remain committed to explore avenues for skill development, training and knowledge sharing as well. Besides, our ability to handle the complexities of business operations and ensure flexibility allows us to provide organisations skills and competencies for building a conducive working environment.

**Our relentless efforts to grow an empowered talent pool underscores our determination to be a proud partner in India's growth story - zealously contributing to nation building.**



About TeamLease

# Enabling a new work order for India

Our expertise as the country's leading people supply chain Company in the organized sector empowers us with the ability to deliver an extensive array of bespoke human resource services to a diverse clientele from varied industries.

At TeamLease, our comprehensive range of services cover critical aspects of employment, employability, and education, to encompass the entirety of the human resource supply chain in India. By offering holistic solutions to our clients' human resource requirements, we partner their aspirations to accomplish organisational objectives with a skilled and qualified talent pool.

Our robust business model enables us to cater to the evolving needs of our clients while maintaining our commitment to excellence. Besides, we remain determined to meet the needs of both small and large businesses as well as job seekers to fulfil our vision of putting India to work.



OUR VISION

**Our philosophy and long-term goals are best reflected by our purpose of 'Putting India to Work'**

NUMBERS THAT MATTER

**₹ 7,87,000 Lakhs**



Revenue in FY 2022-23

**547+**



New Clients

**2.82 Lakhs +**



Associates/Trainees

**20 Lakhs +**



People hired till date

**5.5 Lakhs +**



Students





## OUR CONTRIBUTION

Our vision has been at the forefront of our existence, helping us employ, 'One Indian' every 5 minutes over the past many years.



## OUR GOAL

Our goal is to become the largest private sector employer in India and the largest staffing Company in the world by headcount.

## OUR STRATEGY



### Growth



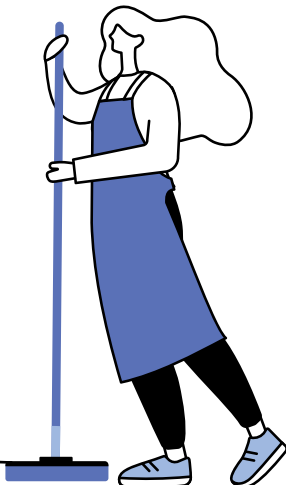
### Margin Expansion



### Capital Frugality



### Governance



## OUR SUBSIDIARIES

### TeamLease Services Limited

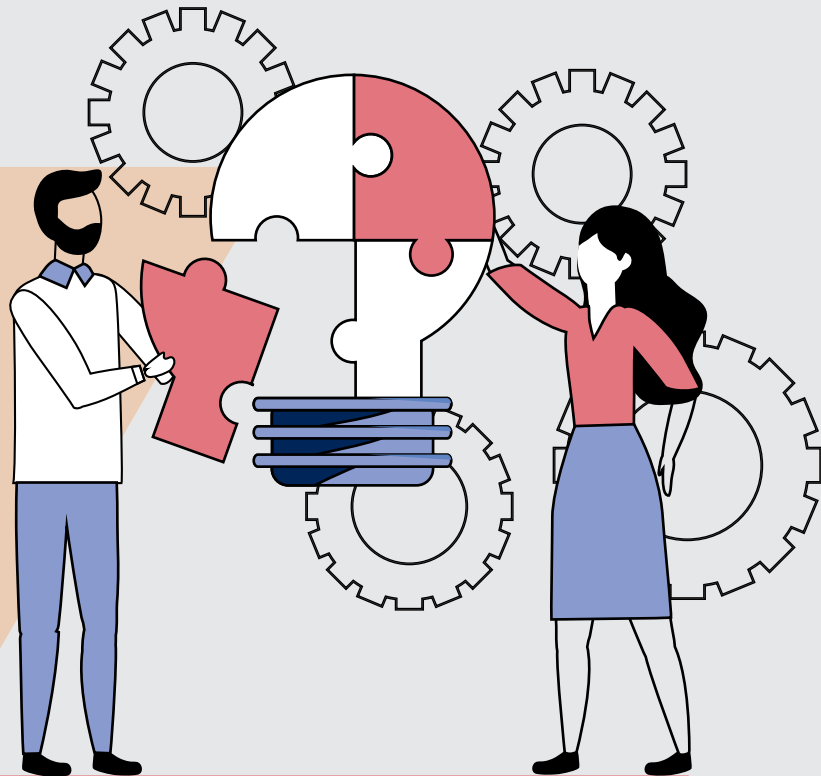
#### Subsidiary Companies

- TeamLease HRTech Private Limited (Formerly TeamLease E-Hire Private Limited) (Consolidated) - 100% Stake
- TeamLease Edtech Limited (Formerly SchoolGuru Eduserve Private Limited) (Consolidated) - 77.67% Stake
- TeamLease Digital Private Limited (Consolidated) - 100% Stake
- TeamLease RegTech Private Limited (Formerly known as Avantis RegTech Private Limited) (Consolidated) - 61.50% Stake
- Keystone Business Solutions Private Limited (Consolidated) - 100% Stake
- TeamLease Education Foundation (Section 8 Company) - 100% Stake (Consolidated)
- TeamLease Skills University (Not Consolidated)
- I.M.S.I Staffing Private Limited (Consolidated) - 100% Stake

## TeamLease Principles

### Company & Cause

We take pride in having a very strong cause of Putting India to Work and changing lives positively every single day. We are a for-profit organization and our existence depends on how happy and satisfied our clients are with our services. Each one of us needs to understand and demonstrate our roles and responsibilities in the most efficient way. Always think - How am I contributing to Putting India to Work?



### Customer First

Display agility and take accountability to meet the clients' needs even if the requests are outside our domain. Define processes with certain flexibility to meet the changing needs of customers & revisit the SOPs timely. Proactively educate clients in legal changes and help them become more compliant and reduce costs & risks. Always be empathetic towards clients (customers, associates, internal stakeholders and peers)

### Teamwork

Four minds better than one! Always work together to address any situation Collaboration, not isolation is the key to success. Understand that higher productivity is a product of thinking beyond individual dynamics. We are One Company with One Voice.



**Results**

Build competence for providing first time accurate resolution. Take accountability for actions as well as results. Focus on increasing/improving output continuously. Reaching the goal post is as important as crossing the hurdles. Execution is as important as strategy. Not to mistake an activity to a goal

**Learning**

Strive to be a better version of yourself every day. Don't repeat the same mistakes. Learn and Improve. Seek feedback whenever required. Adopt efficient approaches to improve the productivity and outcome. Learning cannot be substituted or delegated

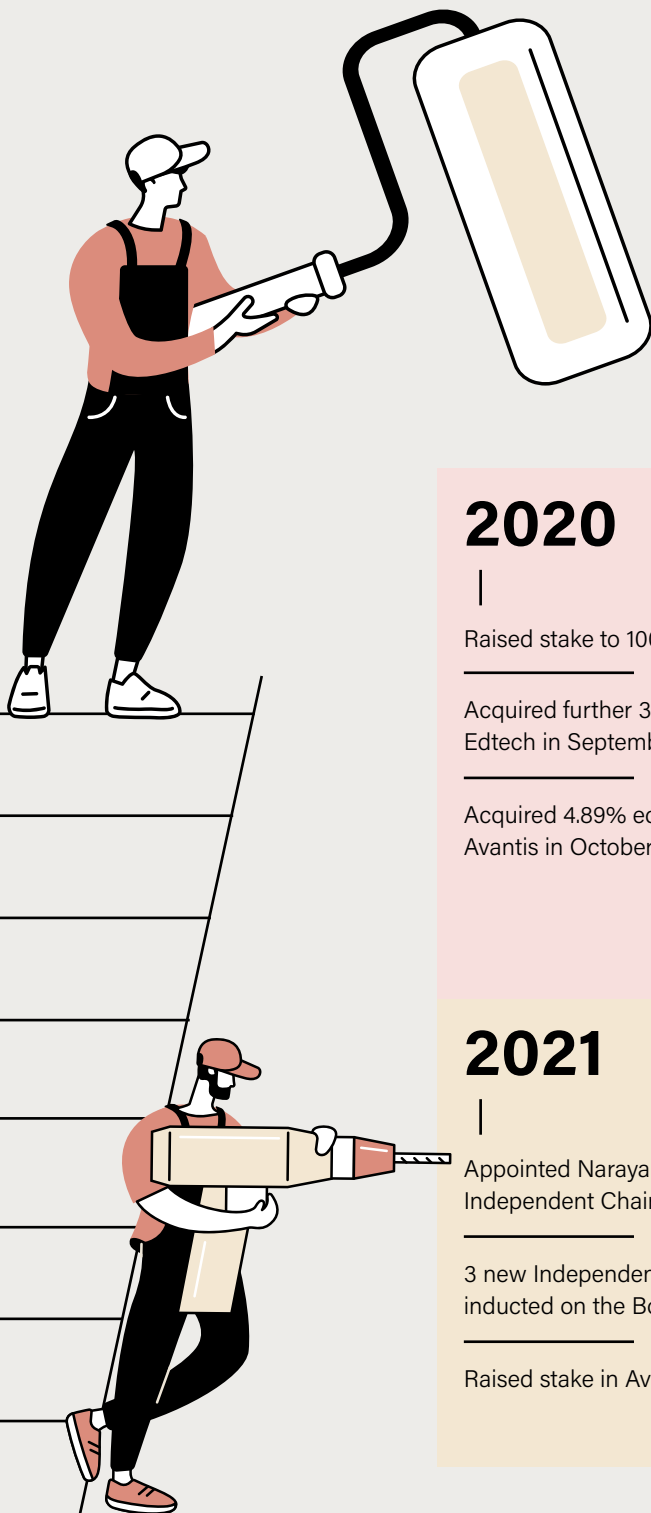
**Trust**

Our clients have trust in us because we promise to help them with productivity, efficiency, compliance and governance. We trust in the power of collective and collaborative thinking



Milestones

# Progress powered by people



## 2002

We started operations with

**20** clients **and** **40** employees

## 2020

Raised stake to 100% in FW.com

Acquired further 36.17% stake in Edtech in September.

Acquired 4.89% equity stake in Avantis in October.

## 2019

Acquired IT Staffing vertical of Ecentric in April and IMSI (IT Infra) in November

## 2021

Appointed Narayan as Independent Chairman

3 new Independent Directors inducted on the Board

Raised stake in Avantis to 60%

### Renamed

- SchoolGuru → TL EdTech
- Avantis → TL RegTech
- E-Hire → TL HRTech

**2005-07**

Strengthened our technology infrastructure

Published first labour report and started new service offerings

**2008-09**

1st Round of PE Investment by Gaja Capital.

Initiated discussions for revamping apprenticeship.

Compliance became a separate business unit.

**2011**

Signed a MoU for setting up the country's first Skills University in association with the government of Gujarat.

Became founding members of Indian Staffing Federation

**2018**

Acquired 33.33% stake in Avantis - RegTech

**2017**

Acquired Keystone Business Solutions to strengthen IT Staffing

Acquired 30% stake in FW.com

Acquired Evolve Tech. to enter Telecom Staffing Business

Acquired 40% Stake in Online Education Co. SchoolGuru

**2015-16**

Listed on BSE and NSE.

Acquired ASAP Info Systems and Nichepro Technologies to offer IT staffing services

**2022**

Surrendered PF Trust and migrated to EPFO

Became India's largest IT Staffing Company in terms of headcount

CPO moved under HRTech

**2023**

Proposed Merger of TDPL, IMSI and Keystone

First ever Share Buyback concluded

## Geographic Presence

# Bolstering a pan-India talent pool



- Ahmedabad
- Bangalore
- Bhubaneswar
- Chennai
- Dehradun
- Delhi
- Gurugram
- Hyderabad
- Jaipur
- Kochi
- Kolkata
- Lucknow
- Mumbai
- Vijayawada

### PRESENT IN

**7,500+**

Locations



Across

**28**

States



## SECTORAL EXPERTISE



FMCG



Logistics



Infrastructure



Telecom



Retail



E-Commerce

Agro  
ChemicalsBanking  
and  
Finance

Agriculture



Insurance



Engineering

Information  
TechnologyElectrical  
and  
Electronics

Manufacturing

## HEADCOUNT

(in number)

FY 2023		2,82,450
FY 2022		2,85,230
FY 2021		2,28,150
FY 2020		2,20,210
FY 2019		2,22,158

## FULL TIME EMPLOYEE PER ASSOCIATE

(in number)

FY 2023		350
FY 2022		346
FY 2021		352
FY 2020		264
FY 2019		270

---

## Message from Chairman

# Focus on a future-ready workforce



**We are embracing technology to improve our processes and add efficiency to our operations. In years ahead, you will see this manifest in terms of greater productivity and enhanced consumer experience.**



## DEAR SHAREHOLDERS,

Charles Dickens begins his famous historical novel, *The Tale of Two Cities*, with these words, "it was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair." Dickens' use of contrasting words was an attempt to convey that each generation thinks it has lived through something unique, but history seems to suggest otherwise.

If at any time at all, we can claim an age of great uncertainty, this is one such. The forces of technological evolution were already causing significant change at warp speed. If you add the unexpected pandemic and the extraordinary response from around the world, you have had the makings of a churning cocktail the likes of which the world has not quite seen before. Consequently, interest rates have risen fast, work habits have changed, and companies are reimagining every aspect of their business.

In a world marked by this much change, businesses no longer have the luxury of retaining the status quo. It has become imperative to refine practices, adapt to rapid transformations and devise methods to resiliently tackle market volatility. The staffing industry plays an integral role in helping modern enterprises cope with the demanding task of adopting new policies to manage diverse functions related to fulfilling job roles, financing, and governance. It also provides us the opportunity to upskill people and create future-ready workforces necessary for fulfilling our commitment of putting India

to work. At TeamLease, we take pride in bridging the gap between employers and employees with a steady supply of qualified candidates for various roles.

Last year was a mixed year for our business. We witnessed some headwinds in segments where our clients hunkered down in advance of an anticipated economic downturn. For instance, in Specialised Staffing, our IT services clients reduced their hiring by 60% or more. To mitigate the impact, we focused on expanding our client base in the non-tech Sector & GCCs by offering technical workforce solutions to these companies. That strategic move allowed us to capture a decent market share and partially offset the dip in the IT sector. Overall, our improved service mix and enhanced fulfilment ratio resulted in a 6% revenue growth compared to the previous fiscal year. Our General Staffing associate base increased by nearly 29,000, the second-highest number reported in any given year for us.

The sudden closure of the National Employability Enhancement Mission (NEEM) also had a significant impact on our performance. Taking into consideration the prospects of trainees who had enrolled for NEEM, we proactively approached the Ministry of Education and AICTE and sought clarification on the status of incumbent trainees. We filed an immediate stay application at the Delhi High Court and it was granted to us. After persistent efforts, we received clarification from AICTE and the Ministry of Education, stating that the existing trainees could continue until the completion of their tenure. Longer term, we remain excited about the possibility

for young workers to "earn and learn" in a modular and paced manner. TeamLease's pioneering Degree Apprenticeship Programme has already empowered 6,00,000 youth by enabling earning-while-learning and learning-by-doing with over 1000 employers in 30 sectors across all 28 states of India.

At TeamLease, we constantly remind ourselves that we are running a marathon. To us, mere enthusiasm is a lazy approach to business; endurance is rare and rewarding. We live by Mahatma Gandhi's adage that "lose patience is to lose the battle". The uncertainty of a year or two will not deter us from staying the course and investing in newer and better ways of fulfilling our mission. We are embracing technology to improve our processes and add efficiency to our operations. In years ahead, you will see this manifest in terms of greater productivity and enhanced consumer experience. Last year, we reshaped the Board and began the process of hiring leaders for our various verticals. That process is now substantially complete, and we approach the coming years with strong leadership and teams in place in our businesses.

On behalf of the Board and management, I would like to thank you for your continued support. Through our unyielding resolve and tenacity, we aim to put India to work and support India's growth narrative for many more years to come.

Best Regards,

**Narayan Ramachandran**  
Non-Executive Chairman &  
Lead Independent Director

---

Message from MD

# Creating opportunities for 'young' India



**We stay committed to our long-term vision of putting India to work. Focusing on improving profits, creating leadership bench and innovation in areas of marketing, account management, digital engagement, hiring, APIs and product. We are confident of our ability to overcome challenges and emerge stronger.**





## DEAR SHAREHOLDERS,

The fiscal year 2022-23 has been a challenging year and a mixed bag for TeamLease. Our revenues grew by 22% with 29k net associate addition in general staffing business. Over 500 new clients added in FY 2022-23 of which 23 are large strategic mandates that have the potential to contribute to multi-year growth. Investments made in hiring capabilities have started showing results with over 50% of new joiners sourced through our channels. We have continued to improve our productivity across business divisions driving efficiency through technology and processes. The annual revenue growth of EdTech vertical stood at 18% and RegTech at 51%.

However, there were some external and internal challenges which led to last year not meeting up to our expectations. Two of our higher margin businesses, Specialised staffing and Degree Apprenticeship, faced significant headwinds and impacted the profitability and growth rates. Global slowdown in IT spending led to reduced hiring by Indian IT firms and thereby reduced contract staffing in IT and allied segments. The withdrawal of the gazetted NEEM scheme in H2 impacted our DA business quite significantly.

Over the years, we have proactively adapted to market dynamics and have prudently focused on maximizing the productivity. As we look at 2023-24, we have taken several initiatives to ensure

that we get the businesses back on track with growth momentum and yield positive results for us in the long term. These include projects on

- a) driving discipline for Sales and Account Management productivity
- b) significantly increasing our ability to hire far larger numbers at significantly lower costs
- c) Harnessing the strength of our large client base and relationships to drive cross selling and up selling of our product suite
- d) Use technology as a key driver for building moats across all our Business Units and
- e) Value added services to help us increase revenues across all the BUs.

While we execute the above, it is critical to always remain vigilant on managing costs effectively and ensuring that our teams are productive in terms of outcomes. During the year, we have reduced our core employee headcount by 8% and continue the cost optimization strategy as a dial tone to enhance efficiency, digitize processes, and improve overall profitability.

As we move forward, we are confident about both medium-term and long-term growth prospects and believe,

strong structural tailwinds will underpin sustainable growth in the coming years. The staffing industry, characterized by low market penetration, is poised to experience phenomenal developments in the foreseeable future. Progressive reforms and regulations in India are likely to aid the formalization and expansion of staffing firms. As the government strives to liberalize and formalize the labour market, we believe, we will be among the biggest direct beneficiaries of this development.

We stay committed to our long-term vision of putting India to work. Focusing on improving profits, creating leadership bench and innovation in areas of marketing, account management, digital engagement, hiring, APIs and product. We are confident of our ability to overcome challenges and emerge stronger.

In closing, I would like to express my gratitude to our team for demonstrating tremendous resolve and resilience. I am also incredibly proud of the partnerships we build with our clients and the confidence they have placed in us. Finally, I want to thank our Board of Directors for their support and the shareholders for your faith in TeamLease.

Best wishes,

**Ashok Reddy**  
Managing Director & CEO

Q&A with CFO - Ramani Dathi

# Unlocking value through specialised solutions



Looking ahead, our strategic focus remains on acquiring scale, expediting our digital transformation initiatives, maintaining stringent operational efficiency, and diligently working towards achieving healthy profit margins.



**Q**

**What has been the impact of larger clients on the PAPM for the Company? How has the decline in PAMM affected margins?**

**A**

We have a well-diversified portfolio of clients of all sizes and segments. Our average realization is different across the large, medium and small clients, the blend of which adds up to a PAMM of ₹ 680. While large clients drive the volume and economies of scale, their average realization of 350-400 is lower than the BU average. Accordingly, a higher share of growth from large clients can impact the overall PAMM and margins. Post covid, there has been a consolidation drive across industries wherein some of our large clients also have grown in size, which in turn has impacted our PAMM.

This decline in PAMM coupled with associate salary inflation has impacted our profit margins. However, we are steadfast in our commitment to grow the PAMM and increase the productivity to expand our margins in the long run.

**Q**

**Can you elaborate on the margin strategy especially post NEEM and IT Sector impact?**

**A**

Our margin expansion strategy is three-fold:

(a) derive economies of scale in general staffing business by focusing on associate growth, hiring and productivity;

(b) expand average realization through value-added services to clients and associates;

(c) increase contribution from higher margin businesses like Specialised Staffing, DA and HR services by expanding the portfolio.

Although the fiscal year commenced with favorable conditions, subsequent months witnessed the impact of global uncertainties and challenges in the IT sector, which directly affected our growth trajectory. In response, we promptly undertook corrective measures, such as rationalizing headcount and optimising costs to offset the impact to some extent. Headwinds in IT sector and NEEM have impacted our margins in FY 2022-23 and may continue to impact part of FY 2023-24 as well. However, we believe these headwinds are short term in nature, and the long term opportunity with growth in Indian IT sector and apprenticeships remains high.

Q

**How does the Company address cost-control in areas of the business that have reached a plateau, and how does it prioritise growth in verticals with potential?**

A

All of our business verticals, Staffing, Apprenticeships, Edtech, HRTech have huge market potential and are no where close to plateau in terms of deriving economies of scale. The opportunities for digitisation, optimization and productivity are still at large for us. Over the past few months, we have successfully reduced core headcount by 8-15% in business units and functions.

The positive impact of these initiatives will become evident during the latter half of FY 2023-24.

Our teams remain steadfast in continuously optimising various aspects of the business, focusing on digital transformation, augmenting our FTE ratio, and implementing streamlined hiring practices to enhance conversion rates at optimal cost. Regarding growth prioritisation, we remain dedicated to identifying and expanding into verticals that present promising growth opportunities and improved profit margins.

Q

**What is the strategy behind capital allocation and how much free cash we have post buy back?**

A

We have a cash balance of ₹ 340cr as of March 31, 2023, out of which we have utilized ₹ 120cr for buyback including distribution taxes. Our capital allocation strategy prioritizes investment in growth opportunities, both organic and inorganic, which enhances wealth creation for shareholders. However, over the last 3-4 years, we could not close any M&A because of various reasons like strategic fit, valuation, covid, headwinds in specialised staffing etc. After thorough deliberation on capital allocation, our Board of Directors have opted to go with buyback for this year. We continue to look for inorganic investment opportunities which can help us build or accelerate our capabilities around scale, product offerings, technology and productivity, and our board will take a holistic approach on capital allocation and profit distribution to shareholder as we move forward.

Q

**Is there any seasonality in any of the business and how much investments we have done in HCM Platform?**

A

Our Edtech vertical reported under Other HR Services, exhibits seasonality due to the cyclical nature of the student admission and examination calendar. These cycles, directed by the University Grants Commission (UGC), entail specific timeframes for examinations. As a result, admissions predominantly occur in quarter 2 and quarter 4, whereas examinations are conducted in quarter 3 and quarter 4, resulting in lower billing in quarter 1.

Regarding investments in the HCM Platform, we have allocated a considerable sum of approximately ₹ 15 Crores to be spent over the next 24 months. These investments in HCM technology not only generate new stream of revenues but also aid in hiring, productivity and margin expansion.

## Board of Directors

# Led by foresight and fortitude for BOD of TeamLease

**Mr. Narayan Ramachandran**



Designation	Non-Executive Chairman and Lead Independent Director
Nationality	Indian
Age	60
Date of appointment in current term	July 08, 2020
Current Term servicing on Board	2nd - Till July 07, 2025

Direct Shareholding	9,835 Shares
Board Memberships - in Indian Listed Companies	TeamLease Services Limited-Independent Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	-
Chairmanship	-

Mr. Narayan Ramachandran has been an Independent Director of TeamLease since July 09, 2015 and assumed the role of Lead Independent Director in 2020. He holds an MBA from the University of Michigan, Ann Arbor, B. Tech from IIT, Mumbai and is a Certified Financial Analyst. He has over 35 years of experience in the areas of finance and institution building across geographies. He was part of the founding team at RBL Bank and served as its Chairman. He has led the Global Emerging Markets division of Morgan Stanley in New York and Singapore. He was also the CEO and Country Head of Morgan Stanley in India. He has played an instrumental role in establishing several new businesses in the commercial and social enterprise sector. Mr. Ramachandran's role has been transitioned to Non-Executive Chairman of the Company with effect from July 28, 2021.

**Mr. Manish Sabharwal**



Designation	Whole Time Director & Executive Vice Chairman
Nationality	Indian
Age	53
Date of appointment in current term	April 01, 2022
Current Term servicing on Board	Till March 31, 2027
Direct Shareholding	-

Board Memberships - in Indian Listed Companies	TeamLease Services Limited-Executive Director
	Pennar Industries Limited - Independent Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	-
Chairmanship	-

Mr. Manish Sabharwal is Executive Vice Chairman of TeamLease. Prior to co-founding the Company, he had co-founded India Life, a HR services company that was acquired by NYSE listed Hewitt Associates. Consequently, he served as a Chief Executive Officer of Hewitt Outsourcing (Asia) based in Singapore. Mr. Sabharwal is a member of Advisory Board of the Comptroller and Auditor General (CAG) and a governing board member of National Council of Applied Economic Research (NCAER). He is also Managing Trustee of the New India Foundation that offers fellowships for writing books about post-1947 India and is a columnist for Indian Express. He served as an Independent Director on the Board of the Reserve Bank of India (RBI). He got his MBA from The Wharton School and is an alumnus of Shriram College, Delhi and Mayo College, Ajmer. Mr. Sabharwal's role has been transitioned to Executive Vice Chairman of the Company with effect from July 28, 2021.

**Mr. Ashok Reddy**

Designation	Managing Director & CEO
Nationality	Indian
Age	53
Date of appointment in current term	September 01, 2020
Current Term servicing on Board	Till August 31, 2025

Direct Shareholding	-
Board Memberships - in Indian Listed Companies	TeamLease Services Limited-Executive Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	-
Chairmanship	-

Mr. Ashok Reddy is the co-founder and currently the Managing Director (MD) and Chief Executive Officer (CEO) of our Company. He oversees our operations and represents our Company in forums with major clients. He holds a Bachelor's degree in Commerce from the Shri Ram College of Commerce, Delhi University and a diploma in management from Indian Institute of Management, Bengaluru. Prior to his current position, he was a co-founder and director of India Life Pension Services Limited, a payroll and pension services company that was acquired by Hewitt associates in 2002. He has been awarded the 'Skills Champion of India' award in the category of Skills Champion: Emerging Warrior for his outstanding contribution to the field of skills development.

**Mrs. Latika Pradhan**

Designation	Independent Director
Nationality	Indian
Age	68
Date of appointment in current term	July 08, 2020
Current Term servicing on Board	2nd - Till July 07, 2025
Direct Shareholding	-

Board Memberships - in Indian Listed Companies	TeamLease Services Limited -Independent Director Mafatlal Industries Limited -Independent Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	3
Chairmanship	2

Mrs. Latika Pradhan is an Independent Director of our Company. She is a qualified Chartered Accountant, Cost and Management Accountant, Company Secretary and Bachelor of Laws, with an experience spanning over 35 years in various industries, heading finance, legal and secretarial, internal audit and information technology functions. She is also an Independent Director on the Board of Mafatlal Industries Limited. In the past, she has been associated with Voltas Limited, Blue Star Limited, Cummins Group, Parke Davis India Limited and Pidilite Industries Limited in various capacities. She has been an Independent Director of our Company since July 09, 2015.

**Dr. V. Raghunathan**

Designation	Independent Director
Nationality	Indian
Age	68
Date of appointment in current term	July 08, 2020
Current Term servicing on Board	2nd - Till July 07, 2025
Direct Shareholding	-

Board Memberships - in Indian Listed Companies	TeamLease Services Limited-Independent Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	2
Chairmanship	-

Dr. V. Raghunathan is an Independent Director of our Company. He is an academic, corporate executive, author and columnist and a hobbyist and features among the top 50 Global Indian Management Thinkers of Thinkers Magazine, 2013 and 2014. He was conferred the title of fellow of the Indian Institute of Management, Calcutta, in the field of finance and control. He was a professor at the Indian Institute of Management, Ahmedabad, for nearly two decades, until 2002. Since January 2005, he has been the Chief Executive Officer of GMR Varalakshmi Foundation. He has authored several books and currently also blogs for the Times of India. He has been an Independent Director of our Company since July 09, 2015.

## Board of Directors

**Mr. Zarir Batliwala**



Designation	Independent Director
Nationality	Indian
Age	73
Date of appointment in current term	March 29, 2019
Current Term servicing on Board	1st -Till March 28, 2024
Direct Shareholding	-

Board Memberships - in Indian Listed Companies	TeamLease Services Limited-Independent Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	1
Chairmanship	-

Mr. Zarir Batliwala is an Independent Director of our Company. He is a Bachelor in Law and a senior Fellow Member of the Institute of Company Secretaries of India. He brings with him 45 + years of rich corporate experience at senior leadership level with functional experience in legal and human resource management, with a strong exposure to business and leadership and organisational development. Mr. Batliwala has been associated with various organisations like Mahindra & Mahindra Group of Companies, Britannia Industries Limited, Hewlett-Packard, and the like, heading human resources, legal and secretarial functions. Between 2010 and 2014, he acted as a consultant to us, as head of the human resources function. Currently, he is an Independent People Practices consultant, focusing on organisational structure, performance management systems and workplace culture. He has been an Independent Director of our Company since March 29, 2019.

**Mrs. Meenakshi Nevatia**



Designation	Independent Director
Nationality	Indian
Age	52
Date of Appointment in current term	July 28, 2021
Current Term servicing on Board	1st - Till July 27, 2026
Direct Shareholding	-

Board Memberships - in Indian Listed Companies	TeamLease Services Limited - Independent Director
	Pfizer Limited - Managing Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	-
Chairmanship	-

Ms. Meenakshi Nevatia is the Managing Director of Pfizer Limited effective April 03, 2023. Ms. Nevatia is a Master of Business Administration in Strategy and Finance from the Indian Institute of Management, Ahmedabad and Bachelor of Science in Economics and Mathematics from the Presidency College, Kolkata. Ms. Meenakshi Nevatia is a seasoned leader with nearly 30 years of business leadership and consulting experience with top companies such as McKinsey & Co. ("McKinsey"), Novartis Pharmaceuticals ("Novartis") and recently as Vice President & Managing Director of Stryker India Private Limited ("Stryker").

During her 4 1/2 year stint with Stryker, Ms. Nevatia's key focus areas included business performance turn around, talent development, category specialization and customer engagement. Prior to joining Stryker, Ms. Nevatia had a successful 15-year stint with Novartis, where she served in various sales, marketing and business leadership positions across geographies including Switzerland, UK, Spain, Hong Kong and Thailand. Her last role in Novartis was as Country President and Pharma Division head for Novartis in Thailand.

Ms. Nevatia started her career with McKinsey in 1994, where she led various projects in the Healthcare Practice (Pharmaceuticals, Medical Devices & Health Insurance) across several markets including India, Singapore, U.S.A. and South Africa.

**Mr. Mekin Maheshwari**



Designation	Independent Director
Nationality	Indian
Age	42
Date of Appointment in current term	June 09, 2021
Current Term servicing on Board	1st - Till June 08, 2026
Direct Shareholding	-

Board Memberships - in Indian Listed Companies	TeamLease Services Limited -Independent Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	-
Chairmanship	-

Mr. Mekin Maheshwari is the Founder and CEO, Udhyam Learning Foundation. He is a graduate in engineering from PESIT, Bangalore. He started his career in 2002 with Yahoo! and then went on to join Ugenie where he created weRead — a successful social network around books. He was an early team member at Flipkart in 2009 where he played various roles. As Head of Engineering, he built a great tech team, which he counts as his biggest professional achievement till date. He then went on to establish two small start-ups within Flipkart and finally took on the role of Chief People Officer. He moved on from Flipkart in March 2016. In 2017, he started Udhyam Learning Foundation, a not-for-profit organisation. Udhyam aims to develop entrepreneurial mindsets amongst youth and nano entrepreneurs to help them pursue their potential. He is also co-founder of GAME (Global Alliance for Mass Entrepreneurship) which was started in 2018. He is an angel investor for non-profit, social and tech start-ups.

**Mr. Subramaniam Somasundaram**



Designation	Independent Director
Nationality	Indian
Age	62
Date of Appointment in current term	July 28, 2021
Current Term servicing on Board	1st - Till July 27, 2026
Direct Shareholding	28 Shares

Board Memberships - in Indian Listed Companies	TeamLease Services Limited -Independent Director
	United Breweries Limited - Independent Director
Committee details as per Regulation 26 of Listing Regulations	
Membership	1
Chairmanship	2

Mr. S. Subramaniam was the Chief Financial Officer for Titan Company Limited for a decade till his superannuation in June 2021. During the stint with Titan, he was also on the Board of its subsidiaries like Caratlane Trading Pvt Ltd, Titan Engineering and Automation Ltd, and the joint venture, Montblanc India Retail Pvt Ltd. He has been appointed as a Director to the Board of United Breweries Limited.

Before joining Titan, he was in the Telecom industry for over 11 years including stints of CFO for BPL Mobile group and CEO for BPL Mobile operations in Mumbai and CFO of the Telecom vertical in Essar group and worked extensively in setting up its foray into green field telecom operations in Africa.

A Chartered Accountant and Cost Accountant by qualification and with over 35 years of post-qualification experience in Finance, Strategy and Business roles, specifically in areas like controllership, treasury and fund raising in India and in overseas markets, debt restructuring, preparation for IPO, mergers and acquisitions, business partnering and investor relations.

His previous job experiences included working with A F Ferguson & Co, ITC Limited and VST Industries in India and Mannai Group in Doha, Qatar.

## Board of Directors

**Ms. Rituparna Chakraborty**



Name	Ms. Rituparna Chakraborty	Date of Appointment in current term	May 18, 2022
Designation	Executive Director till May 31, 2023. Change in Designation to Non-Executive & Non-Independent Director w.e.f. June 01, 2023.	Current Term servicing on Board	Executive Director till May 31, 2023. Currently continuing as Non-Executive Director.
Nationality	Indian	Direct Shareholding	1,07,376 Shares
Age	48	Board memberships - in Indian listed companies	TeamLease Services Limited - Non-Executive & Non-Independent Director
Committee details as per Regulation 26 of Listing Regulations			
		Membership	-
		Chairmanship	-

Rituparna Chakraborty aged about 48 Years (25/03/1975) is an accomplished business leader with multi-faceted experience, passion for excellence, and a proven ability to drive growth at scale. She has business experience of 24 years and as co-founder of TeamLease she has been instrumental in making TeamLease India's largest people supply chain company. She is included in the Global Power 100 and International 50 Woman in Staffing and is the winner of the Telstra Business Woman in Asia Award. She is also an AMP Alumnus of Columbia Business School batch of 2022.

Besides scaling the staffing business to over ₹ 5000 Crores business since its inception she has played an active role in driving several public policy changes — the four labour codes being one of the primary ones. She continues to be involved in forums like CII, FICCI, ILO, ISF within India and internationally to give a voice to important issues in the area of employment and employability.

Ms. Chakraborty's role has been transitioned to Non-Executive and Non-Independent Director of the Company with effect from June 01, 2023.



## Executive Management Team



**Manish Sabharwal**

Executive Vice Chairman



**Ashok Reddy**

Managing Director & CEO



**Ramani Dathi**

Chief Financial Officer



**Alaka Chanda**

Company Secretary &  
Compliance Officer



**Priya Gopalakrishnan**

Head - Human Resources



**Kartik Narayan**

Chief Executive Officer -  
Staffing



**Sunil Chemmankotil**

Chief Executive Officer -  
Specialised Staffing



**Sudheer Noohu**

Chief Technology Officer



**Shantanu Rooj**

Founder & CEO - TL EdTech



**Neeti Sharma**

Co-Founder and President -  
TL EdTech



**Rishi Agrawal**

Co-Founder & CEO -  
TL RegTech












**Sandeep Agrawal**

Co-Founder & Director -  
TL RegTech

## Business Model

# Our value accretive model

Our ability to align our specialised services and solutions with the goals of a young and ambitious Indian workforce allows us to consistently add value to lives and create greater opportunities for livelihood generation.

INPUTS	
 <b>Financial capital</b>	 <b>Human capital</b>
<b>₹ 82,048 Lakhs</b> Equity	<b>₹ 1,934 Lakhs</b> Debt
<b>35</b> Universities	<b>2,259</b> Workforce
<b>5,50,000</b> University learners	<b>204</b> Training sessions conducted
<b>138</b> Corporates	<b>5</b> Health and wellness initiatives
 <b>Manufactured capital</b>	 <b>Social and Relationship capital</b>
<b>35</b> Universities	<b>₹ 147.24 Lakhs</b> Spent on CSR activities
<b>5,50,000</b> University learners	<b>Maintaining stakeholder communication through various channels</b>
 <b>Intellectual capital</b>	 <b>Natural capital</b>
Our intellectual capital constitutes our hiring portals.	 Energy management
<ul style="list-style-type: none"> <li>- <a href="http://www.Teamlease.com">www.Teamlease.com</a></li> <li>- <a href="http://www.Freshersworld.com">www.Freshersworld.com</a></li> <li>- <a href="http://www.apprentices.in">www.apprentices.in</a></li> <li>- <a href="https://teamleasetrainers.com/">https://teamleasetrainers.com/</a></li> <li>- <a href="https://www.teamleaseedtech.com/">https://www.teamleaseedtech.com/</a></li> <li>- <a href="https://www.teamleasedigital.com/">https://www.teamleasedigital.com/</a></li> <li>- <a href="https://group.teamlease.com/">https://group.teamlease.com/</a></li> </ul>	 Water management
	 Waste management

### VALUE CREATION APPROACH

**Our Drivers**

- Scale
- Reach
- Compliance
- Productivity
- Clients
- Team

**Our offerings**

- General staffing
- Specialised staffing
- Degree Apprenticeship
- Learning/Training
- EdTech
- Payroll
- Compliance (Services/Digital)

**Our Ecosystem**

- Flexi worker
- Customers
- Government

## OUTPUTS

**Financial capital**

₹ <b>7,87,000 Lakhs</b>	₹ <b>12,227 Lakhs</b>
-------------------------	-----------------------

Revenue

EBITDA

₹ **11,155 Lakhs**₹ **11,736 Lakhs**

PAT

PBT (before exceptional)

**Manufactured capital**

Number of people enrolled

**2,00,800****50,353**

Staffing

Degree apprenticeship

**6,50,000+**

Apprenticeship's mobilized till date

**Intellectual capital****30.59 Lakhs +****11 Lakhs +**

Followers on social media

Unique visitors per month

**385 Lakhs +**

Yearly Page views

**Human capital****Inclusivity and diversity****Competency-based performance****Career growth and advancement****Social and Relationship capital****Skill building opportunities****Improved knowledge sharing and innovation****Enhanced trust and credibility with customers****Natural capital**

GHG emission reduction



Specific water consumption reduction



Waste generated and recycled

## OUTCOMES

**For providers of financial capital**

We consistently deliver profitable growth to ensure sustainable value creation for our stakeholders.

**For customers**

We provide reliable staffing, training and digital solutions tailored to the unique needs of our clients. With regular engagement with stakeholders, we address queries, provide support, and gather feedback to ensure continuous improvement of our processes.

**For our people**

We provide equal opportunities for all employees, ensuring capacity building, training, and a safe work environment.

**For communities around us**

We engage in community development initiatives that contribute to employability, while also ensuring that our operations do not have any adverse environmental impact.



Contribution to SDGs

Stakeholder Engagement

# Fostering stronger relationships



WHO ARE OUR STAKEHOLDERS?

WHY ARE THEY IMPORTANT TO US?

**Clients**



It is important to understand the needs of our clients and provide unique staffing solutions that ensure customer satisfaction and build loyalty.

**Employees**



Employees are the backbone of our operations. Our success depends on our ability to attract and retain a diverse pool of talent to meet the needs of our clients.

**Government**



The government plays an important role in regulating the staffing industry, and we comply with regulations and laws.

**Investors**



Investors provide the necessary capital for us to grow and expand our operations as we generate returns on their investment.

**Communities**



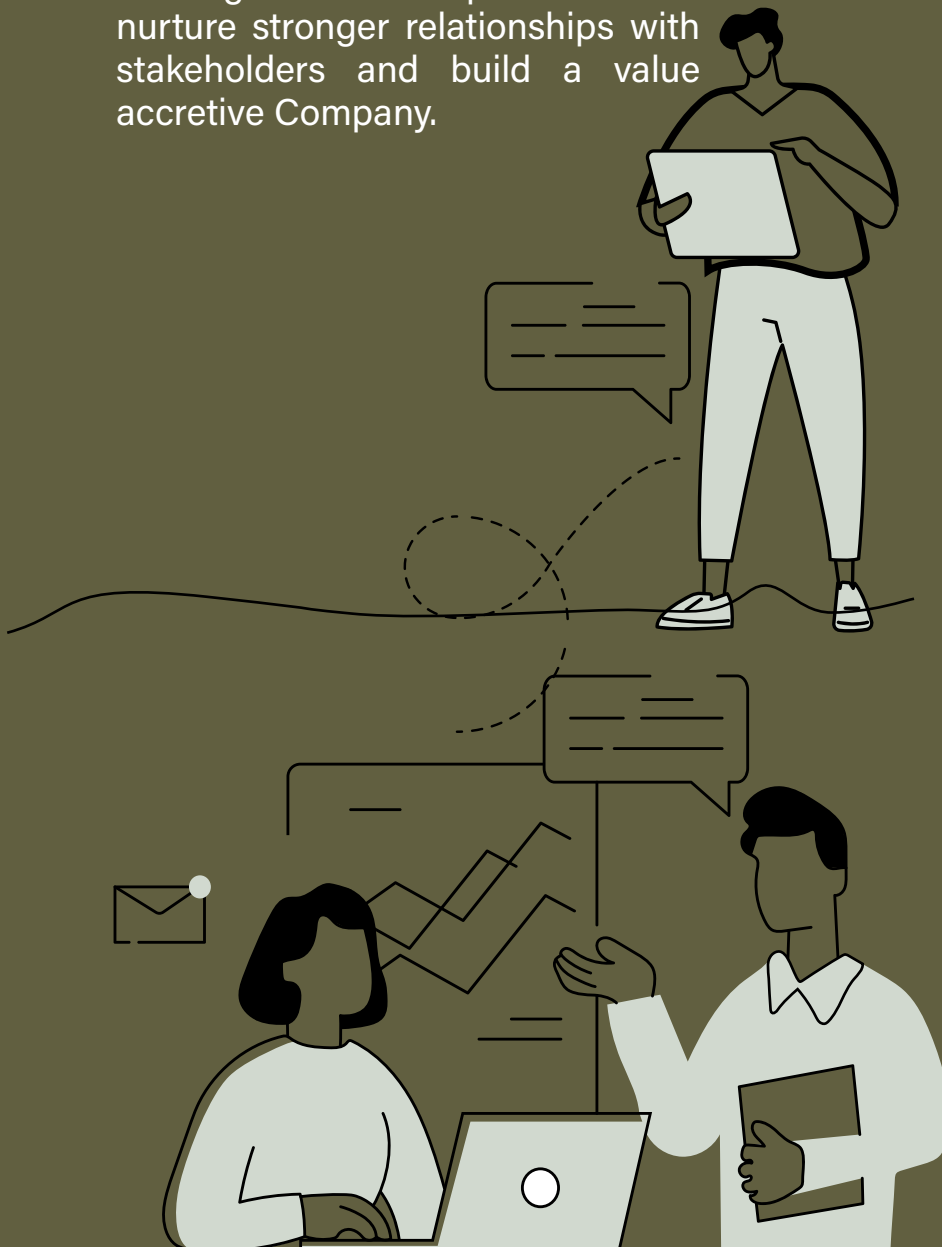
We operate in various communities where we provide staffing and training solutions. It is important for us to engage with people and contribute to their growth and development.

WHAT ARE THE CONCERNS OF OUR STAKEHOLDERS?	HOW DO WE ENGAGE WITH THEM?	WHAT IS THE FREQUENCY OF ENGAGEMENT?
<ul style="list-style-type: none"> <li>- Workforce flexibility</li> <li>- Compliance efficiency</li> <li>- Focus on core business</li> <li>- Budget efficiency</li> <li>- Niche skill hiring</li> <li>- Ad-hoc availability</li> </ul>	<ul style="list-style-type: none"> <li>- Feedback through customer surveys</li> <li>- Annual report</li> <li>- Quarterly report</li> <li>- Earnings calls</li> <li>- Media</li> <li>- Website</li> <li>- Press release</li> </ul>	Continuous and need-based engagements
<ul style="list-style-type: none"> <li>- Appointment letter</li> <li>- Standardized pay</li> <li>- Statutory benefits</li> <li>- Digital payments</li> <li>- Skill improvement</li> <li>- Annual increments</li> </ul>	<ul style="list-style-type: none"> <li>- Direct communication with employees through immediate supervisors and management</li> <li>- Internal web portal</li> <li>- Site-based newsletters</li> <li>- Vigil mechanism</li> <li>- Confidential feedback boxes</li> <li>- Contractual relationships</li> <li>- Learning and development programmes</li> </ul>	Continuous, monthly, half-yearly and need-based
<ul style="list-style-type: none"> <li>- Reduced unemployment</li> <li>- Increased formal employment</li> <li>- Improved compliance</li> <li>- Revenue from GST</li> <li>- Skill development</li> </ul>	<ul style="list-style-type: none"> <li>- Agreements on social-economic partnerships</li> <li>- Charity and sponsorship initiatives</li> <li>- Conferences and forums</li> </ul>	Need-based and continuous
<ul style="list-style-type: none"> <li>- Achieving long-term value by ensuring consistent financial returns</li> <li>- Improved market share</li> </ul>	<ul style="list-style-type: none"> <li>- Annual general meetings</li> <li>- Annual Reports</li> <li>- Online communication</li> <li>- Regular meetings with institutional shareholders</li> <li>- Newsletters</li> </ul>	Need-based and continuous
<ul style="list-style-type: none"> <li>- Economic research</li> <li>- Employment generation</li> <li>- Education</li> <li>- Upskilling</li> </ul>	<ul style="list-style-type: none"> <li>- One-on-one interaction during CSR activities</li> <li>- Volunteering programmes</li> <li>- Social upliftment programmes</li> </ul>	Continuous and need-based

## Governance

# Ensuring integrity through sound governance

We strive to deliver consistent value to our stakeholders while upholding our commitment to responsible business practices. Our ability to maintain integrity, transparency, and the highest ethical order within the organisation empowers us to nurture stronger relationships with stakeholders and build a value accretive Company.



To maintain transparency in our business practices, we have established a Code of Conduct that is carefully defined to guide our business practices and ensure adherence to regulatory standards. Besides, our ability to effectively manage resources allows us to earn the trust and loyalty of clients as well as other stakeholders.

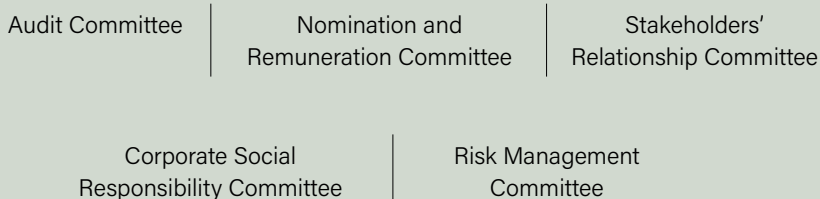
Our Board of Directors is actively involved in leading our growth efforts, drawing upon their diverse and extensive knowledge and experience to create sustainable value for investors and stakeholders while remaining grounded to our core values. We are committed to anticipating and proactively managing opportunities and risks through the insights of our capable and competent management team. Our risk management framework is carefully designed to minimize risk and maximize opportunities, while our policies and processes ensure responsible growth.

Our Board is fully committed to upholding the most stringent standards of ethical conduct, as evidenced by our comprehensive Code of Conduct and business ethics. This document provides a practical framework for our values, which guide every decision and action we take as a Company. In fact, we view our Code of Conduct as a public commitment to the highest ethical standards, which we expect all our directors, senior management, and employees to adhere to.

### Key focus areas for good governance



### Our Committees



### POLICIES AND PRACTICES

To maintain transparency and integrity within the organisation, we have implemented several policies and practices. Our vigil mechanism allows stakeholders to confidentially report concerns about unethical behaviour, without fear of retaliation. We have also established an Internal Code of Conduct to govern and track operations. It allows us to handle price-sensitive information appropriately and avoid conflicts of interest.

Our commitment to ethical conduct extends beyond our organisation. We have implemented anti-corruption practices that include avoiding bribery and insider trading, approaching competition ethically, and complying with all international trade regulations. We prioritize transparency and maintain accurate business records to support these efforts.

As a responsible corporate citizen, we understand our role in contributing to the growth and development of the communities where we operate. We take our environmental and societal impact seriously, comply with all applicable laws and regulations, and aim to exceed standards for responsible conduct. We, therefore, remain committed to set industry benchmarks for ethical and responsible behaviour.



# Financial

## CAPITAL



Our financial prudence backs our vision of ‘Putting India to Work.’ With judicious deployment of financial resources across different business divisions, we ensure attractive return on investments and long-term viability of our operations.

To fund our operations, we raise capital while taking market conditions into consideration. It enables us to reduce interest costs and maintain flexible terms that accommodate the cyclical nature of our industry. We also strive to reduce debt through effective utilisation of cash flow generated from internal operations.

### ROBUST CAPITAL MANAGEMENT

We focus on maintaining sufficient liquidity to support growth prospects and protect our operations against economic volatility. At TeamLease, we also benefit from efficient capital management as it helps to enhance our profits, improves cash flow and delivers sustained returns. Our healthy balance sheet adds impetus to projects that capitalize on emerging industry opportunities, thereby allowing us to effectively plan budget allocations for future projects.

### INPUTS

₹ **82,048 Lakhs**



Equity

₹ **1,934 Lakhs**



Debt

### OUTPUTS

₹ **7,87,000 Lakhs**



Revenue

₹ **12,227 Lakhs**



EBITDA

₹ **11,155 Lakhs**



PAT

₹ **11,736 Lakhs**



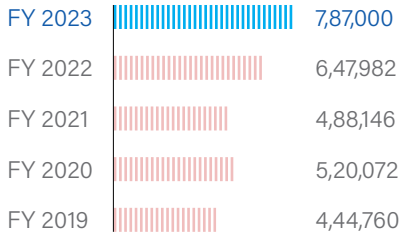
PBT (before exceptional)



## Profit and loss metrics

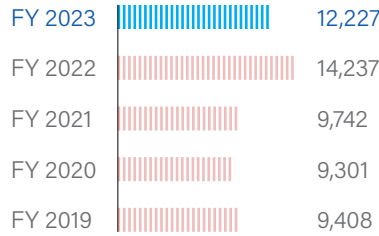
### Revenue

(₹ in Lakhs)



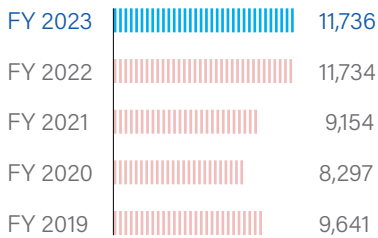
### EBITDA

(₹ in Lakhs)



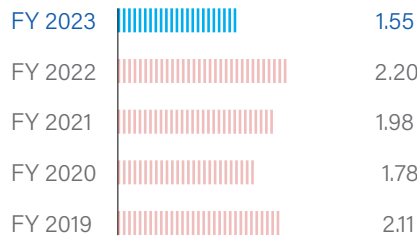
### PBT (before exceptional)

(₹ in Lakhs)



### EBITDA margin

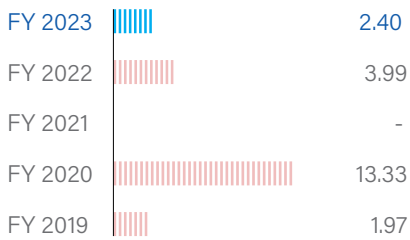
(%)



## Key financial ratios

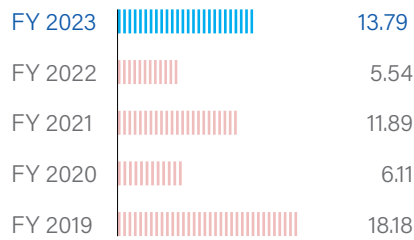
### Debt Equity Ratio

(%)



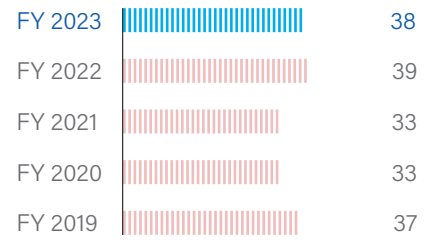
### Return on Net Worth

(%)



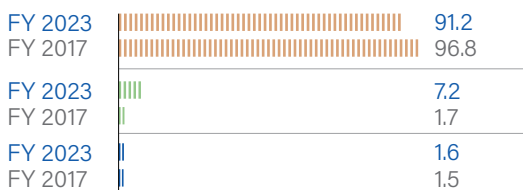
### Return on Capital Employed<sup>1</sup> (CE)

(%)



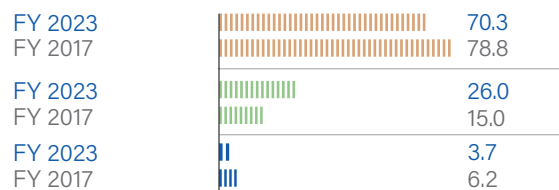
### Operating Revenue Contribution

(%)



### Operating EBITDA Contribution

(%)



■ Staffing and Allied

■ Specialised staffing

■ Other HR services

■ Staffing and Allied

■ Specialised staffing

■ Other HR services

<sup>1</sup>is calculated on actual CE

Higher unallocated EBITDA for FY 2022-23 is on account of reallocation of government training business from Other HR to Unallocated and largely towards one-time expenses towards PF Trust migration, 20 year celebration, IND AS 116.



# Manufactured

## CAPITAL



Our ability to identify and design unique staffing solutions is largely backed by investments in advanced technology, digital platforms and skill development trainings. It empowers our people to efficiently meet the evolving hiring requirements of our marquee clientele and provides a competitive edge to aggressively pursue growth opportunities in a dynamic landscape.



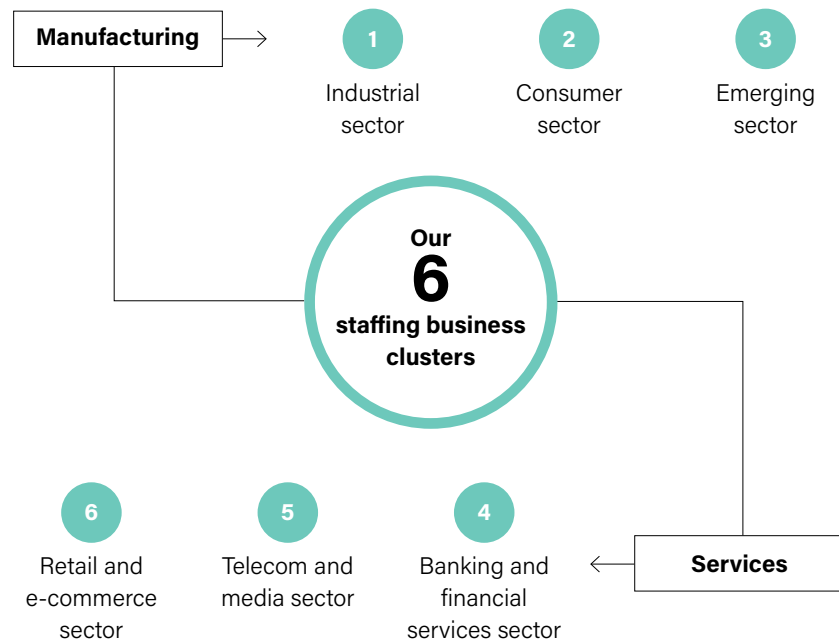
## EMPLOYMENT

### Staffing

The staffing industry in India presents a significant growth opportunity, despite challenges in the operating environment. While problems such as high associate attrition rates and difficulty in sourcing skilled profiles remains a significant issue, various positive developments continue to augur well for the sector. Government investments in infrastructure and manufacturing as well as its focus on formalization of the workforce and introduction of the PLI Scheme offers attractive opportunities for growth. Moreover, a positive outlook for the manufacturing sector also directly correlates with an escalating demand for a formal workforce.

With the rapid growth of financial services, e-commerce, consumer durables, telecom and technology, we continue to witness a growing demand for formal employment. Changes in labour laws, emergence of flexi-staffing requirements and sectoral changes that are likely to create a growing interest in the FMCG and FMCD sectors are also expected to add impetus to capacity expansion plans of organisations.

### Performance across sectors



In the Industrial sector, we experienced significant opportunities owing to the government's PLI scheme for manufacturing and electronics, as well

as the extension of the PLI programme to other industries. Leveraging the managed service programme model, we are looking at capitalizing on these opportunities and positioning ourselves for further growth



Similarly, industry trends to formalize blue-collar workers have created significant opportunities in the Consumer sector. In the Emerging sector, ongoing efforts for digital transformation, growth of Electric Vehicles and the battery manufacturing industry along with a phenomenal progress of the e-commerce space are driving companies to hire a skilled workforce with specialised knowledge. It provides us a unique opportunity to leverage our expertise and experience to create differentiated service portfolios for the six identified cohorts and deliver future ready solutions.

## MANUFACTURED CAPITAL

### Sectoral changes shaping the future

Industries such as EV and battery swapping infrastructure, cement, agriculture, chemical, electronics, renewable energy, textile, precision equipment manufacturing and telecom are expected to witness robust growth in the years ahead. Formalization of the workforce in FMCG and FMCD supply chains, the manufacturing of EVs and

batteries, and the surge in electronics manufacturing due to the introduction of the PLI scheme are anticipated to introduce sectoral changes that will create livelihood opportunities across industries.

For instance, the pharmaceutical, FMCG, and FMCD sectors will place a greater emphasis on the blue-collar

workforce. This focus will entail the formalization of the workforce, digitisation of factories, and extension of the PLI scheme to more sectors. The concentration on managed services and the requirement for upskilling the workforce to control attrition rates are further expected to enhance the staffing needs of various sectors.

The Banking and Financial Services sector presents a promising opportunity for expansion, marked by a surge in product sales across various domains including credit cards, housing loans, and personal loans. We are implementing the business correspondent model and the Hire, Train, Deploy (HTD) model to satisfy staffing requirements of this sector,

With the advent of 5G technology, telecom is expected to be a booming sector that will require skilled employees to sustain in a dynamic industry. We have implemented a multifaceted approach to improve recruitment efforts in urban areas and continue to employ specific hiring modules to meet the evolving needs of our clients. To further streamline the hiring process, we have enhanced engagements with prospective employees through social media interactions.

**₹ 2.24 Lakhs +**

Associates

**20 Lakhs +**

Jobs offered till date

**Across**

Industries

### Growth strategies

At TeamLease, we have implemented a series of growth strategies to enhance our service offerings and increase our revenue potential. It encompasses a comprehensive approach that leverages operational excellence, technology, marketing, and cross-selling to position ourselves as a market leader and drive sustainable growth.

We have streamlined our service delivery to ensure seamless and exceptional client experiences. This has been achieved through a meticulous evaluation of our operations and an incorporation of best practices, resulting in an efficient and reliable service delivery framework.



#### Seamless service delivery

We have made significant investments in technology to develop innovative features such as face recognition attendance systems. By leveraging the latest technological advancements, we aim to deliver cutting-edge solutions that meet our clients' evolving needs and surpass their expectations.



#### Expanding our reach with effective marketing

We have strengthened our marketing initiatives to raise awareness of the full spectrum of services we offer. Through targeted campaigns and strategic messaging, we ensure that relevant stakeholders are informed about the breadth and depth of our offerings.



#### Creating synergies across services

We have implemented a cross-selling initiative between our various businesses to unlock untapped revenue potential from each client. This approach allows us to create synergies between our different service lines and provide holistic solutions that add value to our clients' businesses.

## Specialised staffing

The digitisation wave has brought about an unprecedented demand for tech talent in non-tech industries. Numerous organisations, spanning various industries, are now expanding their efforts to recruit tech talent. Consequently, the proportion of tech professionals in the overall recruitment pool of non-tech companies has grown considerably over the past few years. According to our 'Tech Talent in the Non-tech' report released in April 2023, the tech talent pool within non-tech sectors, which stood at 7.65 Lakhs in FY 2021-22, is projected to grow to approximately 11.15 Lakhs by FY 2026-27.

### Optimising operations

In the past fiscal year, we have demonstrated a remarkable consistency in driving employee productivity, executing our sales acquisition plan and increasing wallet share. Our emphasis on technology in non-tech sectors has yielded a significant opening balance, which will serve as a foundation for future growth while also allowing us to further strengthen our core IT business.

Our specialised staffing division has consistently operated at optimal levels, with a per-employee productivity rate that outpaces our competitors. Through our intensified and targeted efforts in digitalisation, we intend to empower our supply chain and drive further improvements that will increase productivity and improve fulfilment ratios.

### Broadening our horizons

We continue to fortify our position as a leading player in the staffing industry. Our exceptional sales expertise has enabled us in the strategic acquisition of key accounts that have fuelled our growth. We have successfully added 43 new clients to our portfolio, comprising a well-balanced mix of both IT and non-IT sectors, and we expect to maintain this momentum going forward.

Our ability to provide top-tier technology talent, paired with a proficient sales and account management team, enables us to deliver high-quality service in a timely and cost-effective manner. It further positions us to thrive in a specialised staffing industry.

THE TECH TALENT POOL WITHIN NON-TECH SECTORS, WHICH STOOD AT 7.65 LAKHS IN FY 2021-22, IS PROJECTED TO GROW TO APPROXIMATELY 11.15 LAKHS BY FY 2026-27



## MANUFACTURED CAPITAL

### Empowering leadership

Led by a dynamic leadership team with an average of 15+ years of profound expertise in the staffing industry, our company has thrived through exceptional growth and resilience even in uncertain times. Harnessing their extensive knowledge, our leaders have adeptly navigated emerging opportunities and swiftly adapted to evolving customer demands. Their strategic decision-making, combined with their dedication to fostering an innovative, inclusive, and employee-centric culture, has empowered our workforce to achieve remarkable milestones, ensuring enduring partnerships with the company. With a diversity representation of 30% at the leadership level and 54% overall, we remain committed to sustainable growth, tackling challenges, and shaping a promising future.

### Brand enhancement

Demonstrating our commitment to strengthening B2B relationships and attracting potential customers, we organize carefully curated physical and digital events that serve as platforms for engagement. These events are complemented by the publication of cutting-edge reports, whitepapers, and blogs that delve into trending technologies, thereby facilitating meaningful industry interaction. An active social media presence further accentuates our brand's visibility. We aim to capture the attention of job seekers with insightful webinars and captivating content, while also tailoring initiatives such as campaigns, assessments, and events to enhance employability prospects for newcomers. This comprehensive approach cements our position as an industry leader that prioritizes engagement, innovation, and the fostering of lasting connections.

### Digitization and automation

As we embrace digitization, our vision is to transform operational activities into a seamless, interconnected ecosystem. Digitizing key processes aims to amplify collaboration among teams and facilitate real-time data sharing. This culture of innovation encourages employees to explore novel ideas and solutions. The hallmark of our digitized organization lies in data-driven decision-making, empowered by real-time analytics. Deeper insights into market trends, customer behavior, and operational performance drive agile and informed decision-making.

At our core, automation drives efficiency, optimizing resource allocation and streamlining repetitive tasks. Elevating existing tools and technology enhances operational efficiency, reduces errors, and accelerates time-to-market. This strategic approach not only results in cost savings but also empowers our workforce to focus on value-added activities and strategic initiatives. Leveraging new-age technology to enhance hiring efficiency bolsters recruiter productivity, shortens response times, and secures a prominent position in fulfilling qualified open demands.

### Driving future growth

In order to sustain future growth, we aim to include major enterprise clients from technology as well as non-technology sectors. By leveraging contextual expertise and creating specialised verticals that cater to the unique needs of each industry, we seek to implement targeted sales and marketing initiatives to reach a larger customer base.

**8600+**

Associates

**₹ 56,583 Lakhs**

Revenue

**18%**

Gross margin

**₹ 4,365 Lakhs**

EBITDA



## EMPLOYABILITY

### Degree apprenticeship

In 2007, TeamLease sought to bring a change to the Apprentices Act of 1961 and established DA (Degree apprenticeship). Since its launch nine years ago as an initiative of TeamLease Skills University, it has been renamed as Degree Apprenticeship.

It provides a unified platform for the youth, employers as well as academic institutions to avail an effective solution for increasing workplace productivity. It creates opportunities for developing professional capacities through practical training, thereby helping to create an industry-ready workforce. We believe the program has the potential to cover approximately 10 Million participants within a decade and our focus, therefore, remains on expanding its capacity beyond the current 40,000 participating enterprises.

### Unlocking the full potential of apprenticeships

We have taken several steps to enhance the engagement among multiple stakeholders, including universities, students, TPAs (Training Providers), employers, and the Ministry of Skill Development and Entrepreneurship (MSDE). We have made representations to streamline the current checks and balances implemented by the MSDE for onboarding trainees, aiming to ensure a smoother and quicker onboarding process.

Moreover, we have submitted additional petitions to encourage employers and youth to adopt apprenticeships more rapidly and efficiently. Our aim is to facilitate the adoption of apprenticeships by reducing administrative burdens and enhancing collaboration among stakeholders, thereby driving greater participation in the apprenticeship ecosystem.

### Managing workforce needs through apprenticeships

The PLI (Production Linked Incentive) scheme has been instrumental in ramping up the scale of operations, resulting in a persistent need for skilled talent. Given the country's acute skill deficits, Degree Apprenticeships present a compelling solution for organisations to prepare for future opportunities.

Despite the challenges posed by the pandemic, this industry has seen a significant increase in demand, driven by innovations in financing, rising investments, and policy support. Furthermore, as a human capital-intensive industry, it presents exciting prospects for apprenticeships.

While Technology and BFSI are not conventional sectors for apprenticeships, both face significant pressure to fulfil the growing demand for skilled professionals. However, due to a weak talent pipeline, the adoption of apprenticeships will prove to be a game-changer in effectively managing their workforce needs in the near future.



### Positive future prospects

Our business reorganization efforts, based on industry specific classifications, has yielded positive outcomes. Notably, the Automobile, Industrial and Retail, E-Commerce sectors performed well. In contrast, the Consumer and Banking, Financial Services, and Insurance (BFSI) as well as the Telecommunications, Technology sectors experienced slower growth.

Nevertheless, towards the end of the financial year, there was a significant uptick in demand for the Telecommunications/Technology sector, which augurs well for the future. Moving forward, we plan to streamline our business framework further to enhance operational efficiency.

## MANUFACTURED CAPITAL

### Responding to the NEEM closure

The sudden closure of the National Employability Enhancement Mission (NEEM) had an adverse impact on our overall performance. In response, we immediately took action by making a representation to the Ministry of Education and AICTE within three days of receiving the communication from NEEM. The representation sought clarification

on the continuity of the existing NEEM trainees who were already enrolled in the training programme, and follow-ups were made in this regard.

We also filed an immediate stay application in the Delhi Court, which was subsequently granted to us. After persistent efforts, we received clarification on March 16, 2023 from

AICTE and the Ministry of Education that the existing trainees can continue till the completion of their tenure.

Our proactive approach in seeking clarification and taking necessary steps to safeguard the interests of the trainees has helped in mitigating the negative impact of the sudden NEEM closure.

### Revolutionizing education and employment in India

We have achieved significant milestones this year and have offered a unique opportunity for individuals to enrol in online degree programmes from renowned universities while working as an apprentice with an industry partner. Each apprentice has access to the curriculum through a mobile-enabled digital platform developed by TeamLease. It can be operated on any smartphone and can also be seamlessly used in areas with poor network connectivity.

Although the degree and apprenticeship is offered simultaneously, the learning curve for each is distinct. The degree courses are co-created with industry partners to align with the needs of an evolving industry requirements and apprentices acquire skills that make them future ready.

### Achieving objectives through strategic collaborations

We have collaborated with universities to offer industry-led curriculums for our Degree Apprenticeship programmes. Sector Skill Councils (SSCs) have also played an integral role in executing all the steps of this programme.

We are also working closely with the Ministry of Skill Development and Entrepreneurship (MSDE) to factor in regulatory changes and modifications to the curriculum. Besides, we have been appointed as the exclusive country partner of the Global Apprenticeship Network (GAN) and as the apex body driving the global agenda for apprenticeship, this partnership will be invaluable in furthering our efforts to expand the reach and impact of our programmes.

### 6 Lakhs +

Apprentices enrolled till date

### 1,000+

Employees across 30 sectors enrolled

### 95%

Apprentices enrolled in formal employment

### 37%

Apprentices employed by the same employer where they underwent On-Job-Training

### 50,350

Trainees

EACH APPRENTICE HAS ACCESS TO THE CURRICULUM THROUGH A MOBILE-ENABLED DIGITAL PLATFORM DEVELOPED BY TEAMLEASE.





## TL Edtech

TL EdTech has partnered with leading institutions to help them develop holistic programmes that help in skill development alongside academic knowledge thereby enhancing the employability of the learners. It assists universities to launch, operate and manage their own Online Degree programmes and partners with reputed institutions to launch Work-Linked Degree Programmes to make the students employment ready. We have already partnered with about 50 large Indian universities and helped them with their learning solutions.

The Work-Linked Degree Programs of the partnering universities embed the values of Learning-while-Doing and Earning-while-Learning in them. TL EdTech also partners with leading organisations in upskilling and reskilling their workforce; it helps them build talent supply chains, helps make

the pre-joining induction programs more effective, conducts technical training on new technologies for existing teams and helps employed learners with additional credentials through its Degree Connect Solutions.

TL EdTech's multiple tech platforms help to provide a comprehensive range of learning services – its Virtual Labs and Code Assessment platforms enhance the learning experience of the students, its AI enabled Remote Proctored Online Assessments platform helps universities and organisations conduct credible assessments, its AI enabled multi-lingual Learning Management System helps democratize learning and its Placement Platform helps institutions streamline their student placements.



## MANUFACTURED CAPITAL

### Digiversity

We have developed an integrated degree-apprenticeship portal called Digiversity ([www.digiversity.com](http://www.digiversity.com)), aiming to revolutionize the intersection of education and employment in India over the next 25 years. The portal introduces five innovative design principles, including

- Learning while earning
- Learning by doing
- Learning with flexibility
- Learning with qualification modularity
- Learning with signalling value

As a Multi-Employer, Multi University platform, Digiversity empowers students to make informed career

decisions by offering a wide range of universities and programs for comparison, considering ROI and value. Learners can simultaneously enroll in a university and an employer, and the platform offers assessments and guidance for courses, industries, and job-roles.

Digiversity's open architecture integrates universities, employers, and 100 programs, granting learners the power of choice. The platform also facilitates employer sponsorship for deserving students, revolutionizing education financing for higher education learners. By offering work-integrated programs, it aims to enhance graduate employability and increase the Gross Enrollment Ratio (GER) by providing an alternative pathway for students who previously had to discontinue formal education due to financial constraints.



### Expanding online learning horizons through collaborations

Our partnership with renowned institutions like IIT Patna, Chandigarh University, Gujarat Technological University, Vivekananda Global University, GLA University, Jain University, Aligarh Muslim University and Uttaranchal University has helped thousands of learners enrol into these innovative new age programs. We have also collaborated with the CSC Academy, BOAT, Governments of Telangana, APSCHE, and Assam's AMTRON to promote these programmes amongst learners. TL EdTech has also collaborated with PeopleCert to provide Indian universities and corporates with in-demand IT and management skills for various upskilling and reskilling programmes.

### Meeting the demand for skilled graduates

The prospects for TL Edtech appear to be quite positive for the years ahead. We have established partnerships with 50 universities with more than 6 Lakhs students learning on its platform, demonstrating the resounding success of this innovative approach to education. We have also collaborated with 900 employers, indicating a strong demand for skilled graduates and a shared commitment to bridge the skill gap in the workforce.

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**35**

Universities collaborating with us

---

**5.5 Lakhs**

Students trained

---

**138**

Corporates associated with us

---

**363+**

Degree, diploma and certificate programmes managed

---

**40,000 Hours**

Media content



THE PLATFORM HAS COLLABORATED WITH 900 EMPLOYERS, INDICATING A STRONG DEMAND FOR SKILLED GRADUATES.

## MANUFACTURED CAPITAL

### EASE OF DOING BUSINESS (EODB)

#### HRTech

Businesses around the world have embraced digitalisation to add efficiency to their operations. From large multinationals to small and medium enterprises, the demand for advanced technology to aid human resource management has increased at a phenomenal pace. In India, the Human Capital Management market reached ₹ 1650 Crores in 2022 and is expected to grow rapidly, with employee experience, wellbeing, and productivity taking centre stage.

TeamLease HRTech is helping organisations achieve their digitalisation goals through a focus on innovation and an emphasis on people, processes and technology. It has led to the development of sophisticated applications that meet the needs of a modern workforce.

#### Staying ahead of the curve

We are currently identifying and targeting unexplored markets in India by positioning our Human Resources (HR) solutions for two distinct segments: Small and Medium-sized Businesses (SMBs) and Enterprise businesses. By offering a comprehensive product stack, encompassing the entire employee lifecycle from pre-hire to post-retirement, we aim to enhance the overall employee experience. Our product stack includes Applicant Tracking and Core Human Capital Management systems that are seamlessly integrated with our Edtech and Regulatory Technology (RegTech) platforms to provide comprehensive solutions for digitising every aspect of human capital management within an organisation.

#### Fostering seamless experiences for our customers

We are experiencing organic growth by attracting new customers who are contributing to our recurring revenue stream. Our client attrition rate is minimal, thereby strengthening our growth trajectory for the next fiscal year.

Besides, we are exploring potential partnerships with technology platforms that align with our product roadmap. These collaborations will enable us to expand our product suite and better serve our customers. We are also actively seeking out and collaborating with specialised solution providers in the Indian market and integrating their offerings into our platform to deliver better experiences to our clients.

**2,50,000+**

Employees part of digital workforce solution (Internal+External)

**429+ clients**

Payroll and compliance services

**3,647 Lakhs**

Revenue



TEAMLEASE HRTECH IS HELPING ORGANISATIONS ACHIEVE THEIR DIGITALISATION GOALS THROUGH A FOCUS ON INNOVATION AND AN EMPHASIS ON PEOPLE, PROCESSES AND TECHNOLOGY.

## Regulatory Technology (RegTech)

Companies now realize the importance of pursuing transparent and accountable businesses that ensure compliance with corporate governance norms and regulations. Failing to meet compliance requirements can be an expensive affair. Therefore, to ensure timely completion of regulatory formalities, digital platforms are being deployed to detect errors and avoid delay.

## Automating compliance processes

During the fiscal year 2023, the RegTech Business has prioritized automated compliance processes related to labour and secretarial functions, specifically those governed by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. Significant improvements have been made to both products, and in FY 2023-24, we plan to enhance these offerings while establishing a dedicated sales team to drive greater client adoption.

To support our growth in this division, we will be ramping up our field sales team from 6 to 17 Full-Time Employees (FTEs) in phases, and expand our sales team from 3 to 8 FTEs to generate more qualified leads. These changes will result in improved sales coverage across all regions. Additionally, the creation of dedicated sales capacity for our Avasec and Avacom-Labour products are expected to further improve our revenue mix.



## MANUFACTURED CAPITAL

### Expansion of client base

The RegTech business achieved a remarkable milestone in FY 2022-23, as it experienced positive growth in EBITDA for the first time. Furthermore, we witnessed significant growth in various areas, with MRR increasing by 78% and revenue by 59%.

We also expanded our client base by adding 95 new corporate clients, a testament to our growing reputation and expertise in the industry. The average recurring revenue per client for new client acquisitions was higher than the previous fiscal year, with at least 20% of new clients added having a monthly revenue of over ₹ 50,000.

### Introducing Contractor Compliance

In FY 2022-23, a new solution, 'Contractor Compliance', was launched. It empowers corporations to exercise greater control over their contractors' compliance obligations and maintain transparency of operations. By adopting a framework-based approach to managing contractor compliance, corporations can improve their overall compliance preparedness. Additionally, audit services are also available as a complementary service along with this solution.

### Paperless compliance systems

Our efforts to establish a paperless compliance system through open APIs allow us to maintain stronger relations with various government departments and regulators. We have also collaborated with industry associations like CII and FICCI, among others to further bolster our compliance systems.

The SEBI Chairperson has recently launched the compliance automation system as a FICCI RegTech initiative to encourage paperless compliance. It aims to help listed companies complete paperless compliance procedures while streamlining the entire process and thereby making it more efficient.

### Refining and expanding our automation offerings

We have undertaken significant initiatives to advance automation capabilities in secretarial and labour domains to increase the uptake of our products through specialised sales teams. The automated offerings are also being refined at regular intervals, taking into consideration client feedback. We also remain committed to partner with government departments and regulators to establish open APIs and publish data-

driven research reports that highlight key opportunities and challenges in the sector.

Our goal is to empower businesses in secretarial and labour domains by continuously improving our automation solutions and collaborating with clients, sales teams, and regulatory bodies to deliver customized, data-driven results.

### Strengthening revenue growth

To improve the revenue mix from Avacom, Avasec, and Avacom Labour, we strive to develop deeper sales and marketing capabilities. One of our key strategies is to increase the size of our sales teams for Avacom products. Additionally, we plan to introduce greater automation in the client onboarding process to enhance efficiency, improve quality, and minimize errors. With this initiative, we expect to significantly reduce the time taken for onboarding a new client to completing billing formalities in a faster and more accurate manner.

## 1,500+

Legal acts covered

## 69,000+

Compliance database

## 80%

Of total labour compliance covered through our automation product

## 250

Live customers

**THE AVERAGE RECURRING REVENUE PER CLIENT FOR NEW CLIENT ACQUISITIONS WAS HIGHER THAN THE PREVIOUS FISCAL YEAR, WITH AT LEAST 20% OF NEW CLIENTS ADDED HAVING A MONTHLY REVENUE OF OVER ₹ 50,000.**

# Shared success stories



My journey with TeamLease has been truly remarkable. I'm grateful to the HR team for their steadfast support since the day I joined. The organization's employee-centric approach and emphasis on work-life balance make it an excellent place to thrive.

**- Tanusree Karmakar**



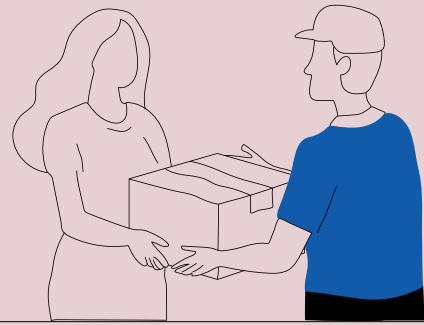
TeamLease is exceptional in its employee support. Regular 'Open House' meetings provide a platform for innovation and dialogue. The staff is always approachable for guidance, and their prompt and thorough responses to our queries demonstrate their commitment to our growth.

**- Bogathi Lokeswara Reddy**



My stint with TeamLease on TCS payroll was fantastic. The work environment is not only comfortable but also adaptable, and seeking help from HR is always hassle-free. Even after moving on, the ongoing support, like providing Form 16 A and B, underscores their dedication to employee well-being.

**- Senthil Kumar K**



# Human

## CAPITAL



At TeamLease, we pride ourselves as a people-centric organisation that is committed to nurture its human capital. With proactive efforts to foster a conducive working environment and ample opportunities for talent to flourish, we seek to build a workforce that aligns with our ethos of maximizing value creation for diverse stakeholders.

During the year, we focused on optimising employee performance and productivity to gradually lead the transition towards new modes of working in the new normal, placing a greater emphasis on holistic well-being of our people.

We also engaged an external auditor to assess our compliance with established norms and to identify areas of improvement. The audit confirmed our compliance with regulatory processes and offered recommendations to inculcate best practices among associates, agents, and other partners.





## ENSURING EQUAL OPPORTUNITY

We are dedicated to provide equal opportunity at the workplace and foster a culture of diversity and inclusion. Our emphasis on creating an equitable working environment allows us to prioritize potential and performance to attract and retain a skilled and talented pool of people. At TeamLease, we do not discriminate on the basis of caste, creed, religion, nationality, gender or physical ability and strive to nurture a level playing ground for every individual. We also intend to maintain pay parity, eliminating gender bias.

### Gender snapshot

#### Core employees

(%)



#### Staffing

(%)



#### Degree apprenticeship

(%)



### Diversity in leadership

At TeamLease, we take pride in having a significant representation of senior women leaders in our top management team. With the average male to female ratio of 65:35, we strive to maintain gender-neutral policies to prevent reinforcement of gender-based stereotypes. We are, therefore, committed to provide equal opportunities to everyone, regardless of their gender.

## 44%

Senior women leaders

### Board Snapshot

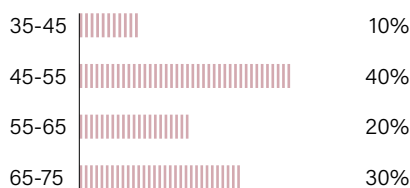
#### Board members by gender

(%)



#### Board members by age

(₹ in Lakhs)



### Maintaining workforce diversity

We strive to bring different perspectives, skill sets and experiences to the organisation by hiring and retaining a diverse set of people. It not only allows us to facilitate underrepresented groups but, also actively promotes the hiring of women. To realize the maximum potential of our teams, we continue to use our best resources as well as technologically fortified platforms to facilitate skill development and reskilling.

## 463

Female new hires

### Ensuring a safe and respectful working environment

We are also dedicated to preventing sexual harassment at the workplace. In the current fiscal year, 3 complaints were reported from our core employees and 10 from our associates, all of which were resolved in a timely manner. To prevent such incidents, we ensure that 100% of our employees complete an e-module for preventing sexual harassment, within one month of joining the Company. We explicitly mention this requirement in our Letter of Appointment and greatly emphasize adherence to the policy.

To ensure transparency and accountability, we provide quarterly updates on all sexual harassment cases to the Nomination and Remuneration Committee. With a focused approach to upholding the safety and respect of employees, we continue to undertake measures that enhance the overall well-being of our people.

### Flexible policies for new mothers

Post maternity, women employees can seek partial or temporary work from home facilities. Based on the nature of their role and business requirements, the request is accommodated by the respective reporting line. Women employees may also be granted extended leave after the tenure of their maternity leave. We have also collaborated with day care centres to help women employees avail the services for children up to 6 years of age.

**WOMEN EMPLOYEES MAY ALSO BE GRANTED EXTENDED LEAVE AFTER THE TENURE OF THEIR MATERNITY LEAVE.**

## HUMAN CAPITAL

### EMPLOYEE ENGAGEMENT

We prioritize open communication and engagement with our employees by regularly addressing concerns and questions. We also consider it important to explain our core policies to foster a sense of belonging and purpose.

To ensure effective communication, we regularly engage with employees through various initiatives. Monthly and quarterly physical business reviews with the MD and CEO are conducted to discuss all aspects of business. Hybrid quarterly town halls are also held, to reach out to employees in different parts of the country. In addition, email communication is used for cascading important information and virtual calls are held to regularly communicate with employees.

#### Fun Committee

In FY 2022-23, we have established a Central Fun Committee to organize employee engagement activities on a quarterly basis, across all our offices. Along with exploring options for conducting online activities, we have compiled a list of team-building activities that can be organized upon request. Besides, we celebrate birthdays and acknowledge the contribution of employees through long service awards.

#### Employee feedback

We conduct periodic surveys, through various channels, to regularly interact and gather feedback from employees. These surveys are conducted bi-monthly or on a quarterly basis. Recently, we conducted an internal survey to gauge employee preferences for place of work. Over 70% of our employees shared

their opinion and stated that working from office increases their connection with teams and the organisation as a whole. Besides, it is easier and faster to collaborate with other teams when people are working from the office. Our employees also noted the fact that it is much more challenging for new joiners to settle down through a hybrid work model.

Based on these insights, we encouraged our employees to return to the office and a pilot programme involving a hybrid working model for roles that can include partial work from home and office was tried for three months. It helped people to settle down in office restore work-life balance. As a result, we have almost normalized working from office, except for a few roles where remote work is necessary.

**70%**

Employees participated in employee survey



## TALENT MANAGEMENT

The talent acquisition process involves a well-defined process that creates an optimal match between the role, compensation, and the candidate. To enhance employee experience, we have implemented several initiatives such as process automation, skip level meetings and employee help desks to promote efficiency and productivity at the workplace. Specific programmes have also been designed for new joiners to keep them motivated and engaged in a new workplace.

Our new office premises in Bangalore, which started operation in FY2022-23, provides employees access to better infrastructure and with nearly 50% of our core employees based in the office, it serves to create an engaging and value-driven work culture.

### Induction process

Our talent acquisition process is managed by a dedicated Talent Acquisition team. We source talent through internal referrals, social media platforms such as LinkedIn, job portals, consultants and walk-in interviews. Campus hiring drives are also conducted for hiring management trainees from premier business schools. We also emphasize on the recruitment of young talent, through walk-in drives and employee referrals for freshers. Management trainees and summer interns are also recruited from campuses through our campus hiring program.

### Day 1 Connects

The Day 1 Connects programme, our day-long onboarding and induction process, commenced in FY 2022-23. This programme is designed to provide all necessary information to new hires on the first day itself. During the day, employees are assigned laptops or other work accessories and their biometric registration is completed. Introductory sessions with reporting managers are also concluded on the same day along with a comprehensive session on introducing candidates to the organization's policies. It helps employees to easily settle down in their job roles and understand the scope of work.



## HOLISTIC EMPLOYEE WELL-BEING

During the fiscal year 2022-23, we launched an annual programme to enhance the holistic well-being of our people by focusing on four key elements: nutrition, physical activity, mental health, and financial wellness. To gather insights on these aspects, we invited experts to conduct virtual sessions for employees across various locations.

To promote physical wellness, we arranged location-based activities such as yoga, zumba, aerobics, eye check-ups, and blood donation drives. Alongside, mental wellness sessions concentrated on work-life balance and included simple exercises to help employees relax and remain stress-free.

### Promoting a healthy working environment

We have made significant improvements to our office facilities to promote a healthy work environment. The cafeteria, washrooms, and office space have been remodelled to ensure that they meet the highest standards of hygiene and safety. Moreover, we have implemented advanced facial biometric technology in all our offices to enable seamless and contactless employee logins. We also organized free vaccination camps for all our employees and their family members.

### Ensuring workplace safety

Our Emergency Rescue Team (ERT) is trained to handle emergency situations and safely evacuate employees from the office premises. We also provided fire safety training to our employees. As part of the mandatory induction process, all new employees are required to complete a general occupational health and safety training that covers topics such as health, safety, and risk.

## HUMAN CAPITAL

### LEARNING AND DEVELOPMENT

Our goal is to foster a thriving learning and working environment that nurtures continuous growth and development. To fulfil this objective, we dedicate significant resources for employee training and skill development.

#### Learning & Development framework

Our Learning & Development framework emphasizes the need for constant learning and the adoption of efficient methods for boosting productivity. As part of this framework, we actively encourage job rotations, provide colleagues with opportunities to work in different roles, under diverse managers and with varying teams and stakeholders. It enables them to broaden their perspectives, gather new experiences and develop necessary skills for managing advanced responsibilities that result in higher job satisfaction and engagement.

For digital learning, we utilize our in-house LMS platform, Digiversity. It provides access to a range of programmes, including functional induction, essential skills, sales skills, and managerial and leadership skills.

**204**

Total training sessions conducted

**79**

Functional training sessions conducted

**62**

Essential skills training sessions conducted

**1,600+**

Employees were trained in essential, functional, sales and managerial skills

#### Training evaluation

To gauge the efficacy of our training programmes, we utilize multiple evaluation methods and solicit feedback from participants post-training. For certain courses focused on management and skill development, we conduct a pre-evaluation to establish a baseline for the key behaviors and abilities that the programme aims to improve. Additionally, we conduct a post-evaluation to monitor progress and track improvements in the identified skills and behaviors.

**86**

Training sessions evaluated

#### Collaborations for learning and development

TeamLease offers a Professional Development Assistance Programme to reward high-performing employees who have completed at least one annual review cycle with us. This programme provides up to 80% reimbursement of course fees, up to a maximum of ₹ 1 Lakhs, to encourage employees to pursue higher education.



WE UTILISE MULTIPLE EVALUATION METHODS AND SOLICIT FEEDBACK FROM PARTICIPANTS POST-TRAINING.

## LEADERSHIP DEVELOPMENT

We have a comprehensive approach to leadership development that includes tailored functional and flagship programmes based on roles and levels. We conduct an assessment of each department's capability gaps and create customized programmes to address these needs. Our aim is to enhance employee skills and capabilities, preparing them for new roles and aligning their objectives with the organization's business goals.

### Individual Development Plans

We have implemented Individual Development Plans for key leaders, providing a platform to discuss their career aspirations and identify the necessary experiences and interventions to develop skills for future roles. Our goal is to cultivate and nurture an internal talent pool that leads the Company to greater heights of success.

**38**

Leaders identified

### Succession planning

We conduct a quarterly talent review with senior leadership to assess the organization's succession pipeline. This involves identifying high-performing employees who have the potential to move up to the next level. Currently, the organisation has 45 leaders chosen from the internal talent pool in comparison to 55 leaders hired from external sources.


In order to support the development of top leaders, the organisation is funding up to 50% of the course fees for executive programmes with prestigious universities in the USA during FY 2022-23.

WE HAVE INTRODUCED THE '20 YEAR LONG SERVICE AWARD,' WHICH HAS BEEN AWARDED TO TWO EMPLOYEES DURING FY 2022-23.

### Rewards and recognition

We have implemented a three-tier framework to acknowledge the exceptional dedication and valuable contributions of our employees. As we celebrate our 20th anniversary at TeamLease, we have introduced the '20 Year Long Service Award,' which has been awarded to two employees during FY 2022-23.


Furthermore, we recently held the Annual FAB Awards at our new office in Bangalore, which was broadcast live to other TeamLease offices. Our performance management and rewards and recognition programmes are designed to incentivise and recognize individuals who demonstrate phenomenal performances and achieve individual goals.




## CONGRATULATIONS

— ON COMPLETING —

## 20 YEARS





The past two decades have been an incredible journey, marked by significant personal growth and invaluable interactions with leadership. Despite my extensive industry experience, I continue to learn and evolve, and my time with TeamLease has been particularly transformative. The challenges and successes along the way have shaped me into the Vertical Head I am today. Guided by a long-term vision, I have cultivated a network of colleagues who share the same goals, and I am grateful to my leaders and team members for their trust and support on this remarkable path.

**E J Samuvel**  
TeamLease Digital



# Intellectual

## CAPITAL



To drive sustainable progress, we rely on the strength of our intellectual capital to enhance process excellence and create value through innovation. Digitalisation, today, plays an integral role in shaping the recruitment industry and is one of the key enablers for adding efficiency to processes. Our emphasis on leveraging advanced technology to upgrade our existing platforms and aid interventions in the hiring process is expected to offer appropriate solutions to clients while reducing the cost of recruitment.

Our recruitment efforts have been fortified by the presence of highly skilled professionals adept in contemporary technologies. It has enabled us to develop a robust and scalable recruitment, training and skill development framework, designed to deliver seamless user experiences.

To meet the demands of our customers, we prioritize early access to products and pilot projects, as well as leverage the power of data science. In addition, we offer digitalisation training, innovation workshops and organize hackathons to ensure that our team and partners stay up-to-date with the latest technological developments in the industry.



## DIGITALISATION ROADMAP

We strive to remain a step ahead of the curve by incorporating new and advanced features into our systems. We are leveraging state-of-the-art technologies and digital platforms such as Customer Relationship Management (CRM) and Advanced Logistics Control System (ALCS) in our daily operations. As part of our strategic plan for digital transformation, we have executed various technology initiatives that have generated significant advantages in terms of productivity, customer experience, and digital engagement.

### Intelligent chatbot

We have developed an intelligent chatbot with advanced conversational AI capabilities and multilingual support that has greatly improved the speed of resolving associate queries. Moreover, we have also created a chat builder platform that empowers our business teams to design workflows without the requirement of specific technical expertise.

### DWS suite

Our DWS suite features a modern architecture that ensures maximum scalability through an asynchronous design and high flexibility via configurable features. Furthermore, customer onboarding has been streamlined, making it more structured, rapid, and easy.



### Customer support system

We have also implemented a customer Support System for information access and key operations, which has enhanced the efficiency of our operations. Additionally, we have implemented tailored programmes aimed at resolving key customer concerns, thereby elevating their engagement and experience.

### Real-time verification

Real-time verification during associate onboarding has significantly boosted productivity and experience in two ways. First, it has simplified the onboarding process for associates, allowing them to complete the process more quickly through real-time verification of their Aadhaar, PAN, and bank details. Second, it has reduced the manual workload involved in verifying the data, leading to more accurate results and fewer errors. Automated verification via APIs has further improved data accuracy and authenticity.

## PRODUCT DEVELOPMENT LIFE CYCLE

Our development process is designed to incorporate ongoing feedback from various sources, including customers, prospects, and competitors. This allows us to easily identify shortcomings and opportunities, which are then refined by our product development team and helps in the creation of innovative features.

### Leveraging open-source technology

We utilized open-source technology for our new product development. While our legacy applications were largely built on the Microsoft stack (using .NET and MS SQL), our newer products are built with technologies such as NodeJS, VueJS, and PostgreSQL, and hosted on Linux. This strategy not only reduces direct costs but also offers superior performance through a modern microservices architecture, yielding cost savings in infrastructure.

### Research and development

While delivering on our roadmap is always a priority, we have made a conscious effort to invest in a dedicated research and development team. We continuously conduct POCs (proof of concepts) and POVs (proof of values) to explore avenues for incorporating new technology and enabling structural changes.

### Aligning to key digital trends

As digital engagement is a key performance indicator for our products, we monitor it closely. Analyzing in-depth user behaviour (such as usage type, frequency, and area) yields valuable insights. We also engage in one-on-one sessions with customers to better understand their perspectives and feedback, ensuring that our value proposition aligns with the market, while our innovations and product roadmap stay relevant.

## INTELLECTUAL CAPITAL

### COLLABORATION OPPORTUNITIES

The democratization of technology has given rise to a multitude of cutting-edge digital start-ups offering exceptional products and services. However, creating an inclusive and efficient ecosystem requires a symbiotic relationship between leading products in various domains. With this in mind, we are actively seeking product partnerships and collaboration opportunities with innovative players to enhance employee engagement, financial inclusion, benefit customer support, introduce AI capabilities and smarter onboarding processes.

Furthermore, we have established strategic partnerships with prominent information security original equipment manufacturers (OEMs) and consulting firms to expedite our efforts in achieving our governance, risk, and compliance (GRC) roadmap.

**OUR USER-FRIENDLY WEBSITE AND MOBILE APP INCLUDE FILTERS SUCH AS COLLEGE, BRANCH, YEAR OF GRADUATION, AND PERCENTAGE, AS WELL AS A HYPER-LOCAL SEARCH OPTION. OUR EXCLUSIVE RECRUITER DASHBOARD PROVIDES INSTANT ACCESS TO OVER 300,000 UNIQUE CANDIDATE PROFILES.**

### OUR DIGITAL PLATFORMS

#### Hiring portal

[Teamlease.com](https://www.teamlease.com)



TeamLease.com is an end-to-end job portal connecting entry-level, blue collar, and working-class job seekers in the organized sector. With pan-India presence, including tier-I, II, and III cities, and support services in six different languages, it offers a seamless experience. Users can take assessment tests and receive customised solutions for job profiles, and employers can manage the entire recruitment process on a single platform, from shortlisting to on-boarding.

**40%+**

Hirings during FY 2022-23 through digital mode

**11.7 Lakhs +**

Active job seeker profiles

**4.5 Lakhs +**

Monthly page views

**3,600+**

Candidates register monthly

**4.42 Lakhs +**

Monthly Unique page views

#### Entry-level hiring portal

[Freshersworld.com](https://www.freshersworld.com)



Freshersworld.com is a leading job portal for entry-level hiring, offering end-to-end solutions for recruitment and branding. Our user-friendly website and mobile app include filters such as college, branch, year of graduation, and percentage, as well as a hyper-local search option. Our exclusive recruiter dashboard provides instant access to over 300,000 unique candidate profiles. Additionally, we offer a variety of placement opportunities for fresh graduates across India, both on-campus and off-campus. We also provide brand awareness and visibility programmes for our employers and an online and offline assessment tool for candidates.

**40,000+**

Resumes added every month

**23,000+**

Unique visitors every day

**30.59 Lakhs +**

Followers on social media

**3,800+**

Campuses associated with us across the country



## 331 Lakhs +

Yearly Page views

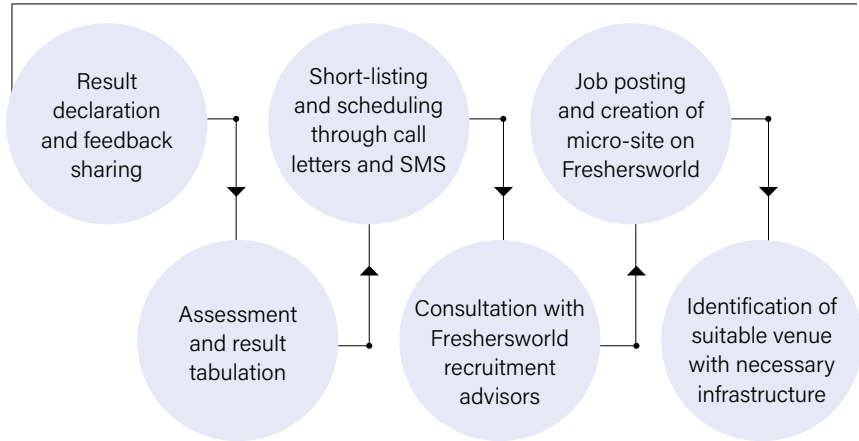
## 33,800+

App downloads

## 26,050+ Companies

Hired through freshersworld.com

### Our recruitment procedure:



### Apprenticeship portal

[Apprentices.in](https://www.freshersworld.com/apprenticeship)



We operate a digital apprenticeship portal that links employers and job seekers, in collaboration with the India Apprenticeship Forum. Our portal, which offers on-the-job, online, on-site, and on-campus learning, has become the largest degree-linked apprenticeship programme under the New Education Policy 2020. It complies with the Apprentices Act and is collaborating with several universities to provide certificate, diploma, advanced diploma, and degree courses over the past seven years.

### Digital Workforce Solutions (DWS)

DWS is a comprehensive HR technology platform that has extensive capabilities across diverse worker segments including gig, blue collar, white collar, and grey collar personnel. Our platform's distinctive technological architecture, developed using Node.js and microservices, empowers us to offer unparalleled scalability, configurability, and seamless integration with existing client technology infrastructures.

By leveraging our cutting-edge proprietary platform, we are committed to delivering exceptional employee experiences, optimising productivity, and facilitating seamless migration for both existing as well as prospective clients.

## 1,097

Clients registered

## 4,36,000

Downloads on Play Store

## 1 Lakh +

Users added in FY 2022-23

### ENSURING DATA SECURITY

We have implemented a rigorous IT management and governance framework, developed in alliance with the COBIT 2019 framework from ISACA. It comprises a comprehensive set of controls, expertly grouped under key categories such as Strategy and Governance, Financial Management, People and Resources, Service Planning and Architecture, Infrastructure and Operations, Security and Risk, Applications, PPM and Projects, and Data and Business Intelligence.





# Social and Relationship

## CAPITAL



Embedded in our fundamental ethos is a deeply ingrained commitment to social responsibility, embodying the principles of a socially conscious enterprise. This commitment is interwoven into the very fabric of our organisation, reflecting a resolute dedication to building a more resilient society.

Our pursuit of sustainability finds its roots in impactful community programs that transcend short-term objectives. These enduring initiatives hold the potential to transform lives positively, fostering lasting change within the communities we serve.



## RELATIONSHIP WITH THIRD PARTIES

Extending the principles of our Code of Conduct beyond our immediate sphere, we govern our professional interactions across a diverse spectrum. From customers and partners to competitors, vendors, government regulators, shareholders, and co-workers, our Code stands as a compass guiding ethical behaviour and values that underpin our business.

## ETHICAL ENGAGEMENT

By delivering timely and transparent information, we aim to empower our investors with the knowledge required to make informed investment decisions. This approach not only builds trust and credibility but also ensures that our investors are well-equipped to appreciate the full scope of our strategic initiatives, market positioning, and potential for long-term value creation. We engage in a purposeful dialogue aimed at sharing comprehensive insights into our Company's performance, growth trajectory, and future prospects.

## COMMUNITY ENGAGEMENT

At the heart of our operation lies a profound dedication to catalyzing positive change within the communities we serve. We contribute to the progress of human rights within the regions where we operate, focusing on key concerns like land ownership, access to clean water, and public health. This engagement extends to the inhabitants of these communities, particularly indigenous populations and other marginalized segments. Through meaningful dialogues, we attentively listen to and learn from their perspectives, incorporating their insights into our considerations. Our involvement extends to local issues, championing initiatives that begin at the community level. In addition, our commitment to human rights issues within our operations entails collaborating extensively with diverse civil society groups and stakeholders as necessary.

## REGULATORY BODY ENGAGEMENT

Our proactive engagement with regulatory bodies reflects our commitment to make a positive impact on the community, with a primary focus on enhancing education and skill development. Over the past nine years, we have diligently collaborated with the Ministry of Labour and Employment (MOLE) to successfully implement four labour codes, which have received approval from both Houses of Parliament. Our persistent advocacy efforts, in conjunction with MOLE and government stakeholders, have led to substantial amendments and enhancements to the Apprenticeship Act, resulting in increased employability and a surge in employment opportunities.

In the pursuit of enhancing youth labour participation, a comprehensive understanding of local labour market dynamics and employment intricacies is imperative. To address the pressing issue of youth unemployment, we have fostered effective synergies between the private employment industry and various public entities. Our advisory role has been instrumental in proposing a linkage between stipend disbursement and minimum wages within the initial framework of the Apprenticeship Act. Furthermore, our advocacy has successfully influenced the restructuring of salaries, translating to higher in-hand earnings, thereby catalyzing formal employment creation.

Our commitment extends to aligning our practices with international standards. Our national licensing framework for contract labour adheres to the ILO Convention 181, specifically tailored to the private employment sector. This underscores our dedication to fostering a robust and equitable labour environment that resonates with global best practices.

## ENHANCING EMPLOYABILITY THROUGH YOUTH UPSKILLING

We are dedicated to equipping young individuals with vital skills and ensuring they have access to the necessary resources, ultimately paving the way for sustained employment opportunities for our youth. Our dedication to nurturing talent and fostering meaningful employment aligns with our responsibility to adapt to the dynamic professional landscape.

We advocate for our clients to embrace a holistic approach to talent development, including those requiring additional support to enter the workforce. In our pursuit of this commitment, we also facilitate the reskilling and upskilling of emerging talents, empowering them to navigate the swiftly evolving job market.

We are also involved in the transformation of CBSE's board exams, working towards a shift to competency-based assessment systems that comprehensively evaluate students' abilities. Our contributions extend to economic research in India, specifically focusing on enhancing employability prospects and making a meaningful impact on this crucial aspect.





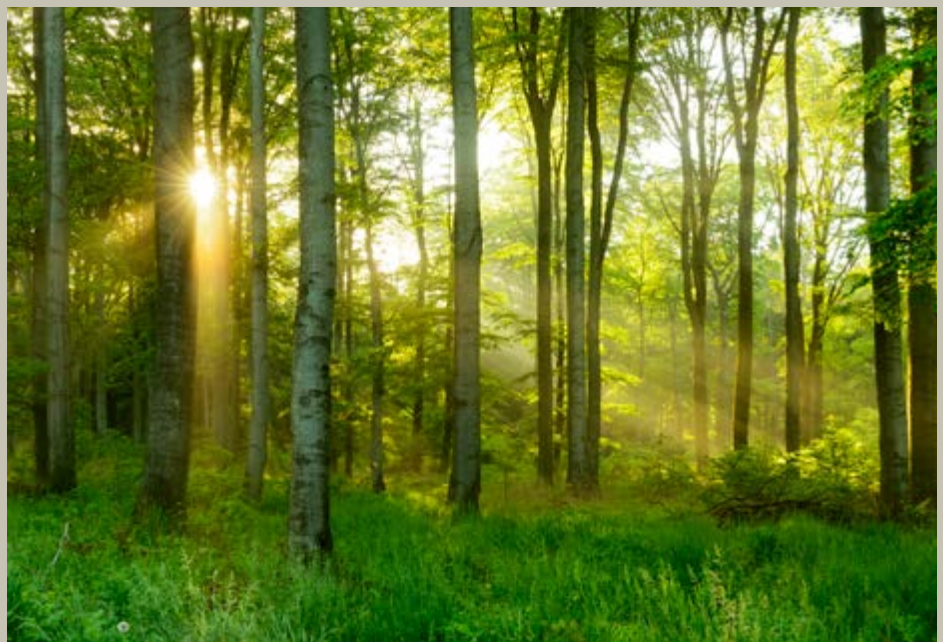
# Natural

## CAPITAL

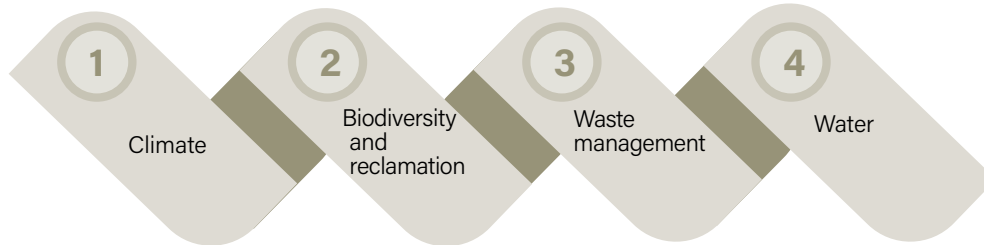


We recognize that our actions today profoundly impact the future of our planet and the generations to come. Through thoughtful resource management, we strive to minimize waste and conserve energy, embracing innovative technologies and processes that reduce our environmental impact.

Through our holistic approach, we strive to strike a balance between human progress and ecological well-being.



## ENVIRONMENTAL FOCUS AREAS



Through our environmental stewardship initiatives, we strive to cultivate a harmonious relationship between the environment and society. With a strong commitment to responsible operations, we are dedicated to minimising the environmental footprint of our activities. Our focus extends beyond conventional practices, aiming to both avoid and reduce any adverse effects on the environment.

By fostering resource conservation within our operations, we seek opportunities to create a positive impact. Our approach combines innovation and adaptability, enabling us to mobilize skilled workforces precisely when our clients require their expertise. This strategic approach not only enhances efficiency but also contributes to reduced resource consumption. Leveraging our industry expertise and widespread influence, we concentrate our efforts on high-potential areas for substantial environmental reduction, ensuring a sustainable and greener path forward.

## PROMOTING RESOURCE EFFICIENCY

Embracing a commitment to sustainability, we enhance resource efficiency across our operations. Our efforts extend to sustainable office practices and a conscientious approach to business travel. To curtail fossil fuel dependency, we proactively explore and adopt alternative, efficient, and renewable energy sources. In our ongoing endeavors, we have seamlessly transitioned from traditional lighting to energy-efficient LED lighting within our premises. Moreover, our dedication to reducing environmental impact is underscored by initiatives aimed at curbing water and paper consumption within our workspace.



## Corporate Information

### Audit Committee

Latika Pradhan, Chairperson  
V. Raghunathan, Member  
Subramaniam Somasundaram, Member

### Nomination and Remuneration Committee

Zarir Batliwala, Chairman  
Narayan Ramachandran, Member  
Mekin Maheshwari, Member  
Meenakshi Nevatia, Member

### Stakeholders' Relationship Committee

Latika Pradhan, Chairperson  
V. Raghunathan, Member  
Zarir Batliwala, Member

### Corporate Social Responsibility Committee

V. Raghunathan, Chairman  
Latika Pradhan, Member  
Mekin Maheshwari, Member

### Risk Management Committee

Subramaniam Somasundaram,  
Chairman  
Ashok Reddy, Member  
V. Raghunathan, Member  
Latika Pradhan, Member  
Zarir Batliwala, Member  
Mekin Maheshwari, Member  
Meenakshi Nevatia, Member  
Rituparna Chakraborty, Member

### Chief Financial Officer

Ramani Dathi

### Company Secretary & Compliance Officer

Alaka Chanda

### Statutory Auditors

S.R. Batliboi & Associates LLP  
Chartered Accountants  
12th Floor, UB City, Canberra Block,  
No.24, Vittal Mallya Road,  
Bangalore, Karnataka- 560001, India

### Internal Auditors

Grant Thornton Bharat LLP  
65/02, Bagmane Tridib, Block A  
Bagmane Tech Park, C V Raman  
Nagar, Bangalore, Karnataka - 560093,  
India

### Bankers

Axis Bank Limited  
HDFC Bank  
State Bank of India  
ICICI Bank Limited  
Yes Bank  
Bank of Baroda  
IndusInd Bank

### Shares are listed with

National Stock Exchange of India  
Limited  
BSE Limited

### Registrar and Transfer Agents

KFin Technologies Limited  
(Formerly known as KFin Technologies  
Private Limited)  
Selenium Tower B, Plot 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally, Hyderabad,  
Rangareddi, Telangana - 500032, India

Tel.: 1-800-309-4001  
Email: einward.ris@kfintech.com  
Website: www.kfintech.com  
Corporate Identity Number:  
L72400TG2017PLC117649

### Registered Office & Corporate Office

315 Work Avenue Campus,  
Ascent Building,  
#77, Koramangala Industrial Layout,  
Jyothi Nivas College Road, Koramangala,  
Bangalore, Karnataka - 560095, India  
Tel.: 080-6824 3333  
Fax: 080-6824 3001  
Website: www.group.teamlease.com  
Corporate Identity Number:  
L74140KA2000PLC118395

### Branch offices

Ahmedabad  
Bangalore  
Bhubaneswar  
Chennai  
Dehradun  
Delhi  
Gurugram  
Hyderabad  
Jaipur  
Kochi  
Kolkata  
Lucknow  
Mumbai  
Vijayawada

**TEAMLEASE SERVICES LIMITED**

CIN: L74140KA2000PLC118395

315 Work Avenue Campus, Ascent Building, #77, Koramangala Industrial Layout, Jyothi Nivas College Road,  
Koramangala, Bangalore – 560095, Karnataka, India  
Tel.: + 91 80 6824 3333 Fax: + 91 80 6824 3001

[corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com) | <https://group.teamlease.com/>

**Twenty Third (23<sup>rd</sup>) Annual General Meeting – Friday, September 15, 2023**

May 17, 2023

**Dear Shareholder(s),**

You are cordially invited to attend the 23<sup>rd</sup> - Annual General Meeting (AGM) of the Shareholders of TeamLease Services Limited ('the Company') to be held on Friday, September 15, 2023, at 03:00 P.M. IST, through Video Conferencing ('VC')/ Other Audio - Visual Means ('OAVM') facility.

The Notice of the AGM, (AGM Notice/Notice) containing the business(es) to be transacted is enclosed herewith. In terms of Section 108 of the Companies Act, 2013 ("the Act"), read with the related Rules and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations/ SEBI LODR Regulations), the Company is pleased to provide its Shareholders, the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for E-Voting are enclosed herewith the AGM Notice.

The Route Map to the venue of AGM, the Proxy Form for extending the facility for appointment of proxies by the Shareholders, the Attendance Slip are not enclosed to this AGM Notice, since this AGM is being held through VC/ OAVM pursuant to the applicable Ministry of Corporate Affairs and Securities and Exchange Board of India (MCA and SEBI) Circulars.

Very truly yours,

**Alaka Chanda**

Company Secretary and Compliance Officer  
Membership No: F10911  
TeamLease Services Limited

**Registered Office:**

315 Work Avenue Campus, Ascent Building,  
#77, Koramangala Industrial Layout,  
Jyothi Nivas College Road, Koramangala,  
Bangalore – 560095, Karnataka, India  
Tel: + 91 80 6824 3333  
Fax: + 91 80 6824 3001

[corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com)

<https://group.teamlease.com/>

**Enclosures:**

1. Notice to the 23<sup>rd</sup> Annual General Meeting
2. Instructions for E-Voting

# NOTICE OF THE TWENTY THIRD (23<sup>RD</sup>) ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Third (23<sup>rd</sup>) Annual General Meeting (AGM) of Shareholders of TeamLease Services Limited (CIN: L74140KA2000PLC118395) ("TeamLease"/"Company") will be held on Friday, September 15, 2023, at 03:00 P.M. IST, through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") facility, to transact the following business(es):

SL. NO(S).	PARTICULAR(S)
<b>A. ORDINARY BUSINESS(ES)</b>	
Item No. 1	To receive, consider and adopt Audited Standalone Financial Statements along with the Auditor's Report of the Company for the Financial Year ended March 31, 2023.
Item No. 2	To receive, consider and adopt Audited Consolidated Financial Statements along with the Auditor's Report of the Company for the Financial Year ended March 31, 2023.
Item No. 3	To receive, consider and adopt the Report of the Board of Directors for the Financial Year ended March 31, 2023.
Item No. 4	To appoint a Director in place of Mr. Manish Sabharwal (DIN: 00969601) who retires by rotation and being eligible, offers himself for re-appointment.
<b>B. SPECIAL BUSINESS(ES)</b>	
Item No. 5	To approve remuneration of Mr. Ashok Reddy (DIN: 00151814), Managing Director of the Company

## A. ORDINARY BUSINESS(ES):

### ITEM NO. 1

**To receive, consider and adopt Audited Standalone Financial Statements along with the Auditor's Report of the Company for the Financial Year ended March 31, 2023.**

To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, and the report of the Auditor's thereon, as circulated to the Shareholders, be and are hereby considered and adopted."

### ITEM NO. 2

**To receive, consider and adopt Audited Consolidated Financial Statements along with the Auditor's Report of the Company for the Financial Year ended March 31, 2023.**

To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, and the report of the Auditor's thereon, as circulated to the Shareholders, be and are hereby considered and adopted."

### ITEM NO. 3

**To receive, consider and adopt the Report of the Board of Directors for the Financial Year ended March 31, 2023.**

To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

**"RESOLVED THAT** the report of the Board of Directors, for the Financial Year ended March 31, 2023, as circulated to the Shareholders, be and are hereby considered and adopted."

### ITEM NO. 4

**To appoint a Director in place of Mr. Manish Sabharwal (DIN: 00969601), who retires by rotation and being eligible, offers himself for re-appointment**

#### Statutory Requirement:

Pursuant to Clause 58 of the Articles of Association of the Company and pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Executive Directors and Non-Executive Directors other than Independent Directors are liable to retire by rotation, and can seek re-appointment. Mr. Manish Sabharwal (DIN: 00969601) being the longest in office is liable to retire this year and is also eligible for re-appointment.

#### Background:

Mr. Manish Sabharwal (DIN: 00969601) was re-appointed as Whole Time Director and designated as Executive Vice Chairman of the Company effective April 01, 2022, for a period of five years which was approved by the Shareholders at the Annual General Meeting held on September 16, 2022. Mr. Manish Sabharwal being eligible has offered himself for re-appointment.

#### Proposal:

Shareholders are requested to consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, the approval of the Shareholders of the Company be and is hereby accorded for the re-appointment of Mr. Manish Sabharwal (DIN: 00969601) as Whole-Time Director of the Company, to the extent that he is required to retire by rotation."



**B. SPECIAL BUSINESS(ES):****ITEM NO. 5****To approve remuneration of Mr. Ashok Reddy (DIN: 00151814), Managing Director of the Company**

To consider and if thought fit, to pass the following resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment/modification or enactment thereof for the time being in force), pursuant to applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Articles of Association of the Company, and subject to such other approvals/ consents/ sanctions/ permissions as may be necessary, and on the recommendation of Nomination and Remuneration Committee and the Board of Directors, consent of Shareholders, be and is hereby accorded to the Board to pay remuneration, as set out below to Mr. Ashok Reddy for a period of two years commencing with effect from September 01, 2023 to August 31, 2025.

Particulars	Compensation Per Month (₹)	Compensation Per Annum (₹)
Basic	2,83,333.00	33,99,996.00
HRA	1,13,333.00	13,59,996.00
Special Allowance	2,75,667.00	33,08,004.00
LTA	2,000.00	24,000.00
Employer PF	34,000.00	4,08,000.00
Total Fixed	7,08,333.00	84,99,996.00
Annual Variable Pay	-	85,00,000.00
<b>Total Compensation</b>	<b>7,08,333.00</b>	<b>1,69,99,996.00</b>

**RESOLVED FURTHER THAT** consent of the Shareholders be and is hereby accorded to the Board (which shall be deemed to include the Nomination & Remuneration Committee of the Board of Directors) to alter and vary the terms and conditions of remuneration during the term of his appointment valid till August 31, 2025, on the recommendation of Nomination and Remuneration Committee, in such manner as may be agreed to between the Board of Directors and Mr. Ashok Reddy, provided however that the remuneration payable to him shall not exceed the overall ceiling of the total managerial remuneration as provided under Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** all other terms and conditions as per the HR Policy of the Company be and is hereby applicable including Earned/Privilege Leave, Gratuity in terms of applicable provisions of the relevant statutes.

**RESOLVED FURTHER THAT** the remuneration as set out above be paid to Mr. Ashok Reddy as minimum remuneration in the event of loss or the profits made are inadequate, subject to the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

**Registered Office:**

315 Work Avenue Campus, Ascent Building,  
#77, Koramangala Industrial Layout,  
Jyothi Nivas College Road, Koramangala,  
Bangalore – 560095, Karnataka, India  
Tel.: +91 80 6824 3333  
Fax: +91 80 6824 3001

[corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com)

<https://group.teamlease.com/>

Date: May 17, 2023

Place: Bangalore

By Order of the Board of Directors  
**TeamLease Services Limited**

**Alaka Chanda**  
Company Secretary and Compliance Officer  
Membership No: F10911

## Notes:

1. Considering the COVID-19 pandemic and in compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021, 3/2022 dated May 05, 2022, and 11/2022 dated December 28, 2022, and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/DDHS/DDHS\_Div2/P/CIR/2022/079 dated June 03, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 (hereinafter collectively referred to as "the Circulars"), the Company will be conducting this Annual General Meeting ("AGM" or "Meeting") through Video Conferencing/Other Audio Visual Means ("VC" / "OAVM") without the physical presence of stakeholders at a common venue.
2. KFin Technologies Limited, Registrar & Transfer Agent of the Company, (Formerly known as KFin Technologies Private Limited) ("KFintech") shall be providing facility for voting through remote E-Voting, for participation in the AGM through VC/ OAVM facility and E-Voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 26 below.
3. Pursuant to the above mentioned MCA Circulars, physical attendance of the Shareholders is not required at the AGM and attendance of the Shareholders through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to the applicable MCA and SEBI Circulars, physical attendance of Shareholders has been dispensed with. Accordingly, the facility for appointment of Proxies by the Shareholders will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Corporate/Institutional Shareholders are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM on their behalf and cast their votes through remote E-Voting or at the AGM. Corporate/ Institutional Shareholders intending to authorize their representatives to participate and vote at the AGM are requested to send a certified copy of the Board Resolution / Authorization Letter to the Company at e-mail ID [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com) with a copy marked to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) authorizing its representative(s) to attend and vote through VC/OAVM on their behalf at the Meeting, pursuant to Section 113 of the Act.
6. Shareholders of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM and vote thereat.
7. In compliance with applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015 read with above mentioned MCA and SEBI Circulars, the AGM of the Company is being conducted through VC/ OAVM.
8. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
9. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business(es) at the AGM, is annexed hereto.  
  
In terms of the provisions of Section 152 of the Act, Mr. Manish Sabharwal, Executive Vice Chairman and Whole Time Director, retires by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his re-appointment.  
  
Mr. Manish Sabharwal is interested in the Ordinary Business set out at Item No. 4 of the Notice with regard to his re- appointment.  
  
Mr. Ashok Reddy is interested in the Special Business set out at Item No. 5 of the Notice with regard to his remuneration.  
  
Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business(es) set out under Item Nos. 1 to 4 of the Notice. Details of Directors retiring by rotation/ seeking appointment/re-appointment at this Meeting are provided in the "Annexures" to the Notice.
10. In case of Joint Holders attending the AGM, only such Joint Holder who is named first in the order of names will be entitled to vote.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement, will be available electronically for inspection by the Shareholders during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Shareholders from the date of circulation of this

- Notice up to the date of AGM, i.e., September 15, 2023. Shareholders seeking to inspect such documents can send an email to [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com).
12. All the documents referred to in the Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days during business hours up to the date of the AGM.
  13. Notice is sent to all the Shareholders (electronic copy), whose names appear in the Register of Shareholders as on Friday, August 04, 2023. The Notice of the AGM is also hosted on the website of the Company i.e., <https://group.teamlease.com/investor/teamlease-annual-report/>.
  14. Shareholders holding shares in electronic form are advised to inform the particulars of their bank account, change of address and email ID to their respective depository participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form are advised to inform the particulars of their bank account, change of address and email ID to the Company or Registrar and Share Transfer Agents, KFin Technologies Limited.
  15. Shareholders holding shares in electronic (Demat) form or in physical mode are requested to quote their DP ID & Client ID or Folio details respectively in all correspondences, to KFinTech. Shareholders holding shares in physical form are requested to approach their DP for dematerialization of their shares as per SEBI notification dated June 08, 2018 which mandates the transfer of securities to be in dematerialized form only, with effect from December 05, 2018. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019, except in case of transmission or transposition of securities. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Shareholders are advised to dematerialise their shares held in physical form.
  16. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Shareholders holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participant(s). Shareholders holding shares in physical form are required to submit their PAN details to KFinTech.
  17. Shareholders holding shares in single name in physical mode are advised to make nomination in respect of their shareholding in the Company. Shareholders holding shares in electronic mode may contact their respective depository participants for availing the nomination facility. Shareholders can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Shareholders desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to KFinTech at the above mentioned address.
  18. Shareholders who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to KFinTech, for consolidation into a single folio.
  19. Mr. Mukesh Siroya, Practicing Company Secretary, Mumbai, has been appointed as the Scrutiniser to scrutinise the E-Voting process in a fair and transparent manner. In case of any failure/inability to scrutinize the E-Voting process by Mr. Mukesh Siroya (Membership No. F5682; CoP No. 4157), Ms. Bhavyata Acharya (Membership No. A25734; CoP No. 21758), Practicing Company Secretary, shall be the alternate Scrutinizer to him. The Scrutiniser will, after the conclusion of E-Voting at the Meeting, scrutinise the votes cast at the Meeting and votes cast through remote E-Voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman of the AGM. Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Friday, September 15, 2023.
  20. For ease of conduct of AGM, Shareholders who wish to ask questions/express their views on the items of the business(es) to be transacted at the meeting are requested to write to the Company's email ID [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com), at least 48 hours before the time fixed for the AGM i.e., by 03:00 P.M. IST on Wednesday, September 13, 2023, mentioning their name, demat account no./folio number, email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM. Alternatively, Shareholders holding shares as on the E-Voting cut-off date i.e., Friday, September 08, 2023, may also visit <https://emeetings.kfintech.com> and click on the tab "Post Your Queries" and post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number.
- The window shall be closed 48 hours before the time fixed for the AGM at 03:00 P.M. IST on September 15, 2023. The Company will, at the AGM, endeavour to address the queries received till 03:00 P.M. IST on September 13, 2023 from those Shareholders who have sent queries from their registered email ID's.
- Please note that Shareholders' questions will be answered only if they continue to hold shares as on the cut-off date. Shareholders of the Company, holding shares as on the cut-off date i.e., Friday, September 08, 2023 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by visiting <https://emeetings.kfintech.com> and clicking on "Speaker Registration" during the period from Monday, September 11, 2023 (09:00 A.M. IST) upto Wednesday, September 13, 2023 (03:00 P.M. IST).
- Those Shareholders who have registered themselves as a speaker will only be allowed to speak/express their views/

ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

Shareholders will be allowed to attend the AGM through VC / OAVM on first come, first served basis. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Shareholders on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

21. Non-Resident Indian Shareholders are requested to inform KFintech / respective depository participants, immediately of:
- Change in their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

The Company will not be dispatching physical copies of Annual Report and Notice of AGM to any Member. Shareholders are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with KFintech by following due procedure.

Shareholders may note that Twenty Third (23<sup>rd</sup>) AGM Notice, Annual Report 2023 and E-Voting instructions are also available on the Company's website i.e., <https://group.teamlease.com/investor/teamlease-annual-report/> and website of the Stock Exchanges where the shares of the Company are listed i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of KFintech at <https://evoting.kfintech.com/>.

22. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI LODR Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Shareholders the facility to exercise their right to vote on resolutions proposed to be considered at the Twenty Third (23<sup>rd</sup>) AGM by electronic means and the business may be transacted through E-Voting services. The facility of casting the votes by the Shareholders using an electronic voting system from a place other than venue of the AGM ("remote E-Voting") will be provided by KFintech.

23. The voting through electronic means is scheduled as below:

The Company has fixed Friday, September 08, 2023, as Cut-off date for determining the Shareholders eligible for voting, through electronic means as well as during the AGM.

Commencement of remote E-Voting	Tuesday, September 12, 2023 (09:00 A.M. IST)
End of remote E-Voting	Thursday, September 14, 2023 (05:00 P.M. IST)

Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, i.e., Friday, September 08, 2023.

24. In accordance with MCA and SEBI Circulars, in view of the prevailing situation and owing to the difficulties involved in dispatching physical copies of the Annual Report 2023 and the Notice of the Twenty Third (23<sup>rd</sup>) AGM are being sent by electronic mode only to Shareholders whose email ID's are registered with the Company/ Depository Participant(s) for communication purpose.

The Shareholders who have cast their vote(s) by remote E-Voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again. A member can opt for only single mode of voting per EVEN, i.e., through remote E-Voting or voting at the Meeting (Insta Poll). If a member casts vote(s) by both modes, then voting done through remote E-Voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

A person who is not a member as on the cut-off date, should treat the Notice for information purpose only.

25. The relevant details as required under Regulation 26 (4) & 36 (3) of SEBI LODR Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, for Item Nos. 4 and 5 of the Notice are mentioned in Annexures 1 and 2 of this AGM Notice.

**26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- ATTENDING THE AGM:** Shareholders will be provided with a facility to attend the AGM through video conferencing platform provided by KFintech. Shareholders are requested to login at <https://emeetings.kfintech.com> and click on the "Video Conference" tab to join the Meeting by using the remote E-Voting credentials.
- Please note that Shareholders who do not have the remote E-Voting credentials like User ID and Password for E-Voting or have forgotten the User ID and Password may retrieve the same by following

the instructions provided in E-Voting Instructions forming part of this AGM Notice.

- c. Shareholders may join the Meeting through Laptops, Smartphones, Tablets or iPads for better experience. Further, Shareholders will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Shareholders will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox.

Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. Shareholders are encouraged to join the Meeting through Laptops with latest version of Google Chrome for better experience.

- d. Shareholders can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned at Note No. 26(a) above in the Notice and this mode will be available throughout the proceedings of the AGM.

- e. In case of any query and/or help, in respect of attending AGM through VC/OAVM mode, Shareholders may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC/OAVM' user manual available at the download Section of <https://evoting.kfintech.com/> or contact at [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com), or contact Ms. Rajitha Cholleti / Mr. Premkumar Nair - Corporate Registry, KFintech at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) or call KFintech's toll free No.: 1-800-309-4001 for any further clarifications.

27. The results shall be declared within 2 working days from conclusion of the Meeting. The results declared along with the Scrutiniser's Report will be placed on the website of the Company at <https://group.teamlease.com/investor/annual-compliances> and the website of KFintech: <https://evoting.kfintech.com/> immediately after the results are declared and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.

**Registered Office:**

315 Work Avenue Campus, Ascent Building,  
#77, Koramangala Industrial Layout,  
Jyothi Nivas College Road, Koramangala,  
Bangalore – 560095, Karnataka, India  
Tel.: +91 80 6824 3333  
Fax: +91 80 6824 3001

[corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com)  
<https://group.teamlease.com/>

Date: May 17, 2023  
Place: Bangalore

By Order of the Board of Directors  
**TeamLease Services Limited**

**Alaka Chanda**  
Company Secretary and Compliance Officer  
Membership No: F10911

## Information at a glance:

Day, date and time	: Friday, September 15, 2023, at 03:00 P.M. IST
Venue	: Video Conferencing/ Other Audio Visual Means and the deemed venue of the AGM shall be TeamLease Registered Office at Bangalore
Financial Year	: April 01, 2022 to March 31, 2023
Cut-off date for determining the names of Shareholders eligible to get Notice of Annual General Meeting	: Friday, August 04, 2023
Cut-off date for determining the names of Shareholders eligible to vote	: Friday, September 08, 2023
Remote E-Voting start time and date	: Tuesday, September 12, 2023 (09:00 A.M. IST)
Remote E-Voting end time and date	: Thursday, September 14, 2023 (05:00 P.M. IST)
Remote E-Voting website of KFinTech	: <a href="https://evoting.kfintech.com/">https://evoting.kfintech.com/</a>
Name, address and contact details of E-Voting service Provider and Registrar and Transfer Agent	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)  Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032  Contact detail: KFinTech's toll free No.: 1-800-309-4001
Participation through Video-Conferencing	: Shareholders can login from 02:45 P.M. IST on the date of AGM at <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a>
Helpline Number for VC participation	: Call KFinTech's toll free No.: 1-800-309-4001
Submission of Questions / Queries Before AGM	: Questions/queries are requested to be submitted 48 hours before the time fixed for AGM i.e. by 03:00 P.M. IST on September 13, 2023, by any of the following process: <ul style="list-style-type: none"> <li>• Email to <a href="mailto:corporateaffairs@teamlease.com">corporateaffairs@teamlease.com</a> mentioning name, demat account no./folio number, email ID, mobile number, etc.</li> <li>• Shareholders holding shares as on the cut- off date i.e. Friday, September 08, 2023, may also visit <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> and click on "Post Your Queries" and post queries/views/ questions in the window provided, by mentioning name, demat account number/folio number, email ID and mobile number.</li> </ul>
Speaker Registration Before AGM	: Visit <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> and click on "Speaker Registration" and register as Speaker until 48 hours before the time fixed for AGM i.e., from Monday, September 11, 2023 (09:00 A.M. IST) upto Wednesday, September 13, 2023 (03:00 P.M. IST).
Recorded transcript	: Will be made available post AGM at <a href="https://group.teamlease.com/investor/annual-compliances/">https://group.teamlease.com/investor/annual-compliances/</a>

## ANNEXURE 1

### Additional information on Directors, recommended for appointment/re-appointment, as required under Regulation 36(3) of SEBI LODR Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India

#### For Agenda Item 4

To appoint a Director in place of Mr. Manish Sabharwal (DIN: 00969601), who retires by rotation and being eligible, offers himself for re-appointment



#### Mr. Manish Sabharwal (DIN: 00969601)

Mr. Manish Sabharwal is the co-founder and currently the Executive Vice Chairman of the Company.

#### Brief Profile of Mr. Manish Sabharwal Qualification and Nature of Expertise:

Mr. Manish Sabharwal is the Executive Vice Chairman of TeamLease. Prior to co-founding the Company, he had co-founded India Life, a HR services company that was acquired by NYSE listed Hewitt Associates. Consequently, he served as a Chief Executive Officer of Hewitt Outsourcing (Asia) based in Singapore. Mr. Sabharwal is a member of Advisory Board of the Comptroller and Auditor General (CAG) and a governing board member of National Council of Applied Economic Research (NCAER). He is also Managing Trustee of the New India Foundation that offers fellowships for writing books about post-1947 India and is a columnist for Indian Express. He served as an Independent Director on the Board of the Reserve Bank of India (RBI). He got his MBA from The Wharton School and is an alumnus of Shriram College, Delhi and Mayo College, Ajmer. Mr. Sabharwal's role has been transitioned to Executive Vice Chairman of the Company with effect from July 28, 2021.

#### Other Details:

Date of first appointment	02/02/2000
Category	Executive Director
Disclosure of Relationship between Directors Inter-se	Nil
Direct Shareholding in the Company	Nil
Number of Meetings of the Board attended during the year	Attended four (4) Board Meetings out of six (6) conducted during the Financial Year
Details of remuneration drawn in 2022-23	130 Lakhs
Details of remuneration proposed to be drawn in 2023-24	130 Lakhs
Listed entities from which the Director has resigned in the last 3 years	Nil

#### Indian Public Companies (Listed and Unlisted) in which Mr. Manish Sabharwal holds Directorship and Committee Chairmanship/ Membership:

Company	Director	Committee	Chairman
TeamLease Services Ltd.	Yes-Executive Vice Chairman	-	-
Pennar Industries Ltd.	Yes-Independent Director	-	-

**Note:** 1. As required by Clause 26 of the SEBI LODR Regulations, 2015, the disclosure includes membership/chairpersonship of the Audit Committee and Stakeholders' Relationship Committee in Indian Public Companies (Listed and Unlisted).

2. As required by Regulation 36(3)(d), there has been no resignation by Mr. Sabharwal from listed entities during the past three years.

For other details such as number of meetings of the Board attended during the year, remuneration drawn etc. Please refer to the Corporate Governance Report which forms part of this Annual Report.

## ANNEXURE 2

**Additional information on Directors, recommended for appointment/re-appointment, as required under SEBI LODR Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (For the following Agenda Item, approval is sought from Shareholders for Remuneration of the Managing Director, whose appointment is valid till August 31, 2025)**

For Agenda Item 5

To approve remuneration of Mr. Ashok Reddy (DIN: 00151814)



### Mr. Ashok Reddy (DIN: 00151814)

Mr. Ashok Reddy is the co-founder and currently the Managing Director and Chief Executive Officer of the Company. He oversees our operations and represents our Company in forums with major clients. He is also member of Risk Management Committee of the Board.

The day to day management of the operations rest with the MD. He is responsible for the business performance, driving growth and implementation of strategic decisions taken at the Board level. As the MD of the Company, his priorities include articulating TeamLease Services Limited's long-term strategy based on organic & inorganic initiatives, defining innovation agenda for the Company, balancing growth imperatives with the margin and return on capital thresholds, executing Company's roadmap to maintain momentum across the markets in which it operates, augmenting the capabilities in operations and support functions, and building a strong talent focused organization ready to take on the challenges. The MD works under the supervision of the Board of Directors and is vested with the sufficient power of the management to undertake day to day affairs.

### Brief Profile of Mr. Ashok Reddy, Qualification and Nature of Expertise:

Mr. Ashok Reddy, aged about 53 Years (19/02/1970), holds a bachelor's degree in commerce from the Shri Ram College of Commerce, Delhi University and a diploma in Management from Indian Institute of Management, Bangalore. Prior to his current position, he was a co-founder and Director of India Life Pension Services Limited, a payroll and pension services company that was acquired by Hewitt Associates in 2002. He has been awarded the "Skills Champion of India" award in the category of Skills Champion: Emerging Warrior for his outstanding contribution to the field of skills development.

### Other Details:

Date of first appointment as Managing Director	03/09/2015
Category	Executive Director
Disclosure of Relationship between Directors Inter-se	Nil
Direct Shareholding in the Company	Nil
Number of Meetings of the Board attended during the year	Attended all the six (6) Board Meetings conducted during the Financial Year
Details of remuneration drawn in 2022-23	170 Lakhs
Details of remuneration proposed to be drawn in 2023-24	170 Lakhs
Listed entities from which the Director has resigned in the last 3 years	Nil

### Indian Public Companies (Listed and Unlisted) in which Mr. Ashok Reddy holds Directorship and Committee Chairmanship/ Membership:

Listed Company	Director	Committee	Chairman
TeamLease Services Ltd.	Yes-Managing Director & CEO	-	-

**Note:** 1. As required by Clause 26 of the SEBI LODR Regulations, 2015, the disclosure includes membership/chairpersonship of the Audit Committee and Stakeholders' Relationship Committee in Indian Public Companies (Listed and Unlisted).

2. As required by Regulation 36(3)(d), there has been no resignation by Mr. Reddy from listed entities during the past three years.

For other details such as number of meetings of the Board attended during the year, remuneration drawn etc. Please refer to the Corporate Governance Report which forms part of this Annual Report.



## Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of items of Special Business(es) set out in the Notice convening the Twenty Third (23<sup>rd</sup>) Annual General Meeting of the Company to be held through VC / OAVM on Friday, September 15, 2023 at 03.00 P.M. IST

### ITEM NO. 5

#### To approve remuneration of Mr. Ashok Reddy (DIN: 00151814), Managing Director of the Company

The relevant details as required under SEBI (Listing, Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, are mentioned in Annexure 2 of this AGM Notice.

Based on the recommendation of the Nomination and Remuneration Committee and in line with Nomination and Remuneration Policy of the Company, the Board of Directors, vide their meeting conducted on June 09, 2020, had re-appointed Mr. Ashok Reddy (DIN: 00151814) as Managing Director of the Company for a period of five years commencing from September 01, 2020 till August 31, 2025. The remuneration as Managing Director was approved for a period of three years till August 31, 2023 pursuant to Schedule V and other applicable provisions of the Companies Act, 2013. Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, it is proposed to seek Shareholders approval for the remuneration payable from September 01, 2023 to August 31, 2025.

The Board approved the terms & conditions of the payment of remuneration to Mr. Ashok Reddy, the details of which are given below:

Particulars	Compensation Per Month (₹)	Compensation Per Annum (₹)
Basic	2,83,333.00	33,99,996.00
HRA	1,13,333.00	13,59,996.00
Special Allowance	2,75,667.00	33,08,004.00
LTA	2,000.00	24,000.00
Employer PF	34,000.00	4,08,000.00
Total Fixed	7,08,333.00	84,99,996.00
Annual Variable Pay	-	85,00,000.00
<b>Total Compensation</b>	<b>7,08,333.00</b>	<b>1,69,99,996.00</b>

These resolutions do not constitute related party transactions under the provisions of Section 188 of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers) Rules, 2014. These resolutions, though related party transactions under Regulation 23 of LODR Regulations 2015, under the applicable accounting standards, are not material related party transactions.

This explanatory statement and the resolution at Item No. 5 which outlines the terms and conditions may also be read and

treated as disclosure in compliance with the requirement of Section 190 of the Companies Act, 2013.

### Notes

- Unless otherwise stipulated, for the purpose of the above, the prerequisites shall be evaluated as per Income Tax Rules wherever actual cost cannot be determined.
- Notwithstanding the foregoing, where in any Financial Year during the currency of the tenure of the above mentioned directors, the Company has no profits or its profits are inadequate, the remuneration by way of salary, commission and prerequisites shall not exceed, the maximum limits prescribed in Schedule V to the Companies Act, 2013.
- The limits specified above are the maximum limits and the Nomination and Remuneration Committee / Board may in its absolute discretion pay to the above mentioned Directors lower/ higher remuneration and revise the same from time to time within the maximum limits stipulated above.
- In the event of any re-enactment or recodification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendments thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under.
- If at any time the above mentioned Director ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be the Managing Director of the Company.
- The Managing Director is appointed by virtue of their employment in the Company and their appointment is subject to the provisions of Section 167 of the Companies Act, 2013 while at the same time Managing Director is liable to retire by rotation. The appointment is terminable by giving three months' notice in writing on either side.

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

### I. General Information:

#### 1. Nature of Industry

The Company is engaged in the business of technical, legal, financial and management consultants, advisers, innovators, software, designer, marketers, fund managers,

administrators, agents, recruitment and placement consultancy service providers, impart training in various fields, areas and subjects including but not limited to vocational training through any form viz. classroom, electronic media or training by correspondence and to carry of the business of conceptualizing, designing, execution and operation of all activities pertaining or relating to contract employees or of employee leasing by offering services from time to time for outsourcing administration of employees and all administrative activities related thereto and to enter into collaborations,

joint venture agreements in India and with companies abroad.

- Date of commencement of commercial production: February 02, 2000
- In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: **Not Applicable.**
- Financial Performance based on given indicators:

₹ in Lakhs

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	7,86,999.75	6,47,982.31	6,87,617.59	5,64,033.82
Other Income	4,394.56	1,972.63	5,294.73	3,250.96
<b>Total Income</b>	<b>7,91,394.31</b>	<b>6,49,954.94</b>	<b>6,92,912.32</b>	<b>5,67,284.78</b>
Profit before finance cost, depreciation, amortisation and taxes	16,621.13	16,209.57	12,973.29	11,803.25
Depreciation and Amortisation	4,315.74	4,078.66	2,346.70	1,821.17
Profit before Finance Cost and Taxes	12,305.39	12,130.91	10,626.59	9,982.08
Finance Cost	569.14	396.59	475.90	357.76
<b>Profit before share of profit/(loss) from Associates</b>	<b>11,736.25</b>	<b>11,734.32</b>	<b>10,150.69</b>	<b>9,624.32</b>
Share of (loss)/ profit from associates	-	-	NA	NA
Exceptional Item	(232.83)	(7,177.87)	(232.83)	(7,192.93)
<b>Profit before tax</b>	<b>11,503.42</b>	<b>4,556.45</b>	<b>9,917.86</b>	<b>2,431.39</b>
Income Tax (credit)/expense	348.44	610.99	198.24	181.76
<b>Net Profit for the year</b>	<b>11,154.98</b>	<b>3,945.46</b>	<b>9,719.62</b>	<b>2,249.63</b>
Other Comprehensive Income/(Loss) for the year	126.87	(12.62)	17.31	4.46
<b>Total Comprehensive Income for the year</b>	<b>11,281.85</b>	<b>3,932.84</b>	<b>9,736.93</b>	<b>2,254.09</b>
Earnings Per Equity Share of H10 each:				
-Basic & Diluted (in ₹)	65.12	22.48	56.85	13.16

5. Foreign Investments and Collaborations: The Company has not made any Foreign Investments and neither entered into any collaborations during the last year.

## II. Information about Mr. Ashok Reddy

- Background Details: Details form part of Annexure 2 of the AGM Notice
- Past remuneration: Kindly refer to Annual Return placed on the Website at <https://group.teamlease.com/investor/teamlease-annual-report> for details of remuneration paid to Executive Directors of the Company
- Job profile Suitability: Details form part of Annexure 2 of the AGM Notice
- Remuneration proposed: Detailed in this explanatory statement as well the AGM Resolution

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Ashok Reddy, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.

6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel

Besides the remuneration proposed to be paid to Mr. Ashok Reddy, they do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors.

### III. Other Information:

1. Reasons of loss or inadequate profits:

TeamLease Services Limited has sufficient and adequate profit under Section 198 of the Companies Act, 2013 and there is no reason to believe in the drop in the same during the said tenure of appointment of Mr. Ashok Reddy or in future as well, however, as a precautionary measure, we have made the additional disclosures in the explanatory statement pertaining to the remuneration of the Managing Director, should there be inadequacy of profits during the said term.

2. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

As stated in the point above, the Company has adequate profits under Section 198 of the Companies Act, 2013 and there is no reason to believe in the drop in the same during the said tenure of appointment of Mr. Ashok Reddy or in future as well.

3. Expected increase in productivity and profits in measurable terms:

The Company is positive of maintaining the increase in productivity and profits year on year in same length as now and as maintained in recent past.

### IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2023.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Ashok Reddy to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

The Board recommends the resolution set forth in Item No. 5 for the approval of the Shareholders.

All the material documents pertaining to the above resolution shall be available for inspection by the Shareholders at the Registered Office of the Company. The Shareholders may write an email to [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com) by mentioning "Request for Inspection" in the subject of the email.



## TEAMLEASE SERVICES LIMITED

CIN: L74140KA2000PLC118395

315 Work Avenue Campus, Ascent Building, #77, Koramangala Industrial Layout, Jyothi Nivas College Road,  
Koramangala, Bangalore – 560095, Karnataka, India  
Tel.: + 91 80 6824 3333 Fax: + 91 80 6824 3001

[corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com) | <https://group.teamlease.com/>

### Twenty Third (23<sup>rd</sup>) Annual General Meeting – Friday, September 15, 2023

**Dear Shareholder(s),**

#### **Subject: Instructions for E-Voting**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by Companies (Management and Administration) Amendment, 2015 and Regulation 44 of the SEBI LODR Regulations, 2015 the Company is pleased to provide E-Voting facility to the Shareholders to cast their votes electronically on all resolutions set forth in the Notice convening Twenty Third (23<sup>rd</sup>) AGM to be held on Friday, September 15, 2023, at 03:00 P.M. IST through VC/OAVM facility. The Company has engaged the services of KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) (KFintech) to provide the E-Voting facility.

The Notice is displayed on the Company's website, <https://group.teamlease.com/investor/annual-compliances/> and on the Website of KFintech, <https://evoting.kfintech.com/>. The E-Voting facility is available at the link, <https://evoting.kfintech.com/>.

The E-Voting facility will be available during the following voting period:

Commencement of E-Voting	End of E-Voting
Tuesday, September 12, 2023 at 09:00 A.M. IST	Thursday, September 14, 2023 at 05:00 P.M. IST

The remote E-Voting facility shall not be allowed beyond the aforesaid date and time and the E-Voting module shall be disabled by KFintech upon expiry of said period.

Please read the instructions printed below before exercising your vote:

These details and instructions form an integral part of the Notice for the Twenty Third (23<sup>rd</sup>) AGM of the Company to be held on Friday, September 15, 2023.

#### **Registered Office:**

315 Work Avenue Campus, Ascent Building,  
#77, Koramangala Industrial Layout,  
Jyothi Nivas College Road, Koramangala,  
Bangalore – 560095, Karnataka, India  
Tel.: 91 80 6824 3333  
Fax: 91 80 6824 3001

By Order of the Board of Directors  
**TeamLease Services Limited**

**Alaka Chanda**

Company Secretary and Compliance Officer  
Membership No: F10911

[corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com)

<https://group.teamlease.com/>

Date: May 17, 2023

Place: Bangalore

## PROCEDURE FOR REMOTE E-VOTING

A. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Listing Regulations, Shareholders are provided with the facility to cast their vote electronically, through the E-Voting services provided by KFintech on all resolutions set forth in this Notice, through remote E-Voting.

Shareholders are requested to note that the Company is providing facility for remote E-Voting and the business may be transacted through electronic voting system. It is hereby clarified that it is not mandatory for a Member to vote using the remote E-Voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein:

Instructions:

a. Member will receive an e-mail from KFintech [for Shareholders whose e-mail IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number ("EVEN"), USER ID and password:

- (i) Launch internet browser by typing the URL: <https://evoting.kfintech.com/>.
- (ii) Enter the login credentials (i.e., User ID and password). In case of physical folio, User ID will be EVEN followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID.

However, if you are already registered with KFintech for E-Voting, you can login by using your existing User ID and password for casting your vote.

- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(v) You need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the "EVENT" i.e., TeamLease Services Limited.

(vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

(viii) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

(ix) Shareholders holding multiple folios/ demat accounts shall vote separately for each folio/ demat account.

(x) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote.

(xii) Corporate/Institutional Shareholders (i.e., other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., duly authorising their authorized representative(s) to attend the AGM on its behalf and to vote through remote E-Voting to the Company at the e-mail ID [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com) with a copy marked to <https://evoting.kfintech.com/> and it should reach the Company by email not later than Thursday, September 14, 2023 (05:00 P.M. IST). In case if the authorized representative attends the Meeting, the above mentioned documents shall be submitted before the commencement of AGM.

b. In case e-mail ID of a Member is not registered with the Company/ Depository Participant(s), then such Member is requested to register/update their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) and inform KFintech at the email ID <https://evoting.kfintech.com/> (in case of Shares held in physical form):

(i) Upon registration, Member will receive an e-mail from KFintech which includes details of E-Voting Event Number (EVEN), USER ID and password.

(ii) Please follow all steps from Note. No. A (a) (i) to (xii) above to cast your vote by electronic means.

**B. OTHER INSTRUCTIONS:**

- a. In case of any query and/or grievance, in respect of voting by electronic means, Shareholders may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com/> or contact at [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com), or Ms. Rajitha Cholleti / Mr. Premkumar Nair - Corporate Registry at KFintech, Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFintech's toll free No.:1-800-309-4001 for any further clarifications.

- b. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).

- c. The remote E-Voting period commences on Tuesday, September 12, 2023 (09:00 A.M. IST) and ends on Thursday, September 14, 2023 (05:00 P.M. IST). During this period, Shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Friday, September 08, 2023 may cast their votes electronically. The remote E-Voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

- d. The voting rights of Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on Friday, September 08, 2023, being the cut-off date. Shareholders are eligible to cast vote only if they are holding shares as on that date.
- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-Voting, i.e., Friday, September 08, 2023, he/she/it may obtain the User ID and Password in the manner as mentioned below:

- (i) If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD <space> Folio No. or DP ID Client ID to +91 9212993399.

In case of physical holding, prefix Folio No. with EVEN.

Example for NSDL:

MYEPWD <space> IN12345612345678

Example for CDSL:

MYEPWD <space> 1402345612345678

Example for Physical:

MYEPWD <space> XXXX1234567890 (XXXX being EVEN)

- (ii) If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

- (iii) Member may call KFintech toll free number 1-800-309-4001.

- (iv) Member may send an e-mail request to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

KFintech shall send User ID and Password to those new Shareholders whose e-mail ID's are available.

**VOTING AT THE AGM:**

- a. The procedure for E-Voting during the AGM is same as the instructions mentioned above for remote E-Voting since the AGM is being held through VC/OAVM.
- b. The E-Voting window shall be activated upon instructions of the Chairman of the AGM during the AGM.
- c. E-voting during the AGM is integrated with the VC/ OAVM platform and no separate login is required for the same. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote through E-Voting system in the AGM.
- d. Shareholders who have already cast their votes by remote E-Voting are eligible to attend the AGM through VC/ OAVM; however, these Shareholders are not entitled to cast their vote again during the AGM. A Member can opt for only single mode of voting i.e., through Remote E-Voting or voting through VC/ OAVM mode during the AGM.

**PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES**

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with their respective Depositories and Depository Participants as detailed below. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Option 1 - Login through Depositories (NSDL/CDSL)**

NSDL	CDSL
<p>1. Shareholders who have already registered and opted for IDeAS facility to follow below steps:</p> <p>(i) Go to URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>(ii) Click on the "Beneficial Owner" icon under 'IDeAS' section.</p> <p>(iii) On the new page, enter the existing User ID and Password. Post successful authentication, click on "Access to e-Voting"</p> <p>(iv) Click on the company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period</p>	<p>1. Members who have already registered and opted for Easi/Easiest to follow below steps:</p> <p>(i) Go to URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> ; or</p> <p>(ii) URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> and then go to Login and select New System Myeasi</p> <p>(iii) Login with user id and password.</p> <p>(iv) The option will be made available to reach e-Voting page without any further authentication.</p> <p>(v) Click on company name or e-Voting service provider name to cast your vote during the remote e-Voting period</p>
<p>2. User not registered for IDeAS e-Services</p> <p>(i) To register click on link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> (Select "Register Online for IDeAS") or <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>(ii) Proceed with completing the required fields</p>	<p>2. User not registered for Easi/Easiest</p> <p>(i) Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>(ii) Proceed with completing the required fields.</p>
<p>3. First-time users can visit the e-Voting website directly and follow the process below:</p> <p>(i) Go to URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></p> <p>(ii) Click on the icon "Login" which is available under 'Shareholder/Member' section.</p> <p>(iii) Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>(iv) Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>(v) Click on the company name or e-Voting service provider name and you will be redirected to eVoting service provider website for casting your vote during the remote e-Voting period.</p>	<p>3. First-time users can visit the e-Voting website directly and follow the process below:</p> <p>(i) Go to URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>(ii) Click on the icon "E-Voting"</p> <p>(iii) Provide demat Account Number and PAN No.</p> <p>(iv) System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</p> <p>(v) After successful authentication, the user will be provided links for the respective ESP where the eVoting is in progress.</p> <p>(vi) Click on the company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

**Option 2 - Login through Depository Participants.**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

# STATUTORY REPORTS





# BOARD'S REPORT

Dear Shareholder(s),

Your Directors have the pleasure in presenting the Twenty Third (23<sup>rd</sup>) Annual Report of your Company (TeamLease Services Limited/TeamLease) on business and operations of the Company along with the Audited Standalone and Consolidated Financial Statements and the Auditor's Report for the year ended March 31, 2023 (Year under review). Consolidated performances of the Company, and its Subsidiaries have been referred to wherever required.

## 1. Corporate Overview

The Company was incorporated in 2000 and has thereafter transformed to being one of the leading human resource service companies in the organized segment. TeamLease is listed on BSE Limited and National Stock Exchange of India Limited since 2016, and has its corporate headquarters at Bangalore.

## 2. Financial Summary and Highlights

A summary of the Company's Financial Results for the Financial Year 2022-23 is as under:

₹ in Lakhs

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	7,86,999.75	6,47,982.31	6,87,617.59	5,64,033.82
Other Income	4,394.56	1,972.63	5,294.73	3,250.96
<b>Total Income</b>	<b>7,91,394.31</b>	<b>6,49,954.94</b>	<b>6,92,912.32</b>	<b>5,67,284.78</b>
Profit before finance cost, depreciation, amortisation and taxes	16,621.13	16,209.57	12,973.29	11,803.25
Depreciation and Amortisation	4,315.74	4,078.66	2,346.70	1,821.17
Profit before Finance Cost and Taxes	12,305.39	12,130.91	10,626.59	9,982.08
Finance Cost	569.14	396.59	475.90	357.76
<b>Profit before share of profit/(loss) from Associates</b>	<b>11,736.25</b>	<b>11,734.32</b>	<b>10,150.69</b>	<b>9,624.32</b>
Share of (loss)/ profit from associates	-	-	NA	NA
Exceptional Item	(232.83)	(7,177.87)	(232.83)	(7,192.93)
<b>Profit before tax</b>	<b>11,503.42</b>	<b>4,556.45</b>	<b>9,917.86</b>	<b>2,431.39</b>
Income Tax (credit)/expense	348.44	610.99	198.24	181.76
<b>Net Profit for the year</b>	<b>11,154.98</b>	<b>3,945.46</b>	<b>9,719.62</b>	<b>2,249.63</b>
Other Comprehensive Income/(Loss) for the year	126.87	(12.62)	17.31	4.46
<b>Total Comprehensive Income for the year</b>	<b>11,281.85</b>	<b>3,932.84</b>	<b>9,736.93</b>	<b>2,254.09</b>
Earnings Per Equity Share of H10 each:				
-Basic & Diluted (in ₹)	65.12	22.48	56.85	13.16

## 3. Standalone and Consolidated Financial Statements

As mandated by the Ministry of Corporate Affairs, the Financial Statements for the year ended March 31, 2023, has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "The Act") read with the Companies (Accounts) Rules,

2014, as amended from time to time. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2023. The Notes to the Financial Statements adequately cover the standalone and consolidated Audited Statements and form an integral part of this Report.

#### 4. Review of Business Operations and Future Prospects / State of Affairs

Your Directors wish to present the details of Business Operations done during the year under review:

##### Standalone Operations

The Company's Revenue from Operations for the year ended March 31, 2023 on a Standalone Basis has increased to ₹ 6,87,617.59 Lakhs from ₹ 5,64,033.82 Lakhs during the previous year. The Company achieved an EBIDTA (excluding other income and exceptional items) of ₹ 7,678.56 Lakhs during the current year as against the previous year EBIDTA (excluding other income and exceptional items) of ₹ 8,552.29 Lakhs. The net profit after tax of the Company for the year ended March 31, 2023 was ₹ 9,719.62 Lakhs as against the previous year profit after tax of ₹ 2,249.63 Lakhs.

##### Consolidated Operations

The Company's Revenue from Operations for the year ended March 31, 2023, on a Consolidated Basis has increased to ₹ 7,86,999.75 Lakhs from ₹ 6,47,982.31 Lakhs during the previous year. The Company achieved an EBIDTA (excluding other income and exceptional items) of ₹ 12,226.57 Lakhs during the current year as against the previous year EBIDTA (excluding other income exceptional items) of ₹ 14,236.94 Lakhs. The net profit after tax of the Company for the year ended March 31, 2023 was ₹ 11,154.98 Lakhs as against the previous year profit after tax of ₹ 3,945.46 Lakhs.

Number of Associate Employees as on the date of closure of Financial Year of the Company was ~282,450 (including the NETAP Trainees of 50,350) as against the previous year Associate employees of ~285,230 (including the NETAP Trainees of 81,110).

Your Directors express their satisfaction on the overall financial performance and the progress made on different areas by the Company during the year under review.

From a business continuity purpose and in preparation for the future, cash flow availability and costs are key focus areas under the present circumstances. The Company is closely watching market conditions as the lockdown unfolds and evaluating all projects in pipeline and will pace them in line with market conditions. The revised timelines for the development plan will need to be re-assessed as the situation unfolds.

The Management, based on its assessment of the situation, has internally revised its business forecasts for the near term and assessed the cash flow required. The cash on books, the sanctioned lines of credit and the operating cash flows as per the forecast appear to be reasonably adequate to meet the debt servicing obligations and minimal capital spends in respect of the development pipeline for the year.

A comprehensive re-negotiation exercise is under way with our vendors and service providers; initial outcome of these discussions has been favourable.

The Company has the policy on the employment diversity which states the equal opportunity to everyone without any discrimination of gender, region, caste or religion.

#### 5. Dividend Distribution Policy

As per the provisions of Regulation 43A of SEBI LODR Regulations, 2015, the top 1000 listed companies on the basis of market capitalization, shall formulate a Dividend Distribution Policy. Accordingly, the Dividend Distribution Policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its Shareholders and/or retaining profits earned by the Company. The Policy is furnished herewith as **Annexure I** to the Board's Report and is also available on the Company's website at [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Dividend\\_Distribution\\_Policy.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Dividend_Distribution_Policy.pdf).

#### 6. Dividend and Reserves

Your Directors would like to use the profits earned for purpose of enhancing business and hence do not propose any dividend for the Financial Year under review. No amount has been transferred to reserves and the profit for the year has been retained in the surplus forming part of the reserves of the Company.

#### 7. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

There were no unpaid/unclaimed dividends declared and paid in previous years and hence the provisions of Section 125 of the Companies Act, 2013 do not apply for the year under review.

#### 8. Subsidiary Companies

Your Company has formulated a Policy for determining 'Material Subsidiaries' pursuant to the provisions of Regulation 16 of SEBI LODR Regulations, 2015. The said Policy is available on the Company's website [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Policy\\_for\\_determining\\_Material\\_Subsidiaries-1.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Policy_for_determining_Material_Subsidiaries-1.pdf). The Company has seven direct and indirect subsidiaries and one Public-Private Partnership as on March 31, 2023. There are no material subsidiaries of the Company for the Financial Year 2022-23.

The details of Subsidiaries and Public-Private Partnership are given below.

**Subsidiaries:**

1. TeamLease Education Foundation (TLEF).
2. TeamLease Digital Private Limited (TDPL).
3. Keystone Business Solutions Private Limited (Keystone).
4. TeamLease HRTech Private Limited (Formerly known as TeamLease E-Hire Private Limited) (TL HRTech).
5. I.M.S.I Staffing Private Limited (IMSI).
6. TeamLease Edtech Limited (Formerly known as School Guru Eduserve Private Limited) (TL Edtech).
7. TeamLease RegTech Private Limited (Formerly known as Avantis Regtech Private Limited) (TL RegTech).

**Public-Private Partnership**

8. TeamLease Skills University (TLSU).

**Brief Details of Subsidiaries and Public Private owned concerns of TeamLease are as below:**

1. **TeamLease Education Foundation (TLEF)**, an initiative of the TeamLease Group was established with a vision to create sustainable impact on the lives of underprivileged and underserved communities by empowering them through skilling initiatives. TLEF views skilling, employability and employment as a continuum that needs to be looked at as a whole and has made significant investments to develop skilling and capabilities in-house. TLEF operates at the intersection of the 3Es - Education, Employability, and Employment.

The Foundation works with corporates to ensure efficient use of CSR funds in the areas of education, skilling, and employment. Currently, TLEF's portfolio of skilling initiatives include skilling and training programs in the BFSI, Mining, Automotive, and IT sectors. As we move forward, we aim to leverage our expertise and expand into sectors beyond these as well.

2. **TeamLease Digital Private Limited (TDPL)** was incorporated under the provisions of Companies Act, 2013 for the purpose of entering into the IT staffing business. TDPL is wholly-owned subsidiary of TeamLease Services Limited, which offers Tech Staffing Solutions across industries. It has emerged as one of the largest Tech Staffing & Solutions providers in the country and has hired 80,000+ professionals since its inception (2016). We currently have more than 10,000+ consultants working with more than 200+ clients including some of the largest Fortune 500 companies.

With the purpose of 'Putting India to Work', we are committed to being part of the amazing growth story of our country. TeamLease Digital has been creating business impact for its clients by matching their needs with best resources available in the market, in a quick and cost-efficient way and having one of the best professional hiring engines in the staffing industry. A leadership team comprising industry veterans, sturdy finances, and a pan-India presence, has made TeamLease Digital the preferred partner and a leader in the industry.

3. **Keystone Business Solutions Private Limited (Keystone)** was incorporated under the provisions of Companies Act, 2013 and is engaged in the business of providing information technology staffing solutions and consulting. Keystone is a step down wholly-owned subsidiary of the Company through TDPL.
4. **TeamLease HRTech Private Limited (Formerly known as TeamLease E-Hire Private Limited) (TL HRTech)** was an Associate Company w.e.f. June 01, 2017 with an investment of 30% stake in TL HRTech. Your Company further acquired additional 21% stake and pursuant to such an investment, TL HRTech became subsidiary Company w.e.f. July 31, 2018. Your Company further acquired additional 25% stake on July 04, 2019 and 24% stake on June 09, 2020 bringing the total investment to 100% as on March 31, 2021.

The Bangalore headquartered freshersworld.com (A TeamLease Digital Company) is the leading job site for entry level hiring in India with about 1 Million unique visits every month. It has a database of 2 Million+ resumes with over 100 Thousand resumes added every month. Freshersworld dominates its competitors in fresher hiring segment with an organic traffic of over 90% and is ranked among the Top 5 hiring portals in India in terms of traffic (per Alexa). It has over 100 thousand registered employers/recruiters with 5,000 subscribed customers and conducts 20-24 virtual recruitment drives every month. Freshersworld is one of the very few online portals with positive margins and operating cashflows.

5. **I.M.S.I Staffing Private Limited (IMSI)** was acquired by your Company on November 12, 2019 with an investment of 72.70% stake in equity and additional 21.24% stake was acquired by your Company on February 03, 2020. Further 6.06 % stake was acquired on July 24, 2021. IMSI is an IT Infra staffing company. IMSI is a leader in providing specialized technical manpower for managing IT Infrastructure projects, hardware platforms, OS platforms, developing and

maintaining enterprise software applications, networking, data management and storage and internet-web-mobile-cloud platforms. IMSI has over 1795 associates deployed on 25 + pan India projects with revenue of ₹ 6477.81 Lakhs and PBT of ₹ 331.34 Lakhs, for the current financial year. IMSI is one of the largest manpower outsourcing partners in IT Infra space in India. Over the past 20 years, they have built strong customer relationship and brand recall supported by reliable and efficient delivery engine.

6. **TeamLease Edtech Limited (Formerly known as School Guru Eduserve Private Limited) (TL Edtech)** was an Associate Company w.e.f. December 01, 2017. Your Company had acquired ~36.17% stake on September 08, 2020 and on December 23, 2020 the CCPS (Compulsorily Convertible Preference Shares) held in the name of your Company was converted to Equity. Pursuant to the said acquisition of additional stake and the conversion of CCPS into Equity, your Company now holds 77.67% stake in TL Edtech, thereby making it a subsidiary with effect from the event date. Established in 2012, it is India's premier technology-led specialized academic services organization. TL Edtech partners with Indian Universities to help them provide premium online and virtual courses for their students. TL Edtech solicits partnerships only from State / Central universities that are either an Open University (meant to run Distance Education Programs only) or have a significant Distance Education activity.

Their managed technology platform provides all the components that a University may need to run their Information and Communication Technology services for their students ranging from the hosting platform, the underlying ERP, admission and fee management, the content, the streaming services, student engagement and communication, student servicing and the expertise to manage the platform. The platform is mobile native and is designed to adopt innovations in machine learning, multi-reality, and analytics to offer personalized and effective learning to millions.

7. **TeamLease Regtech Private Limited (Formerly known as Avantis Regtech Private Limited) (TL RegTech)** is a Subsidiary of your Company. Established in October 12, 2018, TL RegTech is a B2B RegTech (Regulatory Technology) Company in India currently with 225 Enterprise customers serving over 5500+locations across 29 states and 7 union territories in India across 30+ different industries with State of the art cloud enabled SAAS (Software as a Service) Platform equipped with enterprise workflow and document management

capabilities.

8. **TeamLease Skills University (TLSU)**, a Public-Private Partnership, with the Government of Gujarat, was among the few Universities selected by the United Kingdom Education Research Initiative (UKERI). In terms of the said initiative, the University has received grants that are to be utilized for faculty development.

Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a Report on the performance and financial position of the subsidiary companies as per the Companies Act, 2013 in the Form AOC-1 is furnished as **Annexure II** to the Board's Report.

The separate Audited Financial Statements in respect of each of the Subsidiaries shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any member of the Company interested in obtaining the same.

The separate Audited Financial Statements in respect of each of the Subsidiaries are also available on the website of the Company at <https://group.teamlease.com/investor/financial-statement-of-subsidiaries/>.

## 9. Management Discussion and Analysis (MD&A) Report

Pursuant to the provisions of Regulation 34 of the SEBI LODR Regulations, 2015, the Management Discussion and Analysis capturing your Company's performance, industry trends and other material changes with respect to your Companies and its subsidiaries, wherever applicable, are set out from pages 203 to 211 in this Annual Report.

The MD&A Report provides a consolidated perspective of economic, social and environmental aspects material to your Company's strategy and its ability to create and sustain value to your Company's key stakeholders and includes aspects of reporting as required by Regulation 34 of the SEBI LODR Regulations, 2015 on Business Responsibility and Sustainability Report (BRSR). Statutory section of Business Responsibility and Sustainability Report is provided from pages 165 to 202 of this Annual Report.

## 10. Corporate Governance

Your Company is committed to maintain the highest standards of corporate governance. We believe sound corporate governance is critical to enhance and retain investor trust. Our disclosures seek to attain the best practices in corporate governance as prevalent globally. We have implemented several best corporate governance practices in the Company to enhance long-term shareholder value and respect minority rights in all

our business decisions. Corporate Governance Report for Financial Year 2022-23 is set out in pages 115 to 164 of this Annual Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under Regulation 34 (3) read with Schedule V of the SEBI LODR Regulations, 2015 is annexed to the Corporate Governance Report.

## 11. Deposits

Your Company has not accepted any deposit and as such no amount of principal and interest were outstanding as on the Balance Sheet date.

## 12. Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are furnished in the notes to the Financial Statements, forming part of this Annual Report.

The Loans, Guarantees and Investments have been utilised by the Subsidiaries for their working capital requirements.

## 13. Board of Directors, Committees of the Board and Key Managerial Personnel(s) (KMP(s))

### a. Board of Directors

Your Company's Board of Directors comprises of two Executive Directors, seven Independent Directors and one Non-Executive and Non-Independent Director including three Women Directors and the same is detailed in the Report on Corporate Governance, as set out in pages 115 to 164 of this Annual Report.

### b. Committees of the Board

As required under the Companies Act, 2013 and SEBI LODR Regulations, 2015, the Board has formed five Committees viz.

- Audit Committee,
- Corporate Social Responsibility Committee,
- Nomination and Remuneration Committee,
- Risk Management Committee and
- Stakeholders' Relationship Committee.

Keeping in view the requirements of the Companies Act, 2013 and SEBI LODR Regulations, 2015, the Board decides the terms of reference of these Committees and the assignment of members to various Committees. The recommendations, if any, of these Committees are submitted to the Board for approval.

Pursuant to Section 177(8) of the Companies Act, 2013, the composition of the Audit Committee is disclosed as under:

Sl. No.	Members	Designation
1	Mrs. Latika Pradhan	Chairperson (Independent Director)
2	Dr. V. Raghunathan	(Independent Director) Member
3	Mr. Subramaniam Somasundaram	(Independent Director) Member

The recommendations of the Audit Committee were duly approved and accepted by the Board during the year under review.

The details of all the Committees along with their composition, number of meetings and attendance at the meeting as set out in Report on Corporate Governance, in pages 115 to 164 of this Annual Report.

### c. Key Managerial Personnel(s) (KMP(s))

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel(s) (KMP(s)) of the Company are:

Sl. No.	Name of the KMP(s)	Designation
1	Mr. Manish Sabharwal	Whole Time Director & Executive Vice Chairman
2	Mr. Ashok Reddy	Managing Director & CEO
3	Ms. Ramani Dathi	Chief Financial Officer
4	Ms. Alaka Chanda	Company Secretary and Compliance Officer

### d. Details of Directors and/or Key Managerial Personnel(s) (KMP(s)) who were appointed or have resigned during the year:

#### a. Retirement by Rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Manish Sabharwal (DIN: 00969601), Whole Time Director and Executive Vice Chairman of the Company, retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The details of Mr. Manish Sabharwal are furnished in the Notice of the AGM. The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming AGM.

**b. Changes during the year under review:**

- i. Executive Directors:
  - a. In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Ashok Reddy (DIN: 00151814) retired by rotation at the Twenty Second (22<sup>nd</sup>) AGM held on September 16, 2022 and being eligible, offered himself for re-appointment. The same was approved by the Members of the Company.
  - b. Mr. Manish Sabharwal was re-designated as Executive Vice Chairman of the Company with effect from July 28, 2021. His term was valid till March 31, 2022. Re-appointment of Mr. Manish Sabharwal (DIN: 00969601), as Executive Vice Chairman and Whole Time Director for a tenure of 5 years was approved by the Board on January 25, 2022 based on recommendation of Nomination and Remuneration Committee of the Company, effective from April 01, 2022 to March 31, 2027. The same was placed for Shareholders' approval at the Twenty Second (22<sup>nd</sup>) AGM on September 16, 2022 and was duly approved.
  - c. Ms. Rituparna Chakraborty was appointed as an Executive Director (Additional) of your Company for a tenure of 5 years commencing from May 18, 2022 based on recommendation of Nomination and Remuneration Committee of the Company. The same was placed for Shareholders' approval at the Twenty Second (22<sup>nd</sup>) AGM on September 16, 2022 and was duly approved.
  - d. Ms. Rituparna Chakraborty bearing DIN: 07332241 had submitted her Resignation from the position of Executive Director of the Company on March 28, 2023 and had consented to continue as a Non-Executive, Non Independent Director, liable to retire by rotation on the Board of the Company, after cessation as Executive Director, with effect from June 01, 2023, subject to the requisite approvals, if any.

## ii. Independent Directors:

No changes during the year under review for Independent Directors.

**Key Managerial Personnel(s) (KMP(s)):****During the year under review, Key Managerial Personnel(s) (KMP(s)) who have tendered their resignation:**

None

**During the year under review, Key Managerial Personnel(s) (KMP(s)) who have been appointed:**

None

**Receipt of any commission by MD / WTD from Company or from its holding or subsidiary Company**

The Company has not paid any commission to any of its Directors. The Managing Director & Whole Time Director draw remuneration only from the Company and do not receive any remuneration or commission from any of its subsidiary companies / holding company. Further, none of the subsidiaries of the Company has paid any commission/remuneration to any of the Directors of the Company.

**14. Declaration by Independent Directors**

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics. The Independent Directors have also submitted a declaration to the Board on compliance of inclusion of name in Data Bank maintained by Indian Institute of Corporate Affairs (IICA) pursuant to Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019.

**15. Declaration by the Board on the Independent Directors**

In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations, 2015 and possess the requisite integrity, expertise and experience, including the proficiency expected from the Independent Directors appointed on the Board.

The details of Directors, pertaining to the online proficiency test conducted by IICA are as below:

Sl. No.	Director	Designation	Date of Registration	Online Proficiency Test Requirement	Status of Online Proficiency Test
1	Mr. Narayan Ramachandran	Non- Executive Chairman and Lead Independent Director	03/01/2020	Voluntary	-
2	Mr. Manish Sabharwal	Whole Time Director & Executive Vice Chairman	27/02/2020	Voluntary	-
3	Mr. Ashok Reddy	Managing Director & CEO	Exempted	Exempted	-
4	Mrs. Latika Pradhan	Independent Director	20/12/2019	Mandatory	Successfully qualified on Dec 03, 2020
5	Mr. Zarir Batliwala	Independent Director	20/12/2019	Mandatory	Successfully qualified on Nov 12, 2020
6	Dr. V. Raghunathan	Independent Director	23/12/2019	Voluntary	-
7	Mrs. Meenakshi Nevatia	Independent Director	06/07/2021	Mandatory	Successfully qualified on July 11, 2021
8	Mr. Mekin Maheshwari	Independent Director	10/04/2021	Mandatory	Successfully qualified on May 04, 2021
9	Mr. Subramaniam Somasundaram	Independent Director	14/07/2021	Exempted	-
10	Ms. Rituparna Chakraborty*	Non-Executive Director	-	Voluntary	-

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

## 16. BOARD EVALUATION

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board Committees and Executive / Non-Executive / Independent Directors.

In terms of the requirements of the Companies Act, 2013 and pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI LODR Regulations, 2015, read with SEBI LODR Amendment Regulations, the Board carried out the Annual Performance Evaluation of all the Directors individually, Board Committees and the Board as a whole. During the year, Board Evaluation cycle was completed by the Company with support of an external agency. To maintain transparency and to promote good corporate governance, this year the evaluation process was automated and implemented with help of an external service provider "Fidem Smart Board - Potentia Group", (<https://potentia.in/>) who had partnered with TeamLease to facilitate the Board Evaluation process of the Company.

For facilitating the evaluation of performance, questionnaires were framed separately for the evaluation of Board, the Committees, the individual directors and the Chairperson. The questionnaires were circulated to the Board members via individual emails with user

specific login credentials for all Board Members. On completion of Board Evaluation process, the Report and summary results of the filled-in questionnaires pertaining to the Board Evaluation for Financial Year 2022-23 was submitted to the Nomination and Remuneration Committee Chairman for his onward discussion with Board Members. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment. It is specifically informed that directors subject to evaluation did not participate in the own evaluation process.

The results of the evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the Evaluation, the Board and Committees have agreed on an action to further improve the effectiveness and functioning of the Board and Committees. The Chairman of respective Board Committees also shared the results of evaluation with the respective Committee Members.

The Nomination and Remuneration Committee also formulated the additional criteria of independence and independent judgment for the assessment of the

performance of Independent Directors along with other criteria such as qualification, experience relevant to the industry, knowledge & competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution and integrity as required under the guidelines provided by SEBI in respect of Board Evaluation.

This evaluation was led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and SEBI LODR Regulations, 2015, and in consonance with Guidance Note on Board Evaluation issued by SEBI in January 2017. The Board evaluation was conducted through questionnaire having qualitative parameters and feedback based on ratings.

#### **Evaluation of the Board**

Evaluation of the Board was based on criteria such as composition and role of the Board, communication and relationships between the Board of Directors, functioning of Board Committees, review of performance and compensation to Executive Directors, succession planning, strategic planning, etc.

#### **Evaluation of Directors**

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk, understanding of the organization's strategy, risk and environment, etc.

#### **Evaluation of Committees**

Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

#### **Evaluation of the Independent Directors**

The Performance Evaluation of the Independent Directors was carried out by the entire Board.

Some of the performance indicators, based on which the Independent Directors are evaluated include:

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.

- Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities; these include participation in Board and Committee meetings.
- Performance of the directors.
- Fulfillment of the independence criteria as specified in these regulations and their independence from the management.

#### **Evaluation of the Chairman and Managing Director**

The Performance Evaluation of the Chairman and Managing Director was carried out by the Independent Directors.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management and the openness of the Management in sharing strategic information to enable the Board Members to discharge their responsibilities. It is specifically informed that directors subject to evaluation did not participate in the own evaluation process.

The Board has received improved ratings on its overall effectiveness, including higher rating on Board communication, relationships and Board Committees. The Board has also noted areas requiring more focus in the future.

The Independent Directors had their meeting on May 18, 2022 to assess the performance of the Board and committees as a whole and for the assessment of Executive Vice Chairman, Executive Director and Independent Directors.

The Board was largely satisfied with the effectiveness and governance standards as well as the performance of the Board, board committees, and the individual Directors. Suggestions of the board members to further strengthen the Board effectiveness were noted and taken up for implementation.

## **17. Meetings of the Board**

The meetings of the Board are scheduled at regular intervals to decide and discuss on business performance, policies, strategies and other matters of significance.

The schedules of the meetings are circulated in advance, to ensure proper planning and effective participation in meetings. In certain exigencies, decisions of the Board are also accorded through Circular Resolution.

The Board during the Financial Year 2022-23 met Six (6) times. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013. Detailed information regarding the meetings of the Board are included in the report on Corporate Governance, as set out in pages 115 to 164 of this Annual Report.



## 18. Auditors

### a. Statutory Auditors

As per the provisions of Section 139 of the Companies Act, 2013, M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (FRN: 101049W/E300004), Bangalore were appointed as Statutory Auditors of the Company in the Annual General Meeting held on July 07, 2017 for a period of five consecutive years up to the conclusion of 22<sup>nd</sup> AGM, at a remuneration mutually agreed upon by the Board of Directors and Statutory Auditors.

The Board of Directors at their meeting held on May 18, 2022 had considered and recommended re-appointment of M/s. S.R. Batliboi & Associates LLP as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the 22<sup>nd</sup> AGM basis the recommendation of Audit Committee. The shareholders' had approved the recommended re-appointment of M/s. S.R. Batliboi & Associates LLP as Statutory Auditors of the Company for a period of five consecutive years commencing from the conclusion of the 22<sup>nd</sup> Annual General Meeting held in the year 2022 till the conclusion of the 27<sup>th</sup> Annual General Meeting to be held in the year 2027 on such remuneration plus applicable taxes and out of pocket expenses and remuneration for other certifications as may be mutually decided by the Board of Directors in consultation with the Statutory Auditors of the Company based on recommendation of the Audit Committee.

#### Statutory Auditor's Report

The Auditor's Report on the Financial Statements of the Company for the year ended March 31, 2023 is unmodified i.e., it does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the Financial Statements forming part of the Annual Report.

### b. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and Rules made thereunder, the Company had appointed M Siroya & Company, Practicing Company Secretaries, Mumbai bearing Membership Number: 5682 to undertake the Secretarial Audit of the Company for FY 22-23.

Section 204 of the Companies Act, 2013, inter-alia, requires every listed company to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form. The Board of Directors appointed Mr. Mukesh Siroya, M Siroya & Company, Practicing Company Secretaries, Mumbai, bearing Membership Number: 5682 as Secretarial Auditor to conduct the Secretarial Audit of the Company for FY 2022-23 and his Report is annexed to this Board

Report as **Annexure III**.

There are no disqualifications, reservations, adverse remarks or disclaimers in the secretarial auditor's report, except that Mr. Manish Sabharwal was re-appointed as Whole Time Director and Executive Vice Chairman of the Company w.e.f. April 1, 2022 and Ms. Rituparna Chakraborty was appointed as an Additional Director (Executive) of the Company w.e.f. May 18, 2022. Pursuant to Regulation 17(1C) of the SEBI LODR, the approval of shareholders was required to be taken within three months of the appointment/re-appointment. However, the approval of the shareholders were obtained at the Annual General Meeting (AGM) held on September 16, 2022. The Company has requested NSE and BSE on September 26, 2022 seeking condonation of delay in obtaining requisite shareholders' approval. The advice from BSE and NSE is awaited.

The Board of Directors at their meeting held on May 17, 2023, has appointed Mr. Mukesh Siroya, M Siroya & Company, Practicing Company Secretaries, Mumbai, bearing Membership Number: 5682 as the Secretarial Auditor for FY 2023-24.

### c. Internal Auditors and Internal Audit System

Your Company has continued its engagement with M/s. Grant Thornton Bharat LLP, to conduct internal audit across the organization. We have also strengthened the in-house internal audit and compliance team to supplement and support the efforts of M/s. Grant Thornton Bharat LLP. Your Company conducted 4 (Four) meetings of the Audit Committee during the year under review.

### d. Secretarial Compliance Report of TeamLease Services Limited for the year ended March 31, 2023

As per Regulation 24A of SEBI LODR Regulations, 2018, read with SEBI Circular dated February 08, 2019; the listed entities are required to submit the Annual Secretarial Compliance Report with the exchange within sixty days of the end of the year. The same was submitted to the Stock Exchange(s) within the stipulated date and a copy of the same is hosted at our website at <https://group.teamlease.com/wp-content/uploads/2023/05/TeamLeaseSecretarialComplianceReportFY23.pdf>.

### e. Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Statutory Auditors and the Practicing Company Secretary in their respective Reports

In connection with the Statutory Audit of the Company for the year under review, there was no qualification, reservation or adverse remark in the report by the Statutory Auditors, save and except disclaimer made by them in discharge of their

professional obligation. No frauds are reported by the Statutory Auditor under sub section (12) of Section 143 of the Companies Act, 2013.

In connection with the Secretarial Audit of the Company for the year under review, the following observation was reported by the Secretarial Auditors in MR-3, save and except disclaimer made by them in discharge of their professional obligation.

Mr. Manish Sabharwal was re-appointed as Whole Time Director and Executive Vice Chairman of the Company w.e.f. April 1, 2022 and Ms. Rituparna Chakraborty was appointed as an Additional Director (Executive) of the Company w.e.f. May 18, 2022. Pursuant to Regulation 17(1C) of the SEBI LODR, the approval of shareholders was required to be taken within three months of the appointment/re-appointment. However, the approval of the shareholders were obtained at the Annual General Meeting (AGM) held on September 16, 2022. The Company has requested NSE and BSE on September 26, 2022 seeking condonation of delay in obtaining requisite shareholders' approval. The advice from BSE and NSE is awaited.

In this regard, Board hereby explains that the Company has requested NSE and BSE on September 26, 2022 seeking condonation of delay in obtaining requisite Shareholders' approval. The advice from BSE and NSE is awaited. However so far, no demand for fines/penalties or show cause notice have been received from the Regulatory Bodies.

**f. Internal Financial Control**

The Company has laid down certain guidelines, processes and structures, which enable implementation of appropriate internal financial controls across the organization. Such internal financial controls encompasses policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

These include control processes both on manual and IT applications wherein the transactions are approved and recorded. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively. Because of the inherent limitations of internal financial controls, including the possibility of collusion or improper management override of controls, material misstatements in financial reporting due to error or fraud may occur and not be detected.

Also, evaluations of the internal financial controls are subject to the risk that the internal financial control may become inadequate because of changes in

conditions, or that the compliance with the policies or procedures may deteriorate. The Company has, in all material respects, an adequate internal financial controls system and such internal financial controls were operating effectively based on the internal control criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to Grant Thornton, our Internal Auditors. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism. The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairperson of the Audit Committee.

**g. Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements**

Your Company has in place adequate financial controls with reference to Financial Statements. During the year under review, such controls were reviewed and it did not observe any reportable material weakness in the design or operation of financial controls.

**h. Reporting of Frauds**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Companies Act, 2013 and Rules framed thereunder.

**i. Maintenance of Cost Records**

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

## 19. Material changes and commitments, if any, affecting the Financial Position of Company occurred between the end of the Financial Year to which this Financial Statements relate and the date of the Report.

The following changes and commitments have occurred after the closure of the Financial Year 2022-23 till the date of this Report, which would not materially impact the financial position of your Company but have been disclosed here for information:

**Buyback:** The paid up capital of the Company has reduced from ₹ 17,09,67,690 to ₹ 16,76,89,000 on account of Buyback of 3,27,869 Equity Shares by the Company.

## 20. Acquisition of Companies / Investment in Associates/Subsidiaries during the year under review

a. During the year under review, the Company had made the following acquisitions:

NIL

b. During the year under review, the Company had made the following Investments:

NIL

## 21. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Conservation of Energy	The Company being in the service industry does not have any power generation units and does not produce/generate any renewable or conventional power. However, Company has taken all steps to conserve energy in the work places by using energy saving lamps at all work stations and educating the employees to conserve energy.
Technology Absorption	The Company being in Service Sector has adopted all new technology in terms of software and hardware for the better working and efficient reporting. The Company has an in house Information Technology team which constantly works on the adoption and implementation of new technology into the businesses of the Company.
Foreign Exchange Earnings and Outgo	During the year under review, the Company on standalone basis has incurred ₹ 24.66 Lakhs towards expenditure in foreign currencies and earned Nil Lakhs towards export of services.

## 22. Research and Development

The Company has not undertaken any Research and Development activity in any specific area during the year under

review, and hence no cost has been incurred towards same.

## 23. Whistle Blower and Vigil Mechanism Policy

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI LODR Regulations, 2015, a Whistle Blower and Vigil Mechanism Policy was established for directors, employees and stakeholders to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy, genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee. No person has been denied access to the Chairperson of the Audit Committee. The said Policy is hosted on the website of the Company at the following link <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf>.

## 24. Statement concerning development and implementation of Risk Management Policy of the Company

Pursuant to Regulation 21 of the SEBI LODR Regulations, 2015, the Company has constituted Risk Management Committee comprising of the following Members mentioned below to frame, implement and monitor the Risk Management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis.

Sl. No.	Members	Designation
1	Mr. Subramaniam Somasundaram	Chairman Independent Director
2	Mr. Ashok Reddy	Member Executive Director
3	Mrs. Latika Pradhan	Member Independent Director
4	Mr. Zarir Batliwala	Member Independent Director
5	Dr. V. Raghunathan	Member Independent Director
6	Mr. Mekin Maheshwari	Member Independent Director
7	Mrs. Meenakshi Nevatia	Member Independent Director
8	Ms. Rituparna Chakraborty*	Member Non-Executive Director

Notes:

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

The Company has put in place an enterprise wide Risk Management Framework with an object of timely identification of risks, assessment and evaluation of the same in line with overall business objectives and define adequate mitigation strategy. The Risk Management Committee reviews critical risks on a rotation basis in line with the mitigation progress/ effectiveness and its impact on overall risk exposure of the Company, all the critical risk areas are covered at least once a year. Annually, all critical risk areas identified are re-evaluated.

## 25. Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for Insider Trading (Code), as approved by the Board is in force by the Company. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, their relatives and other connected employees from trading in the securities of the Company at the time when there is access to Unpublished Price Sensitive Information (UPSI). The Company also has formulated a comprehensive Policy for Determination of Legitimate Purposes pertaining to Unpublished Price Sensitive Information and a comprehensive Policy for enquiry of leak of Unpublished Price Sensitive Information.

## 26. Policies on Appointment of Directors and Remuneration of Directors, Key Managerial Personnel(s) (KMP(s)) and Employees

In accordance with the provisions of Section 134(3) (e) of the Companies Act, 2013 read with Section 178(2) of the Act and Regulation 17 of the SEBI LODR Regulations, 2015, the Board of Directors have framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel(s) (KMP(s)) and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-Executive Directors (by way of sitting fees), Key Managerial Personnel(s) (KMP(s)), Senior Management and other employees. The policy also provides the criteria

for determining qualifications, positive attributes and independence of Director and criteria for appointment of Key Managerial Personnel(s) (KMP(s)) / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates.

The Company's current Nomination and Remuneration Policy recommends having an appropriate mix of Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2023, the Board consists of Ten Directors, majority of them being Independent Directors. Besides the Vice Chairman and Managing Director who are the Promoters, the Board comprises of Seven Independent Directors and One Non-Executive and Non-Independent Director. The Board periodically evaluates the need for change in its composition and size. The Policy of the Company on Director's Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters as required under sub-section (3) of Section 178 of the Companies Act, 2013 are formulated by the Nomination and Remuneration Committee.

Your Company has also adopted the Policy on appointment of directors and senior management and Policy on Remuneration of Directors, Key Managerial Personnel(s) (KMP(s)) and Employees of the Company in accordance with the provisions of sub-section (4) of Section 178 of the Companies Act, 2013, and the same is furnished in **Annexure IV** of this Board's Report.

## 27. Board Diversity

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Board recognizes the importance of a diverse composition and has adopted a Board Diversity Policy which sets out the approach to diversity. The Policy is available at the web-link: <https://group.teamlease.com/wp-content/uploads/2020/11/POLICY-ON-BOARD-DIVERSITY.pdf>.

## 28. Details of Policy developed and implemented by the Company on its Corporate Social Responsibility (CSR) initiatives

Pursuant to the provisions of Section 135, read with Schedule VII of the Companies Act, 2013, your Company has duly constituted the Corporate Social Responsibility Committee. The said Committee comprises of:

Sl. No.	Members	Designation
1	Dr. V. Raghunathan	Chairman Independent Director
2	Mrs. Latika Pradhan	Member Independent Director
3	Mr. Mekin Maheshwari	Member Independent Director

At TeamLease, CSR has been an integral part of our business since its inception, by the very nature of the business being that of a Social Enterprise.

As part of its initiatives under Corporate Social Responsibility (CSR), the CSR Committee has been entrusted with the prime responsibility of recommending to the Board about Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013, the amount of expenditure to be incurred on CSR activities and monitoring the implementation of the framework of the CSR Policy. The CSR Policy has been placed on the Website of the Company and can be accessed through the <https://group.teamlease.com/investor/teamlease-corporate-social-responsibility-policy/>.

During the year under review, your Company had allocated a limit equivalent to 2% of the average net profits of its three immediately preceding Financial Years for implementation of CSR activities as per the Companies Act, 2013 totalling to a sum of ₹ 147.24 Lakhs towards CSR. The entire amount of ₹ 147.24 Lakhs has been spent this Financial Year on CSR towards Research Initiatives of National Council of Applied Economic Research.

The details along with the statutory disclosures pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 with respect to CSR activities forms part of this Annual Report and is annexed herewith as **Annexure V**.

## 29. Policy on Preservation & Archival of Documents

This Policy is implemented as per Regulation 9 read with Regulation 30(8) of the SEBI LODR Regulations, 2015, for preservation of the documents inter alia to aid the employees in handling the documents efficiently either in physical form or electronic form. This Policy is intended to provide guidelines for the retention of records, preservation of relevant documents for such duration after which the documents shall be archived and safe disposal/destruction of the documents. This Policy is available on the Company's website [https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Preservation-of-Documents-and-Archival-Policy\\_Final.pdf](https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Preservation-of-Documents-and-Archival-Policy_Final.pdf). It not only covers the various aspects on preservation, but also archival of documents.

## 30. Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of the SEBI LODR Regulations, 2015, the Business Responsibility and Sustainability Report (BRSR) of your Company for the FY 2022-23 is set out in pages 165 to 202 and forms an integral part of this Annual Report.

## 31. Particulars of Contracts or Arrangements made with Related Parties

The Company in the normal course of its business enters into related party transactions with its Subsidiaries and/or Group Companies. The Company has a robust framework in place for identification and monitoring of such related party transactions.

All transactions entered with Related Parties for the year under review were on arm's length basis and thus a disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel(s) (KMP(s)). All related party transactions are mentioned in the notes to the accounts. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions.

Company has formulated a Policy on "Materiality of Related Party Transactions" and on "the process of dealing with such transactions", which are in line with the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI LODR Regulations, 2015. The same is also available on the web-link: <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Related-Party-Transaction.pdf>. Prior omnibus approval from the Audit Committee is obtained for transactions which are repetitive and also normal in nature. Further, disclosures on related party contracts and arrangements are made to the Audit Committee and the Board on a quarterly basis. During the year under review, there were no material related party transactions under Regulation 23 (4) of SEBI LODR Regulations, 2015 entered into by the Company, which necessitates approval of Shareholders.

None of the Directors have any pecuniary relationship or transaction with the Company except for receiving remuneration/sitting fees.

## 32. Disclosures of Transactions of the Listed Entity with any Person or Entity belonging to the Promoter/Promoter Group which hold(s) 10% or more Shareholding in the Listed Entity, in the format prescribed in the relevant Accounting Standards for Annual Results

Your Company has not entered into any transactions with any person or entity belonging to Promoter/Promoter Group

holding 10% or more of the shareholding in your Company. Therefore, the same is not applicable to your Company.

### 33. Extracts of Annual Return

Pursuant to Section 134 and Section 92 of Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the details <https://group.teamlease.com/investor/teamlease-annual-report/>.

### 34. Credit Ratings

The Company continues to maintain its credit ratings.

Pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof, it is informed that the Company continues to maintain its credit ratings.

The Credit Rating Information Services of India Limited (CRISIL) & Investment Information and Credit Rating Agency (ICRA) has continued to assign the ratings to the Company's various credit facilities and debt instruments during the Financial Year 2022-23 and they are as below:

Line of Credit of TeamLease Services Limited (LOC) for ₹ 178.00 Crores	Long-term outstanding rating of ICRA A and short-term outstanding rating of ICRA A1 for ₹ 158.00 Crores LOC and a long-term rating of ICRA A and short-term rating of ICRA A1 to the additional limit of ₹ 20.00 Crores is assigned by ICRA Limited.
	The Outlook on the long-term rating continues to be Stable.
Bank loan rating for ₹ 195 Crores bank facilities	Long-term rating of CRISIL A/Stable and short-term rating of CRISIL A1 is assigned by CRISIL.

### 35. Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external agencies, the reviews performed by management and the relevant Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective as on March 31, 2023.

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 of the Companies Act, 2013:

- (i) that in the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) the directors had selected such accounting policies

and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;

- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a going concern basis;
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 36. Compliance with Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### 37. Listing on Stock Exchange

The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited since 2016.

### 38. Suspension of Securities of the Company

The securities of the Company have not been suspended from trading in any of the Stock Exchanges.

### 39. Details of Significant and Material orders passed by the Regulators or Courts or Tribunals Impacting the Going concern status and Company's operations in future

During the year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

### 40. Shares

#### a. Share Capital

As on March 31, 2023, the Authorized Share Capital of the Company is ₹ 2,330.00 Lakhs and Paid-up Share Capital is ₹ 1,709.68 Lakhs. There was no change in the paid up share capital of the Company during the year under review. The Company does not have any outstanding paid up preference share capital as on date of this report. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor buy-back nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company. Further, during the year under review, none of the promoters acquired or off-loaded any shares of the Company.

Non-Executive Director, Ms. Rituparna Chakraborty\* held 1,09,186 Shares, Mr. Narayan Ramachandran; Non-Executive Chairman and Lead Independent Director held 10,000 Shares and Mr. Subramaniam Somasundaram; Independent Director held 57 Shares in the Company during the year ended March 31, 2023.

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

#### b. Buy Back of Securities

The Shareholders' approved the proposal of Buyback of Equity Shares recommended by the Board of Directors by way of e-voting on the Postal Ballot, the results of which were declared on March 16, 2023. The Buyback was offered to all Equity Shareholders of the Company (including the Promoters, the Promoter Group and Persons in Control of the Company) under the Tender offer route through the Stock Exchange. The Buyback of Equity Shares through the Stock Exchange commenced on May 12, 2023 and was completed on May 25, 2023. During this Buyback period the Company had purchased and extinguished a total of 3,27,869 Equity Shares from the Stock Exchange at a volume weighted average buyback price of ₹3,050/- per Equity Share comprising 1.92% of the pre buyback paid-up equity share capital of the Company. The following Promoters had participated in the Buyback and they tendered Equity Shares as detailed below in compliance with the terms of the Buyback or as permitted under applicable law:

Sl. No.	Name of Promoter	Number of Equity Shares held as on the Date of Board Meeting and the Postal Ballot Notice	Number of Equity Shares tendered
1	NED CONSULTANTS LLP	11,96,997	42,000
2	HR OFFSHORING VENTURES PTE LTD	40,58,876	77,836
	<b>Total</b>	<b>53,87,615</b>	<b>1,19,836</b>

#### c. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

#### d. Issue of Bonus Shares

The Company during the year under review has not issued/ allotted any bonus shares.

#### e. Employee Stock Option Plan (ESOP)

Nomination and Remuneration Committee of the Board, inter alia, administers and monitors the Company's Employees' Stock Option Plan (ESOP Plan) in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations). The ESOP Plan is implemented through TeamLease ESOP Trust (ESOP Trust).

As on March 31, 2023, the ESOP Trust held 8,466 Equity Shares of the Company. During the year ended March 31, 2023 there has been no material change in the Company's existing plan and the plan is in compliance with SBEB Regulations.

Note 38 of Standalone Financials Statements to be referred for information as required under SBEB Regulations read with SEBI Circular CIR/CFD/POLICYCELL/2/2015 dated June 16, 2015.

(a) any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and : NIL

(b) identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant : NIL

The Company has received a certificate from the Secretarial Auditor of the Company that the ESOP Plan has been implemented in accordance with SEBI Share Based Employee Benefits (SBEB) Regulations, 2014 and in line with the resolutions passed/ approved by the Shareholders in this regard. The said Certificate shall be available at the Annual General Meeting for inspection by the Members.

Detailed disclosure on ESOP is hosted in the website at <https://group.teamlease.com/investor/esop-declarations/>.

#### 41. Particulars of Employees

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in **Annexure VI** of the Board's Report.

Pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of top 10 employees in terms of remuneration drawn are available for inspection by the shareholders. Further, the Annual Reports are being sent to the Members excluding the aforesaid particulars. In terms of Section 136 of the Act, the said particulars are open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com).

#### 42. Disclosure under Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

At TeamLease Services Limited, all employees are of equal value. There is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, sexual orientation or age. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year under review: The same were investigated in accordance with procedures prescribed and adequate steps were taken to resolve them.

Particulars	Numbers
No. of complaints pending at the beginning of the Financial Year 2022-23:	0
No. of complaints received during the Financial Year 2022-23:	13
No. of complaints disposed off during the Financial Year 2022-23:	9
No. of complaints pending at the end of the Financial Year 2022-23:	4*

\*The number of cases pending as on March 31, 2023 were attended and resolved within the specified time period provided in Prevention of Sexual Harassment Act.

#### 43. Human Resources

The Human Resource function works as a strategic partner of the business.

The Company has all required policies under the required laws for the time being in force and as required under the Companies Act, 2013 and SEBI LODR Regulations, 2015 the policies pertaining the Code of Conduct and Business Ethics Policy for employees, senior management team and directors, Policy on Succession Plan and Prevention of Sexual Harassment Policy as required under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Whistle Blower and Vigil Mechanism Policy, Anti-Bribery Policy, Policy on Insider Trading as required under SEBI Prohibition of Insider Trading Regulations, 2015 and subsequent Amendments made thereon, etc. and all the Policies/Codes have been uploaded in the Website of the Company <https://group.teamlease.com/investor/policies-and-guidelines/page/2/#section>.

Your company ensures that employees are aligned with the organizational culture and values whilst never losing sight of our business objectives.

Technical and safety training programmes are given periodically to workers. The Company has a robust performance evaluation process through which individual goals are aligned to organizational goals so that the individuals and the organisation grow in tandem.

During the year under review, the Industrial relations remained generally cordial.

#### 44. Statutory Disclosures

None of the Directors of your Company are disqualified as per the provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015.

The Company has received a Certificate pursuant to Schedule V(10)(i) of SEBI LODR Amendment Regulations, 2018 from Mr. Mukesh Siroya, M Siroya & Company, Practicing Company Secretaries, Mumbai, bearing Membership Number: 5682, that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority during the period under review.

The certificate is annexed to the Board's Report as **Annexure VII**.



#### 45. Change in Nature of Business

There has been no change in the nature of business of the Company. Your Company continues to one-stop provider of human resources services to various industries and diverse functional roles, offering staffing, payroll processing, recruitment, compliance and training services. Your Company set in motion the larger company mission of 'Putting India to Work' by focusing on its vision of 3 E's – Employment, Employability and E-workforce.

#### 46. Cyber Security

TeamLease strictly practices the principles of 'Security by Design' and 'Privacy by Design' and has a well-defined information security and data privacy framework. A comprehensive ISMS (Information Security Management System) has been designed as per ISO27001:2013 and NIST Risk Management Framework and the privacy controls have been designed as per GAPP (Generally Accepted Privacy Principles).

#### 47. Declaration on Code of Conduct

The Company has adopted the Code of Conduct for all its Senior Management Personnel and Directors and the same is affirmed by all the Board Members and Senior Management Personnel as required under Regulation 34 read with Part D of Schedule V of the SEBI LODR Regulations, 2015. A declaration signed by Mr. Ashok Reddy, Managing Director of the Company affirming the compliance with the Code of Conduct of the Company for the Financial Year 2022-23 as set out in Corporate Governance Report in pages 115 to 164 of this Annual Report.

#### 48. MD and CFO Certification

As required by SEBI LODR Regulations, 2015, the Managing Director and Chief Financial Officer have given appropriate certifications to the Board of Directors and the same forms part of the Corporate Governance Report.

#### 49. MOA & AOA

During the year under review, there is no change in the Memorandum of Association and Articles of Association of the Company.

#### 50. Cautionary Statement

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include changes in Government regulations, Tax regimes, economic developments within India and other ancillary factor.

#### 51. Integrated Report

The Company being one of the top companies in the country in terms of market capitalization, has voluntarily provided Integrated Report, which encompasses both financial and non-financial information to enable the Members to take well informed decisions and have a better understanding of the Company's longterm perspective. The Report also touches upon aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

#### 52. Acknowledgements

Your Directors sincerely thank the various Central and State Government Departments especially the Ministry of Labour, for the help and co-operation extended by them during the year.

The Directors place on record their sincere appreciation towards various organizations and agencies for their continued support. Your Directors also gratefully acknowledge all stakeholders of the Company viz. Shareholders, customers, dealers, vendors, banks and other business partners for the excellent support received from them during the year.

Your directors also wish to place on record their appreciation for the contribution made by the employees at all levels for their unstinted commitment and continued contribution to the Company. Our consistent growth was made possible by their hard work, solidarity, co-operation and support.

#### For and on behalf of Board of Directors

**Ashok Reddy**  
Managing Director  
DIN: 00151814

**Latika Pradhan**  
Independent Director  
DIN: 07118801

Place: Bangalore  
Date: May 17, 2023

# Annexure I

## Dividend Distribution Policy

### Pursuant to Regulation 43A of SEBI LODR Regulations, 2015

The Dividend Distribution Policy (the Policy) establishes the principles to ascertain amounts that can be distributed to Equity Shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company.

The Policy as administered by the Audit Committee of the Board is verbatim reproduced herewith-

### Commencement:

This Policy shall come into force for accounting periods beginning from April 01, 2019 and the policy is effective from the date of approval of the Board i.e., from January 29, 2019 onwards.

This policy is being adopted and published in compliance with SEBI LODR (Second Amendment) Regulations, 2016.

The Regulation further prescribed that, the Dividend Distribution Policy shall include the following parameters:

- a. the circumstances under which the Shareholders of the listed entities may or may not expect dividend;
- b. the financial parameters that shall be considered while declaring dividend;
- c. internal and external factors that shall be considered for declaration of dividend;
- d. policy as to how the retained earnings shall be utilized; and
- e. parameters that shall be adopted with regard to various classes of shares.

Provided that if the listed entity proposes to declare dividend on the basis of parameters in addition to clauses (a) to (e) or proposes to change such additional parameters or the dividend distribution policy contained in any of the parameters, it shall disclose such changes along with the rationale for the same in its Annual Report and on its Website.

### Objective:

- a. This Policy is framed in accordance with the requirement under Regulation 43A of the SEBI LODR Regulations, 2015 (including any amendments thereof).
- b. The Company shall make appropriate disclosures as required under the SEBI LODR Regulations, 2015.

### Definitions:

- a. "Board" means the Board of Directors of TeamLease Services Limited.
- b. "Company" means TeamLease Services Limited.
- c. "Policy" means this Policy, as amended from time to time.
- d. "Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).
- e. "Financial Year" shall mean the period starting from 01st day of April and ending on 31st day of March every year.

### Declaration of Dividend:

The declaration of dividend (including interim dividend) would be subject to compliance with the applicable provisions of the Companies Act, 2013, Rules and Listing Regulations made thereunder as amended from time to time.

### Parameters for Dividend Payout:

#### a. The circumstances under which the Shareholders may or may not expect dividend:

The Company intends to offer maximum return on investment to the Shareholders keeping in mind the underlying growth and future of the Company. However, the Board may not consider to declare any dividend or declare a lower rate of dividend based on the following circumstances:

1. Prospective growth opportunities of the Company;
2. Threats/concerns of the Company;
3. Inadequacy or absence of profits; Capital
4. Higher working capital requirements for business operations of the Company.

#### b. Financial Parameters including Internal Factors that shall be considered while declaration of dividend:

The financial parameters which would be considered while declaration of dividend by the Board are as follows:

1. Profits of the Company;
2. Past dividend pattern;
3. Major capital expenditure to be incurred by the Company;
4. Cash flow requirements of the Company;

5. Debt-equity ratio of the Company;
6. Cost of borrowing of the Company, keeping in view the growth opportunities;
7. Debt obligations of the Company;
8. Investments in new business;
9. Provisioning for financial implications arising out of unforeseen events and/or contingencies;
10. Reputation of the Company;
11. Restrictions/covenants if any, contained in any lender agreements or any other arrangement or agreement entered into by the Company.

**c. External Factors that shall be considered while declaration of dividend:**

Certain external factors could compel the Board of the Company to reflect on the dividend payout for any Financial Year of the Company. Some of the external factors affecting the Company's dividend payment are:

1. Regulatory requirements;
2. Economic environment;
3. Political/geographical situations;
4. Inflation rate;
5. Industry Outlook for future years.

**d. Utilization of Retained Earnings:**

The Company believes in cash retention for growth, expansion and diversification including acquisitions to be made by it, and also as a means to meet contingency requirements. The retained earnings of the Company may be used in any of the following ways:

1. expenditure for working capital;
2. Organic and/or inorganic growth;
3. Investment in new business(es);
4. Additional investment in existing business(es);
5. Declaration of dividend;

6. Capitalisation of shares;
7. Buy back of shares;
8. General corporate purposes, including contingencies;
9. Any other permitted usage as per the Companies Act, 2013.

**e. Parameters adopted to various classes of shares:**

At present the issued, subscribed and paid up capital of the Company comprises only of one class of share i.e., equity shares.

**Procedure:**

Final dividend is declared at the Annual General Meeting (AGM) of the Shareholders on the basis of recommendations of the Board. The Board may, at its discretion, also declare an interim dividend.

**Other Salient Points:**

Retained Earnings may be used for corporate actions in accordance with applicable laws and for investments towards growth of the business.

This Dividend Distribution Policy shall be applicable to equity shares.

**Board Discretion:**

The Board may recommend special dividend as and when it deems fit. The Board will review the Dividend Distribution Policy of the Company at regular intervals.

**Amendments:**

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy in compliance with applicable Rules and Regulations framed thereof.

The Dividend Distribution Policy is also hosted on the website of the Company at [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Dividend\\_Distribution\\_Policy.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Dividend_Distribution_Policy.pdf).

# Annexure II

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

## AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

### Part "A": Subsidiaries

₹ in Lakhs

Sl. No.	Particulars	Details						
1	Name of the subsidiary	<b>TeamLease Education Foundation</b>	<b>TeamLease Digital Private Limited</b>	<b>Keystone Business Solutions Private Limited</b>	<b>TeamLease HRTech Private Limited (Formerly TeamLease E-Hire Private Limited)</b>	<b>I.M.S.I Staffing Private Limited</b>	<b>TeamLease Edtech Limited (Formerly School Guru Eduserve Private Limited)</b>	<b>TeamLease Regtech Private Limited (Formerly Avantis Regtech Private Limited)</b>
2	Date of Incorporation	27.06.2011	04.07.2016	27.11.2009	21.12.2005	24.07.2018	27.12.2010	12.10.2018
3	Date of Acquisition	27.06.2011	04.07.2016	01.02.2017	01.08.2018	12.11.2019	09.09.2020	03.04.2021
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	₹	₹	₹	₹	₹	₹	₹
6	Share Capital	1.00	473.50	4.26	1.11	531.80	110.99	2.08
7	Reserves & Surplus (includes other comprehensive income and securities premium)	(219.94)	(2,598.82)	1,053.21	(823.72)	1,910.33	1,909.23	720.92
8	Total Assets	3919.29	25,104.40	1,059.04	362.08	3,303.35	4,990.78	1,164.75
9	Total Liabilities (excluding share capital and reserves and surplus)	4138.23	27,229.72	1.57	1,184.69	861.22	2,970.56	441.75
10	Investments (excludes investment in subsidiaries)	300.00	NIL	NIL	NIL	NIL	NIL	NIL
11	Turnover (include inter-company transactions)	35,623.79	51,022.93	137.50	950.40	6,477.81	8,466.87	1,309.98
12	Profit/(loss) before taxation	(11.21)	1,117.28	(4.59)	174.36	331.34	304.05	(60.60)

₹ in Lakhs

Sl. No.	Particulars	Details						
13	Provision for taxation	NIL	252.95	5.02	(50.26)	99.78	88.91	10.06
14	Profit/(Loss) after taxation	(11.21)	864.33	(9.61)	224.63	231.57	215.14	(70.64)
15	Proposed Dividend	-	-	-	-	-	-	-
16	% of shareholding	100%	100%	100%	100%	100%	77.67%	61.50%

**(Part "B": Associates and Joint Ventures**

Not Applicable

**For and on behalf of the Board of Directors****TeamLease Services Limited****Ashok Reddy**

Managing Director  
DIN: 00151814

**Latika Pradhan**

Independent Director  
DIN: 07118801

**Ramani Dathi**

Chief Financial Officer

**Alaka Chanda**

Company Secretary  
M.No. F10911

Place: Bangalore

Date: May 17, 2023

# Annexure III

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
TeamLease Services Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TeamLease Services Limited (hereinafter called the Company) for the audit period covering the financial year ended March 31, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder as may be applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. There is no Overseas Direct Investment or External Commercial Borrowing in the Company; and
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (d) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable);
- (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (f) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR");
- (g) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

We have also examined compliance with the applicable clauses of the following:

- (i) The Equity Listing Agreements entered by the Company with BSE Limited and National Stock Exchange of India;
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India as amended time to time; and
- (iii) The Company previously maintained a password protected MS Excel file. Thereafter, the Company acquired a software for maintaining the Structured Digital Database (SDD) towards the mid of August 2022 and the same has been functional w.e.f. September 01, 2022 and accordingly the Company ensured compliance with the requirement of maintenance of SDD in accordance with Regulation 3(5) and 3(6) of the SEBI (PIT) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned herein above, except the following:

- (i). Mr. Manish Sabharwal was re-appointed as Whole Time Director and Executive Vice Chairman of the

Company w.e.f. April 1, 2022 and Ms. Rituparna Chakraborty was appointed as an Additional Director (Executive) of the Company w.e.f. May 18, 2022. Pursuant to Regulation 17(1C) of the SEBI LODR, the approval of shareholders was required to be taken within three months of the appointment/re-appointment. However, the approval of the shareholders were obtained at the Annual General Meeting (AGM) held on September 16, 2022. The Company has requested NSE and BSE on September 26, 2022 seeking condonation of delay in obtaining requisite shareholders' approval. The advice from BSE and NSE is awaited.

Based on the representation made by the Company and its officers, the Company has adequate system and process in place for compliance under the laws applicable to the Company, a list whereof is enclosed herewith as an **Annexure A**.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and Woman Director. The following changes in the directors and Key Managerial Personal, during the year under review, were carried out in compliance with the provisions of the Act:

- (i) Ms. Rituparna Chakraborty was appointed as an Additional and Whole Time Director (designated as an Executive) Director of the Company w.e.f. May 18, 2022 and the members approved the said appointment at their AGM held on September 16, 2022;
- (ii) Mr. Manish Sabharwal was re-appointed as an Executive Vice Chairman and Whole Time Director of the Company w.e.f. April 1, 2022; and
- (iii) Ms. Rituparna Chakraborty has on March 30, 2023 resigned from the position of executive Director w.e.f. the close of business hours on May 31, 2023 and shall continue as a Non-Executive, Non-Independent Director, liable to retire by rotation, w.e.f. June 1, 2023.

Adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the Unpublished Price Sensitive Information which were, pursuant to clause no. 1.3.7 of Secretarial Standard 1 ("SS 1"), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS 1, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation & deliberations at these Meetings.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company in order to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has undertaken following significant & material corporate events/actions having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

- 1) The Board of Directors at their meeting held on February 3, 2023 had, subject to the approval of the Members of the Company by way of Special Resolution and subject to such other regulatory and/or statutory approvals as may be required under applicable laws, approved buyback of upto 3,27,869 (Three Lakhs Twenty Seven Thousand Eight Hundred and Sixty Nine) fully paid-up Equity Shares of face value of ₹ 10 each, on a proportionate basis, through the "Tender Offer" route through Stock Exchange mechanism. The shareholders have subsequently approved the Buyback vide their special resolution passed through postal ballot on March 14, 2023.

For M Siroya and Company  
Company Secretaries

**Mukesh Siroya**

Proprietor  
FCS No.: 5682  
CP No.: 4157  
UDIN: F005682E000323991

Date: May 17, 2023  
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure B** and forms an integral part of this report.

**List of Laws applicable specifically to the Company**

1. Industrial Disputes Act, 1947
2. The Payment of Wages Act, 1936
3. The Minimum Wages Act, 1948
4. Employees' State Insurance Act, 1948
5. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
6. The Payment of Bonus Act, 1965
7. The Payment of Gratuity Act, 1972
8. The Contract Labour (Regulation & Abolition) Act, 1970
9. The Maternity Benefit Act, 1961
10. The Child Labour (Prohibition & Regulation) Act, 1986
11. The Industrial Employment (Standing Order) Act, 1946
12. The Employees' Compensation Act, 1923
13. The Apprentices Act, 1961
14. Equal Remuneration Act, 1976
15. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
16. Labour Welfare Acts of respective states
17. Profession Tax Acts of respective states
18. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013



**'Annexure B'**

To,  
The Members,  
TeamLease Services Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M Siroya and Company  
Company Secretaries

**Mukesh Siroya**

Proprietor  
FCS No.: 5682  
CP No.: 4157  
UDIN: F005682E000323991

Date: May 17, 2023  
Place: Mumbai

# Annexure IV

## Policy on Directors' Appointment and Remuneration

The Policy on Appointment and Remuneration of Directors and Key Managerial Personnel (the Policy) provides an underlying basis and guide for human resource management, thereby aligning plans for strategic growth of the Company. This Policy is framed pursuant to Section 178 (4) of the Companies Act, 2013 and Regulation 19 of SEBI LODR Regulations, 2015.

The Policy as administered by the Nomination and Remuneration Committee of the Board is verbatim reproduced herewith-

### 1. Objective:

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013, as amended from time to time, read along with the applicable Rules thereto. The Key Objectives of the Committee are:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel(s) (hereinafter referred to as KMP(s)) and other employees as may be prescribed under the Companies Act, 2013.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- iii. To recommend to the Board on remuneration payable to the Directors, KMP(s) and other employees as may be prescribed under the Companies Act, 2013.
- iv. To provide to KMP(s) and other employees as may be prescribed under the Companies Act, 2013, reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- v. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vi. To develop a succession plan for the Board and to regularly review the succession plan.

### 2. Definitions:

- i. "Act" means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. "Board" means Board of Directors of the Company.
- iii. "Directors" mean Directors of the Company.
- iv. "Company" means TeamLease Services Limited
- v. "Committee" means Nomination and Remuneration Committee of the Company.

#### 2.1. Key Managerial Personnel(s) (KMP(s)) mean

- a. Managing Director
- b. Chief Financial Officer;
- c. Company Secretary;
- d. Whole Time Director
- e. Chief Executive Officer
- f. Such other officer, not more than one level below the directors who is in whole-time employment, designated as Key Managerial Personnel by the Board;

#### 2.2. Other Employees prescribed under the Companies Act, 2013, means personnel of the Company who are members of its core management team being one level below the Board.

### 3. Role of Committee:

#### 3.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

##### The Committee shall:

- 3.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 3.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy.

3.1.3 Recommend to the Board, appointment and removal of Director, KMP(s) and other employees.

### **3.2. Policy for appointment and removal of Director, KMP(s) and other employees**

#### **3.2.1. Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, and experience of the person for appointment as Director, KMP(s) or at other level as may be prescribed under the law and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided, that the term of the person holding this position on may be extended beyond the age of seventy years with the approval of Shareholders by passing a special resolution based on the explanatory statement annexed to the notice indicating the justification for extension of appointment beyond seventy years.

#### **3.2.2. Term /Tenure**

- a) Managing Director/Whole-Time Director:  
The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time, no re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director:  
An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

#### **3.2.3. Evaluation:**

The Nomination and Remuneration Committee shall carry out yearly Performance Evaluation for all Board members. The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include

- a) performance of the directors;
- b) fulfillment of the independence criteria as specified in these Regulations and their independence from the management; and
- c) On the basis of the report of Performance Evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director

Company Secretary and Compliance Officer will undertake the process for and on behalf of the Nomination and Remuneration Committee and submit the report to Nomination and Remuneration Committee Chairman.

Nomination and Remuneration Committee Chairman will present it to the Board Chairman and discuss it during Board Meeting. He may also discuss it during Independent Directors' Meeting.

#### **3.2.4. Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, or under any other applicable Act, Rules and Regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP(s) or other employee subject to the provisions and compliance of the said Act, Rules and Regulations.

#### **3.2.5. Retirement:**

The Director, KMP(s) and other employees shall retire as per the applicable provisions of the Companies Act, 2013, and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP(s), other employees in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### 3.3.1 Policy relating to the Remuneration for the Whole-Time Director, KMP(s) and other employees:

- a. The remuneration / compensation / commission etc. to the Whole Time Director, KMP(s) and other employees will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/ commission etc. shall be subject to the prior/ post approval of the Shareholders of the Company, whenever required.
- b. The remuneration and commission to be paid to the Whole Time Director shall be in accordance with the percentage/slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013.
- c. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which would be within the slabs approved by the Shareholders in the case of Whole Time Director.
- d. Where any insurance is taken by the Company on behalf of its Whole Time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e. In case any difficulty or doubt arising in the interpretation or implementation of this policy, the decision of the Chairman / Managing Director of the Company shall be final. In exceptional circumstances, the Chairman / Managing Director shall be authorized to exercise functions vested in the committee in so far as these relate to Key Managerial Personnel(s) (KMP(s)) and other employees; provided however that such actions taken by the Chairman and Managing Director shall be placed before the Committee for ratification in the succeeding Committee Meeting.

### 3.3.2 Remuneration to Whole Time/ Executive/ Managing Director, KMP(s) and other employees:

#### a) Fixed Pay:

The Whole-Time Director/ KMP(s) and such other employees shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc, shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the Shareholders, wherever required.

#### b) Minimum remuneration:

If, in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

#### c) Provisions for excess remuneration:

If any Whole-Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013, where required, he / she shall refund such sums to the Company and unless such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### 3.3.3. Remuneration to Non- Executive / Independent Director:

#### Remuneration / Commission/ Sitting Fee:

The remuneration / commission / sitting fee, if any paid, shall be fixed as per Articles of Association and the Companies Act, 2013 read with applicable rules.

### 4. Membership:

- i. The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being independent.

- ii. Membership of the Committee shall be disclosed in the Annual Report.
- iii. Term of the Committee shall be continued unless terminated by the Board of Directors.

#### 5. Chairperson

- a. Chairperson of the Committee shall be an Independent Director.
- b. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairperson of the Committee.
- c. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- d. Chairperson of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the Shareholders' queries.

#### 6. Frequency of Meetings

The Nomination and Remuneration Committee shall meet at least once in a year.

The quorum for a meeting of the Nomination and Remuneration Committee shall be either two members or one third of the members of the Committee, whichever is greater, including at least one Independent Director in attendance.

#### 7. Committee Members' Interests:

- i. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- ii. The Committee may invite such Executives, as it considers appropriate, to be present at the meetings of the Committee.

#### 8. Secretary:

The Company Secretary or any other nominee of the Company shall act as Secretary of the Committee.

#### 9. Voting:

- i. Matters arising for determination at Committee Meetings shall be decided by a majority of votes of Committee Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- ii. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### 10. Duties:

##### Remuneration

- a. Determine and agree with the Board the framework or broad policy for the remuneration of the Company's Managing Director /Chief Executive, Chairman, the Executive/ Whole Time Directors, and such other members of the Executive management as it is designated to consider. No Director or Manager shall be involved in any decisions as to their own remuneration;
- b. In determining such policy, take into account all factors which it deems necessary and review and approve for the Managing Director and other Executive Directors on the Board of Directors:
  - 1. Annual base salary;
  - 2. Annual incentive bonus, including specific goals and amount;
  - 3. Equity compensation;
  - 4. Employment agreements and other service agreements; and
  - 5. Any other benefits / compensation payable to Managing Director, Executive Directors or Key Management Personnel(s) (KMP(s)); and
  - 6. To ensure that members of the Executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
  - 7. Review the performance of the Managing Director and Executive Director on the Board of Directors at such intervals as the Committee may deem fit.
- c. review the ongoing appropriateness and relevance of the Nomination and Remuneration Policy;
- d. approve the design of, and determine targets for, any performance related pay schemes scheme operated by the Company and approve the total annual payments made under such schemes.
- e. review the design of all share incentive plans/ stock options for approval by the Board and Shareholders. For any such plans, determine each year whether options would be granted and if so, the overall amount of such awards, including:-
  - i. the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
  - ii. the conditions under which options vested in employees may lapse in case of termination of employment for misconduct;

- iii. the exercise period within which the employee should exercise the option and that the options would lapse on failure to exercise the option within the exercise period;
  - iv. the specified time period within which the employee should exercise the vested options in the event of termination or resignation of an employee;
  - v. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - vi. the procedure for making a fair and reasonable adjustments to the number of options and the exercise price in case of corporate actions such as right issues, bonus issues, merger, sale of division and others;
  - vii. the granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options.
- f. determine the policy for, and scope of, pension arrangements for each Executive Director and other employees;
  - g. ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
  - h. within the terms of the agreed policy and in consultation with the Chairman and/or Chief Executive Officer as appropriate, determine the total individual remuneration package of each Executive and Non-Executive Director and other employees including bonuses, incentive payments and share options or other share awards, if any;
  - i. in determining such packages and arrangements, give due regard to any relevant legal requirements, the provisions and recommendations in the SEBI Guidelines and Companies Act, 2013 and other applicable laws;
  - j. review and note annually the remuneration trends across the Company or group;
  - k. oversee any major changes in employee benefits structures throughout the Company or group;
  - l. ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
  - m. be exclusively responsible for establishing the selection criteria, selecting, appointing and serving the terms of reference for any remuneration consultants who advise the Committee;
  - n. obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.
- 11. Nomination:**
- i. Regularly review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
  - ii. give full consideration to succession planning for directors and other employees in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and experience are therefore needed on the Board and in the Company and make consequential recommendation to the Board of Directors;
  - iii. keep under review the leadership needs of the organization, both executive and Non-Executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace;
  - iv. keep up to date and fully informed about strategic issues and commercial changes affecting the Company and the market in which it operates;
  - v. review annually the performance required from Non-Executive Directors. Performance Evaluation should be used to assess whether the Non-Executive Directors are spending enough time to fulfill their duties;
  - vi. ensure that on appointment to the Independent Directors receive a formal letter of appointment stating out clearly what is expected of them in terms of time commitment, Committee service and involvement outside Board meetings;
  - vii. The Committee:
    - a. shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance and shall recommend to the Board, all remuneration, in whatever form, payable to Senior Management. (Senior Management as defined under Section 178 of the Companies Act, 2013 and also pursuant to Regulation 16 of SEBI LODR Regulations, 2015 read with its

- Amendments).
- b. shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel(s) (KMP(s)) and other Employees.
  - c. while formulating the policy under clause (b) above ensure that—
    - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
    - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    - (c) remuneration to Directors, Key Managerial Personnel and other Employees involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals, provided that such policy shall be disclosed in the Board's Report.
  - viii. The Committee shall also make recommendations to the Board concerning:
    - (a) formulating plans for succession for both Executive and Non-Executive Directors;
    - (b) membership of the Audit Committee in consultation with the Chairperson of that Committee;
    - (c) the re-appointment of any Non-Executive and Independent Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
    - (d) the re-election by Shareholders of any Director under the 'retirement by rotation' provisions in the Company's Articles of Association having due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required;
    - (e) any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provisions of the Law and their service contract;
    - (f) the appointment of any Director to Executive Director or other office or position of profit within the Company.

## 12. Minutes of Committee Meeting

Proceedings of all meetings must be minuted and signed by the Chairperson of the Committee at the subsequent meetings. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meetings.

The Policy on Directors' Appointment and Remuneration is also hosted on the website of the Company at [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Nomination\\_and\\_Remuneration\\_Policy.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Nomination_and_Remuneration_Policy.pdf).

# Annexure V

## Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and as per Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:- The CSR initiatives undertaken by your Company upholds the principles of a responsible corporate citizen and aims to distribute the economic benefits derived by it through active collaboration with credible institutions.

Consequent to the implementation of the Companies Act, 2013, the Company has adopted the CSR Policy through CSR Committee. The CSR Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The guiding principle of TeamLease's CSR programs is "Impact through Empowerment".

Empowerment results in enabling people to lead a better life. The Company's focus areas are Education and Skill Development.

### Brief outline on CSR Policy of the Company:

- This CSR Policy is formulated to meet the CSR objectives set out by the Company as well as the applicable statutory requirements notified by the Ministry of Corporate Affairs through the Act. This CSR Policy shall apply to all CSR activities / projects / programs undertaken by the Company.
- The scope of the CSR activities of the company will cover all the areas as specified under Schedule VII of the Companies Act, 2013 (as amended from time to time) read with Section 135, but not limited to the same and may extend to other specific projects/programs as permitted under the law from time to time.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Membership	Number of Meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. V. Raghunathan	Chairman (Independent Director)	1	1
2	Mrs. Latika Pradhan	Member (Independent Director)	1	1
3	Mr. Mekin Maheshwari	Member (Independent Director)	1	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. - <https://group.teamlease.com/investors/teamlease-corporate-social-responsibility-policy/>
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. - Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable to the Company.
5. (a) Average net profit of the Company as per sub-section (5) of section 135. - ₹ 7,361.97 Lakhs  
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135. - ₹ 147.24 Lakhs  
 (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. - NIL  
 (d) Amount required to be set-off for the financial year, if any. - NIL  
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. - ₹ 147.24 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). - ₹ 147.24 Lakhs  
 (b) Amount spent in Administrative Overheads. - NIL



(c) Amount spent on Impact Assessment, if applicable. - NA

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. - ₹ 147.24 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
147.24 Lakhs	NA	NA	NA	NA	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in ₹)
1	2	3
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	147.24 Lakhs
(ii)	Total amount spent for the Financial Year	147.24 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

## Note 2

Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2021-22	NA	NA	1,87,94,000	NA	NA	NA	NA
2	2020-21	NA	NA	2,53,86,000 (including amount unspent in FY 19-20)	NA	NA	NA	NA
3	2019-20	78,54,000	78,54,000	66,07,000	NA	NA	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: - NA

Yes  No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

1	2	3	4	5	6		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR	Name	Registered address
					Registration		
					Number, if		
					applicable		

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. – Not Applicable

**For and on behalf of the Board of Directors**

**Dr. V. Raghunathan**

Chairman – CSR Committee

DIN: 00254091

**Ramani Dathi**

Chief Financial Officer

Place: Bangalore  
Date: May 17, 2023

## Annexure VI

### DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant clause u/r 5(1)	Prescribed Requirement Name of the Project	Remuneration of Directors/ KMPs for the Financial Year 2022-23	Median Salary	Other Equity	
				Ratio of the remuneration of each Director to the median remuneration of the employees	% increase in Remuneration in the Financial Year 2022-23
I & II	Mr. Ashok Reddy, Managing Director & CEO*	1,65,40,996	4,01,507	41.20	6.1%
	Mr. Manish Sabharwal, Whole Time Director & Executive Vice Chairman**	1,29,61,004	4,01,507	32.28	8.0%
	Ms. Rituparna Chakraborty, Whole Time Director***	1,52,41,656	4,01,507	37.96	Non Comparable
	Mrs. Latika Pradhan, Independent Director	14,00,000	4,01,507	3.49	-4.1%
	Mr. Narayan Ramachandran, Non-Executive Chairman and Lead Independent Director	10,00,000	4,01,507	2.49	-23.1%
	Dr. V. Raghunathan, Independent Director	14,00,000	4,01,507	3.49	-4.1%
	Mr. Zarir Batliwala, Independent Director	13,20,000	4,01,507	3.29	1.5%
	Mr. Mekin Maheshwari, Independent Director	12,40,000	4,01,507	3.09	Non Comparable
	Mr. Subramaniam Somasundaram, Independent Director	12,40,000	4,01,507	3.09	Non Comparable
	Mrs. Meenakshi Nevatia, Independent Director	12,20,000	4,01,507	3.04	Non Comparable
	Ms. Ramani Dathi, Chief Financial Officer	2,00,93,931	4,01,507	50.05	42.5%
	Ms. Alaka Chanda, Company Secretary & Compliance Officer	53,60,598	4,01,507	13.35	31.1%
III	Percentage increase in the median remuneration of employees in the financial year	Median Remuneration during the year was ₹ 4,01,507. The median remuneration increased by 3.50 %.			
IV	Number of permanent employees on the rolls of company	1,189 Core Employees as on March 31, 2023			
V	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	a) Average increase/(decrease) in remuneration of employees other than the Managerial Personnel – 3.53 %. b) Average increase in remuneration of Managerial Personnel – 6.92 %.			
VI	The key parameters for any variable component of remuneration availed by the directors	The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.			
VII	Affirmation that the remuneration is as per the remuneration policy of the Company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.			

Sl. No.	Name and Designation	Remuneration (Fixed)	Remuneration (Variable: Annual Performance Pay)
1	Mr. Ashok Reddy, Managing Director & CEO*	80,91,996.00	84,49,000.00
2	Mr. Manish Sabharwal, Whole Time Director & Executive Vice Chairman**	65,00,004.00	64,61,000.00
3	Ms. Rituparna Chakraborty, Whole Time Director***	91,54,440.00	60,87,216.00

\*\*\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

# Annexure VII

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
TeamLease Services Limited  
315, Work Avenue Campus, Ascent Bldg.,  
Koramangala Industrial Layout, Jyoti Nivas College Road,  
Koramangala, Bangalore- 560095,  
Karnataka, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TeamLease Services Limited bearing CIN L74140KA2000PLC118395 and having registered office at 315, Work Avenue Campus, Ascent Bldg., Koramangala Industrial Layout, Jyoti Nivas College Road, Koramangala, Bangalore- 560095, Karnataka, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Our Requirements	DIN	Date of appointment in Company
1	Ashok Reddy	00151814	03.09.2015
2	Dr. V Raghunathan	00254091	09.07.2015
3	Manish Sabharwal	00969601	02.02.2000
4	Zarir Batliwala	01028343	29.03.2019
5	Subramaniam Somasundaram	01494407	28.07.2021
6	Narayan Ramachandran	01873080	09.07.2015
7	Mekin Maheshwari	03621431	09.06.2021
8	Latika Pradhan	07118801	09.07.2015
9	Rituparna Chakraborty	07332241	18.05.2022
10	Meenakshi Nevatia	08235844	28.07.2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M Siroya and Company**  
Company Secretaries

**Mukesh Siroya**

Proprietor

FCS No.: 5682

CP No.: 4157

UDIN: F005682E000324022

Date: May 17, 2023

Place: Mumbai

# CORPORATE GOVERNANCE REPORT

## Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2023, in terms of Regulation 34(3) read with Schedule V of the SEBI LODR Regulations, 2015

For years, TeamLease Services Limited (TeamLease/ Company) has promoted practices, standards and resources that benefit all Stakeholders, comprising customers, vendors, investors, regulators and employees at large.

Your Company is committed to the principles of 'Accountability', 'Transparency' and 'Fairness' in its dealing with Stakeholders. Accordingly, in the endeavor to take balanced care of Stakeholders, your Company adheres to good corporate governance practices in its business processes. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company's terms of appointment with Independent Directors suitably incorporate the duties of Independent Directors as laid down in the Companies Act, 2013. These Codes and terms of appointment are available on the Company's website and can be accessed at <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Terms-and-conditions-for-appointment-of-IDAppointment-letter-for-ID.pdf>.

Corporate Governance is an ethically driven business process that is committed to values, aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting Stakeholders expectations. At TeamLease, it is imperative that our Company's affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our Stakeholders. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its Stakeholders including society at large. Corporate Governance has indeed assumed greater significance as the world has moved towards closer integration and free trade.

For ensuring sound Corporate Governance practices, the Government of India has put in place, a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Global trends and some governance failures across the world drive the demand for a high quality of governance practices. Besides complying with the statutorily prescribed Corporate Governance practices, the Company has voluntarily adopted and evolved various practices of governance conforming to ethical and responsible standards of business. Certain recommendations of the recent SEBI constituted Kotak Committee have also been adopted by the Company even before they are mandated. The amended norms are

aimed to encourage Companies to 'adopt best practices on Corporate Governance'. The pillars of Corporate Governance of TeamLease are based on:

### Accountability

For us, accountability is about holding ourselves firmly responsible for what we believe in and for delivering what we have promised. We ensure this by promoting a mind-set of end-to-end ownership throughout the organization. By means of openness and transparency, we consider ourselves accountable to the entire universe of Stakeholders including our clients, employees, Shareholders, vendors, government agencies, society, medical community, customers and business partners, and supply chain participants.

### Transparency

For us, transparency is the key to healthy self-sustaining growth and promotes self-enforcing checks and balances. It also fosters deep and long standing trust among our Stakeholders. We strive to demonstrate the highest levels of transparency, over and above statutory requirements, through accurate and prompt disclosures.

### Fairness

We practice fair play and integrity, in our transactions with all Stakeholders, both within and outside the organization. We conduct ourselves in the most equitable manner.

### Competent Leadership and Management

We believe that dynamic, diverse and experienced Board with focus on excellence plays a pivotal role in organization's corporate governance aspirations. In view of this, we endeavour to maintain Board composition that brings healthy balance of skills, experience, independence, assurance, growth mind-set and deep knowledge of the sector.

### Empowerment

The empowerment of leaders and employees is an important step in enabling high performance and developing leadership capability within the Company. They define a common vocabulary and approach for building leadership within the Company.

Our governance conforms to global standards through continuous evaluation and benchmarking. The broad tenets the Company follows are:

- Transparent procedures, practices and decisions based on adequate information.
- Compliance with all relevant laws in letter and spirit.

- High levels of disclosures to disseminate corporate, financial and operational information to all Stakeholders.
- Policies on tenure of Directors, Rotation of Auditors and a Code of Conduct for Directors and Senior Management.
- Constitution of various Committees such as Audit, Nomination and Remuneration, Risk Management, Corporate Social Responsibility, Stakeholders' Relationship etc.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies.
- Meetings of Independent Directors without the presence of any Non-Independent / Executive Directors and members from the management to identify areas, where they need more clarity or information and for open and transparent discussions and placing these before the Board and Management.
- Formal induction schedule and familiarization programme for new Board members that enable them to meet individually with the top management team, etc.
- Regular reviews and establishing effective meeting practices that encourage active participation and contribution from all members.
- Independence of Directors in reviewing and approving corporate strategy, major business plans and activities.
- Well-defined corporate structure that establishes checks, balances and delegates decision making to appropriate levels in the organization though the Board always remains in effective control of affairs.
- Fair and equitable treatment towards Stakeholders to encourage active cooperation.
- Board Members act on a fully informed basis in good faith, with due diligence and care and in the best interest of the Company and the Shareholders and appropriate composition and size of the Board is ensured.
- Continually reinforcing a culture in the organisation of acting lawfully, ethically and responsibly.
- Establishing a sound risk management framework and periodically reviewing the effectiveness of that framework.

## **A Report on Compliance with Corporate Governance principles as prescribed under SEBI LODR Regulations, 2015 is given below:**

### **I. Company's Philosophy on Corporate Governance**

Corporate Governance is an effective tool to bring integrity and transparency in terms of reporting so as to protect the interest of all the Stakeholders of the Company. Keeping this in mind, the Companies Act, 2013, and SEBI

LODR Regulations, 2015 read with its Amendments have laid down provisions so as to ensure that the effective Corporate Governance is implemented by the Corporates, beyond the legal compliance. TeamLease is committed to bring in effective Corporate Governance so as to ensure a strong relationship with the Stakeholders by providing the truthful internal information on how the company is being run or managed. The Management/Board of Directors is considerate to adopt the system of effective communication on the disclosures that are essential for the Stakeholders through proper channels with utmost integrity and transparency. The Company has adopted the philosophy of Corporate Governance not only to satisfy the spirit of law, but also in the spirit of the letter of law.

TeamLease believes that good Corporate Governance emerges from the application of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters.

At TeamLease, we also consider it as our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as leadership and governance of the Company.

Corporate Governance at TeamLease Services Limited is implemented through robust board governance processes, internal control systems and processes, and strong audit mechanisms. These are articulated through Company's Code of Business Conduct, Corporate Governance Guidelines and charters of various Committees of the Board and Company's Disclosure Policy. TeamLease Services Limited's corporate governance practices can be described through the following four layers:

- Governance by the Shareholders
- Governance by Board of Directors
- Governance by Committees of Board, and
- Governance through Management Process

### **II. Shareholders**

The Companies Act, 2013 and SEBI LODR Regulations, 2015 prescribe the governance mechanism by Shareholders in terms of passing of ordinary and special resolutions, voting rights, participation in the corporate actions. Your Company follows a robust process to ensure that the Shareholders of the Company are well informed of Board decisions both on financial and non-financial information and adequate notice with a detailed explanation is sent to the Shareholders well in advance to obtain necessary approvals.

### **III. Board of Directors**

In terms of the Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it discharge its responsibility of strategic supervision of the Company as trustees to

the Shareholders. The Board of Directors ('the Board') is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

All Board members are encouraged to meet and interact with the management. Board Members are invited to key meetings for strategic guidance and advice.

The Company's day to day affairs are managed by competent management team under the able supervision of the Board.

Although the Company has Non-Executive Chairman to preside the Board, the constitution of Board is such that not less than fifty percent of the Board comprises of Independent Directors. The Company has three Women Directors in its Board and hence Company has complied with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17(1)(a) of the SEBI LODR Regulations, 2015. The Board believes that the current size is appropriate, based on the Company's present volume of operations and nature of business.

#### A. Roles, Responsibilities and Duties of the Board

The Board of Directors is the apex body constituted by Shareholders and is vested with the powers of governance, control, direction and management of affairs of the Company. The Board provides strategic direction and guidance to the Company, and has been steering the Company towards achieving its business objectives. Driven on the principles of ethics and accountability, the Board strives to work in best interest of the Company and its Stakeholders.

The duties of Board of Directors have been enumerated in SEBI LODR Regulations, 2015, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

#### Governance Codes:

**Code of Business Conduct & Ethics:** The Company's Code of Business Conduct & Ethics requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in a professional, courteous and respectful manner. The Code is displayed on the Company's website at <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf>.

**Conflict of Interest:** On a quarterly basis, each Director informs the Company about the Board and the Committee positions he occupies in other Companies including Chairmanships and notifies changes during the year. Members of the Board while discharging their duties avoid conflict of interest in

the decision making process. The members of the Board restrict themselves from any decision and voting in transaction that they have concern or interest.

**Code of Conduct for Insider Trading:** The Company has adopted a Code of Conduct for Prevention of Insider Trading, 2015 in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the Company's website <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-for-Prohibition-of-Insider-Trading-1.pdf>.

#### A. Chairman

The Chairman acts as the leader of the Board and presides over the meetings of the Board and the Shareholders. The primary responsibility is to ensure that collectively Board is effective in its task of setting and implementing the Company's strategy. He oversees the conduct of the Board and ensures that it adheres to the statutory requirements and good governance practices in letter and spirit.

His role, inter alia, includes to:

- Provide leadership to the Board & preside over all Board & General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

#### B. Managing Director (MD)

The day to day management of the operations rest with the MD. He is responsible for the business performance, driving growth and implementation of strategic decisions taken at the Board level. As the MD of the Company, his priorities include articulating TeamLease Services Limited's long- term strategy based on organic & inorganic initiatives, defining innovation agenda for the Company, balancing growth imperatives with the margin and return on capital thresholds, executing Company's roadmap to maintain momentum across the markets in which it operates, augmenting the capabilities in operations and support functions, and building a strong talent focused organization ready to take on the challenges.

The MD works under the supervision of the Board of Directors and is vested with the sufficient power of the management to undertake day to day affairs.

**C. Non-Executive Directors including Independent Directors** play a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter-alia, includes to:

- Impart balance to the Board by providing independent judgement.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

**D. Composition of the Board**

The Board of Directors has ten members, consisting of seven Independent Directors, one Non-Executive and Non-Independent Director and two Executive Directors. Mr. Narayan Ramachandran is the Non Executive Chairman and Lead Independent Director, Mr. Manish Sabharwal is the Executive Vice Chairman, and Ms. Rituparna Chakraborty is Non-Executive

and Non-Independent Director. Ms. Chakraborty resigned from the position of Executive Director of the Company with effect from the closing of business hours on May 31, 2023, and is continuing as a Non-Executive Director vide letter dated March 28, 2023. Mr. Ashok Reddy is the Managing Director of your Company. The Independent Directors are renowned professionals drawn from diverse fields possessing requisite qualification and experience in corporate management which enable them to contribute effectively to your Company and enhance the quality of Board decision making process. The Independent Directors annually provide a Certificate of Independence in accordance with the applicable laws which is taken on record by the Board.

The composition of the Board of Directors of the Company is in conformity with Regulation 17 of the SEBI LODR Regulations, 2015. The Company has an optimum combination of Executive and Non-Executive Directors.

The names and categories of Directors, the number of Directorships and Committee positions held by them are tabulated below.

**Composition and Directorship(s) / Committee Membership(s) / Chairmanship(s):**

Sl. No.	Name of the Director	Date of First Appointment	Designation	Category	No. of Directorship(s) and Committee(s) Membership(s)/ Chairpersonship(s) (excluding the Company)		
					Other Directorship(s)	Committee Membership	Committee Chairpersonship
1.	Mr. Narayan Ramachandran	09-07-2015	Non-Executive Chairman and Lead Independent Director	Independent Director	-	-	-
2.	Mr. Manish Sabharwal	02-02-2000	Whole Time Director and Executive Vice Chairman	Promoter & Executive Director	1. Pennar Industries Limited Designation : Independent Director	-	-
3.	Mr. Ashok Reddy	03-09-2015	Managing Director & CEO	Promoter & Executive Director	-	-	-
4.	Mrs. Latika Pradhan	09-07-2015	Independent Director	Independent Director	1. Mafatlal Industries Limited Designation: Independent Director  2. Fulford (India) Limited Designation: Director  3. Atul Bioscience Limited Designation: Non Executive Director	1. Mafatlal Industries Limited - Audit Committee  2. Fulford (India) Limited - Audit Committee  3. Atul Bioscience Limited - Audit Committee	-



Sl. No.	Name of the Director	Date of First Appointment	Designation	Category	No. of Directorship(s) and Committee(s) Membership(s)/ Chairpersonship(s) (excluding the Company)		
					Other Directorship(s)	Committee Membership	Committee Chairpersonship
5.	Dr. V. Raghunathan	09-07-2015	Independent Director	Independent Director	-	-	-
6.	Mr. Zarir Batliwala	29-03-2019	Independent Director	Independent Director	-	-	-
7.	Mr. Mekin Maheshwari	09-06-2021	Independent Director	Independent Director	-	-	-
8.	Mrs. Meenakshi Nevatia <sup>6</sup>	28-07-2021	Independent Director	Independent Director	1. Pfizer Limited Designation: Managing Director	-	-
9.	Mr. Subramaniam Somasundaram <sup>7</sup>	28-07-2021	Independent Director	Independent Director	1. API Holdings Limited Designation: Independent Director  2. Titan Commodity Trading Limited Designation: Director  3. United Breweries Limited Designation: Independent Director  4. Honasa Consumer Limited Designation: Director	1. Honasa Consumer Limited - Stakeholder Relationship Committee  2. Honasa Consumer Limited - Audit Committee	1. API Holdings Limited - Audit Committee  3. United Breweries Limited - Audit Committee
10.	Ms. Rituparna Chakraborty <sup>8</sup>	18-05-2022	Non-Executive Director	Non-Executive Director	-	-	-

**Notes:**

- None of the Directors hold Directorships in more than 20 companies including 10 public limited companies and private companies which are either subsidiary or holding company of a public company pursuant to Section 165 of the Companies Act, 2013.
- None of the Directors serve as Director or as an Independent Director ("ID") in more than seven listed companies and none of the Executive Directors serve as ID's in more than three listed companies.
- None of the Directors hold membership in more than 10 committees or chairpersonship of more than 5 committees as required under Regulation 26 of the SEBI LODR Regulations, 2015.
- The Directorship/Committee membership is based on the disclosures received from the Directors as on March 31, 2023.
- No Director has any inter-se relationship with other Directors.
- Appointed on the Board of Pfizer Limited with effect from April 03, 2023.
- Appointed on the Board of United Breweries Limited with effect from June 04, 2023.
- Transitioned from the role of Executive Director to Non-Executive Director with effect from June 01, 2023.

**E. Changes in the Composition of the Board**

- The Members at the Twenty Second (22<sup>nd</sup>) AGM of the Company held on September 16, 2022 had re-appointed Mr. Ashok Reddy (DIN: 00151814), Managing Director of the Company

in accordance with the provisions of Section 152 (6) of the Companies Act, 2013 and in terms of the Articles of Association of the Company who had retired by rotation and being eligible had offered himself for re-appointment.

- Mr. Manish Sabharwal was re-designated as Executive Vice Chairman of the Company with effect from July 28, 2021. His term was valid till March 31, 2022. Re-appointment of Mr. Manish Sabharwal (DIN: 00969601), as Executive Vice Chairman and Whole Time Director for a tenure of 5 years was approved by the Board on January 25, 2022 based on recommendation of Nomination and Remuneration Committee of the Company, effective from April 01, 2022 to March 31, 2027. The same was placed for Shareholders' approval at this Annual General Meeting on September 16, 2022 and was duly approved.

Resignations or removal of the Directors, if any:

Ms. Rituparna Chakraborty resigned from the position of Executive Director of the Company with effect from the closing of business hours on May 31, 2023, and is continuing as a Non-Executive Director vide letter dated March 28, 2023.

## F. Appointment of Independent Directors

As per the provisions of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation.

Your Board has adopted the provisions with respect to appointment and tenure of Independent Directors consistent with the Companies Act, 2013 and SEBI LODR Regulations, 2015.

At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The template of the letter of appointment is available on our website at <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Terms-and-conditions-for-appointment-of-IDAppointment-letter-for-ID.pdf>.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's Code

The details of Directors, pertaining to the online proficiency test conducted by IICA are as below:

Sl. No.	Director	Designation	Date of Registration	Online Proficiency Test Requirement	Status of Online Proficiency Test
1	Mr. Narayan Ramachandran	Non- Executive Chairman and Lead Independent Director	03/01/2020	Voluntary	-
2	Mr. Manish Sabharwal	Whole Time Director & Executive Vice Chairman	27/02/2020	Voluntary	-
3	Mr. Ashok Reddy	Managing Director & CEO	Exempted	Exempted	-
4	Mrs. Latika Pradhan	Independent Director	20/12/2019	Mandatory	Successfully qualified on Dec 03, 2020
5	Mr. Zarir Batliwala	Independent Director	20/12/2019	Mandatory	Successfully qualified on Nov 12, 2020
6	Dr. V. Raghunathan	Independent Director	23/12/2019	Voluntary	-
7	Mrs. Meenakshi Nevatia	Independent Director	06/07/2021	Mandatory	Successfully qualified on July 11, 2021
8	Mr. Mekin Maheshwari	Independent Director	10/04/2021	Mandatory	Successfully qualified on May 04, 2021
9	Mr. Subramaniam Somasundaram	Independent Director	14/07/2021	Exempted	-
10	Ms. Rituparna Chakraborty*	Non-Executive Director	-	Voluntary	-

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

of Business Conduct & Ethics. The Independent Directors have also submitted a declaration to the Board of compliance of inclusion of name in Data Bank maintained by Indian Institute of Corporate Affairs (IICA) pursuant to Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019.

## G. Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations, 2015 and that they are independent from the management of the Company, and possess the requisite integrity, expertise and experience, including the proficiency of the Independent directors appointed on the Board. The Independent Directors have also submitted a declaration to the Board of compliance of inclusion of name in Data Bank maintained by Indian Institute of Corporate Affairs (IICA) pursuant to Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019. The Directors of the Company are not inter-se related to each other.

## H. Number of Independent Directorships

As per Regulation 17A of the SEBI LODR Regulations, 2015 Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.

### I. Policy for Selection and Appointment of Directors and their Remuneration

Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors and payment of their remuneration. The said Policy forms part of Directors' Report as **Annexure IV**.

### J. Criteria of Selection of Independent Directors

The Nomination and Remuneration Committee considers, inter alia, the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Independent Director:

- Qualification, expertise and experience in their respective fields.
- Personal characteristics which align with the Company's values, such as integrity, accountability, financial literacy, high performance standards, etc.
- Diversity of thought, experience, knowledge, perspective and gender in the Board.
- Such other criteria as prescribed in the Corporate Governance Guidelines of the Company or prescribed by the Board from time to time.

In case of appointment of Independent Directors,

the Nomination and Remuneration Committee satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively. The Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013.

In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

Further pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof, it is hereby confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions specified SEBI LODR Regulations, 2015 read with Amendments thereof and that they are independent of the management.

### K. List of core skills/expertise/competencies

Further pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof, below are the list of core skills/expertise/competencies identified by the Board of Directors for the year under review as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

## Board of Directors Skill & Expertise



**Mr. Manish Sabharwal**

Whole Time Director &  
Executive Vice Chairman  
DIN: 00969601

Diversity	Y
Age	53 yrs
Overall Experience as Director	25 yrs
Director in TeamLease since	2000
Current Term	Till March 31, 2027

### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	N
Member / Chairman of Corporate Social responsibility Committee	N

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**Mr. Ashok Reddy**

Managing Director & CEO  
DIN: 00151814

Diversity	Y
Age	53 yrs
Overall Experience as Director	26 yrs
Managing Director in TeamLease since	2015
Current Term as Managing Director	Till August 31, 2025

### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

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**Mrs. Latika Pradhan**

Independent Director  
DIN: 07118801

Diversity	Y
Age	68 yrs
Overall Experience as Director	09 yrs
Director in TeamLease since	2015
Current Term	2nd - Till July 07, 2025

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	Chairperson
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	Chairperson
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	Member

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**Mr. Narayan Ramachandran**

Non-Executive Chairman  
and Lead Independent  
Director  
DIN: 01873080

Diversity	Y
Age	60 yrs
Overall Experience as Director	19 yrs
Director in TeamLease since	2015
Current Term	2nd - Till July 07, 2025

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Member
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	N
Member / Chairman of Corporate Social responsibility Committee	N

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**Dr. V. Raghunathan**

Independent Director  
DIN: 00254091

Diversity	Y
Age	68 yrs
Overall Experience as Director	19 yrs
Director in TeamLease since	2015
Current Term	2nd - Till July 07, 2025

**Skills and Expertise**

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	Member
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	Member
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	Chairman

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**Mr. Zarir Batliwala**

Independent Director  
DIN: 01028343

Diversity	Y
Age	73 yrs
Overall Experience as Director	17 yrs
Director in TeamLease since	2019
Current Term	1st - Till March 28, 2024

**Skills and Expertise**

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Chairman
Member / Chairman of Stakeholders' Relationship Committee	Member
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

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**Mr. Mekin Maheshwari**

Independent Director  
DIN: 03621431

Diversity	Y
Age	42 yrs
Overall Experience as Director	12 yrs
Director in TeamLease since	2021
Current Term	1st - Till June 08, 2026

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Member
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	Member

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**Mrs. Meenakshi Nevatia**

Independent Director  
DIN: 08235844

Diversity	Y
Age	52 yrs
Overall Experience as Director	06 yrs
Director in TeamLease since	2021
Current Term	1st - Till July 27, 2026

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Member
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

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**Mr. Subramaniam Somasundaram**

Independent Director  
DIN: 01494407

Diversity	Y
Age	62 yrs
Overall Experience as Director	16 yrs
Director in TeamLease since	2021
Current Term	1st - Till July 27, 2026

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	Member
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Chairman
Member / Chairman of Corporate Social responsibility Committee	N

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**Ms. Rituparna Chakraborty**

Non-Executive Director\*  
DIN: 07332241

Diversity	Y
Age	48 yrs
Overall Experience as Director	06 yrs
Director in TeamLease since	2022

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

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## Core skills/expertise/competencies of the Board of Directors

Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.
International	Exposure and working in various regions, in the US, Europe and/or Asia, and/or experience with businesses with substantial international operations.
Executive Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
Industry & Technology	Understanding of the relevant industry.
Strategic Planning and Growth	Planning knowledge of corporate strategy and strategic planning and other strategic transactions.
Board Service and Corporate Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Financial Expertise, Audit & Accounting	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions. Audit & accounting with corporate finance, including financial experts as named in the company filings.
Operations	Sophisticated, large-scale operations.
Risk Management	Assessing and managing enterprise risks.
Human Capital/ Talent Development	Human resources management and culture development in large international organizations, overseeing succession planning, talent development, and executive compensation programs.
IT and Cyber security	Managing information technology and cyber security threats.
Environment, Social and Governance (ESG)	Understanding and addressing strategic environmental, social and governance issues.
Mergers and Acquisitions	Ability to assess 'build or buy' decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.

## L. Other listed entities where our Board Members are Director and the Category of Directorship

Pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof, the details of the Listed Entities where our Board Members are Director(s) and the Category of Directorship are given below:

Sl. No.	Name of the Director	Name of the Company (Other Listed Entity)	CIN	Category of Directorship	Member of the Committee(s)	Chairmanship of the Committee(s)
1	Mr. Manish Sabharwal	Pennar Industries Limited	L27109AP1975PLC001919	Independent Director	-	-
2	Mr. Ashok Reddy	-	-	-	-	-
3	Mrs. Latika Pradhan	Mafatlal Industries Limited	L17110GJ1913PLC000035	Director	1	-
4	Mr. Narayan Ramachandran	-	-	-	-	-
5	Dr. V. Raghunathan	-	-	-	-	-
6	Mr. Zarir Batliwala	-	-	-	-	-
7	Mr. Mekin Maheshwari	-	-	-	-	-
8	Mrs. Meenakshi Nevatia	Pfizer Limited <sup>1</sup>	L24231MH1950PLC008311	Managing Director	-	-
9	Mr. Subramaniam Somasundaram	United Breweries Limited <sup>2</sup>	L36999KA1999PLC025195	Independent Director	-	1
10	Ms. Rituparna Chakraborty	-	-	-	-	-

1. Appointed on the Board of Pfizer Limited with effect from April 03, 2023.

2. Appointed on the Board of United Breweries Limited with effect from June 04, 2023.

## M. Summary of all outstanding material litigations against the Company, its 'material subsidiaries', as well as their respective Promoters, Whole-Time Directors and Key Managerial Personnel as on March 31, 2023

### I. Company

Particulars	Against the Company	Filed by the Company
Non-payment of statutory dues	Nil	Nil
Overdue to banks and financial institutions (FIs)	Nil	Nil
Defaults against banks and Fis	Nil	Nil
Contingent liabilities not provided for	Nil	Nil
Details of legal proceedings initiated (including civil offences, economic offences, consumer court actions)	Nil	Nil
All actions by statutory / regulatory authorities (including overseas regulatory authorities)	Nil	Nil
All actions by sectoral ombudsmen	Nil	Nil
Details of legal proceedings initiated (Criminal matters)	Nil	Nil
Details of Litigation involving Tax Liabilities	Please refer to Note 46 (Contingent Liabilities) of Financial Statements.	
(i) Direct Tax Liabilities:		
(ii) Indirect Taxes Liabilities:		
Other Pending Litigations:	Nil	Nil

**II. Against the Material Subsidiaries: The Company had no material subsidiaries during the year under review.****III. Promoters:**

Particulars	Against the Promoters	By the Promoters
Non-payment of statutory dues	Nil	Nil
Overdue to banks and financial institutions (FIs)	Nil	Nil
Defaults against banks and Fis	Nil	Nil
Contingent liabilities not provided for	Nil	Nil
Details of legal proceedings initiated (including civil offences, economic offences, consumer court actions)	Nil	Nil
All actions by statutory / regulatory authorities (including overseas regulatory authorities)	Nil	Nil
All actions by sectoral ombudsmen	Nil	Nil
Details of legal proceedings initiated (Criminal matters)	Nil	Nil
Details of Litigation involving Tax Liabilities	Nil	Nil
(i) Direct Tax Liabilities:		
(ii) Indirect Taxes Liabilities:		
Other Pending Litigations:	Nil	Nil

**IV. Executive Directors:**

Particulars	Against the Executive Directors	By the Executive Directors
Non-payment of statutory dues	Nil	Nil
Overdue to banks and financial institutions (FIs)	Nil	Nil
Defaults against banks and Fis	Nil	Nil
Contingent liabilities not provided for	Nil	Nil
Details of legal proceedings initiated (including civil offences, economic offences, consumer court actions)	Nil	Nil
All actions by statutory / regulatory authorities (including overseas regulatory authorities)	Nil	Nil
All actions by sectoral ombudsmen	Nil	Nil
Details of legal proceedings initiated (Criminal matters)	Nil	Nil
Details of Litigation involving Tax Liabilities	Nil	Nil
(i) Direct Tax Liabilities:		
(ii) Indirect Taxes Liabilities:		
Other Pending Litigations:	Nil	Nil

**V. KMP(s):**

Particulars	Against the KMP(s)	By the KMP(s)
Non-payment of statutory dues	Nil	Nil
Overdue to banks and financial institutions (FIs)	Nil	Nil
Defaults against banks and Fis	Nil	Nil
Contingent liabilities not provided for	Nil	Nil
Details of legal proceedings initiated (including civil offences, economic offences, consumer court actions)	Nil	Nil
All actions by statutory / regulatory authorities (including overseas regulatory authorities)	Nil	Nil
All actions by sectoral ombudsmen	Nil	Nil
Details of legal proceedings initiated (Criminal matters)	Nil	Nil
Details of Litigation involving Tax Liabilities	Nil	Nil
(i) Direct Tax Liabilities:		
(ii) Indirect Taxes Liabilities:		
Other Pending Litigations:	Nil	Nil

**IV. Board Meetings**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board Meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. In case of business exigencies, the Board's approval is taken through Circular Resolutions. The Circular Resolutions are noted at the subsequent Board Meeting. Video conferencing facility is offered to facilitate Directors to participate in the Meetings of the Board and of Committees, as and when required.

**A. Information Flow to the Board Members**

Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. More specifically, we present our annual Strategic Plan and Operating Plans of our business to the Board for their review, inputs and approval. Likewise, our Quarterly Financial Statements and Annual Financial Statements are first presented to the Audit Committee and subsequently to the Board of Directors for their approval. In addition, specific cases of acquisitions, important managerial decisions, material positive/negative developments and statutory matters are presented to the respective Committees of the Board and later with the recommendation of Committees to the Board for their approval.

As a system, in most cases, information to Directors is submitted along with the agenda papers well in advance of the Board meeting. Inputs and feedback of Board Members are taken and considered while preparation of agenda and documents for the Board meeting.

Detailed agenda is sent to each Director at least seven (7) days in advance of Board and Committee meetings. All material information is incorporated in the agenda along with supporting documents and relevant presentations. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. Video conferencing facilities are provided to enable Directors who are unable to attend the meetings in person, to participate in the meeting via video conferencing.

The Board reviews strategy and business plans, annual operating plans and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. The Board also reviews major legal issues, minutes of meeting of various Committees of the Board and subsidiary companies, significant transactions and arrangements entered into by the subsidiary companies, adoption of financial results, transaction pertaining to purchase or disposal of properties, major accounting provisions and write-offs, corporate restructuring details of any joint ventures or collaboration agreement, material default in financial obligations, if any, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public product liability, and information on recruitment of Senior Officer just below the Board level of Key Management Personnel.

**B. Information placed before the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the SEBI LODR Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

**C. Post-Meeting Follow-up System**

After the Board meeting, we have a formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board.

The Company Secretary records minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to Board /Committee members within 15 days from the meeting for their comments. Directors communicate their comments (if any) in writing on the draft minutes within 7 days from the date of circulation. The Minutes are entered in the Minute Books within 30 days from the conclusion of the meeting and signed by the Chairman at the subsequent meeting.

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board/Committee meetings are promptly communicated to the concerned departments/divisions. Action taken Report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/ Committee for noting.

Apart from Board members and the Company Secretary, the Board and Committee meetings are also attended by the Chief Financial Officer and wherever required by the heads of various corporate functions.

**D. Board Support**

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance.

**V. Number of Board meetings, Attendance of the Directors at Meetings of the Board and the Annual General Meeting:**

During the year April 01, 2022 to March 31, 2023, the Board of Directors met six (6) times. The gap between any two Board meetings during this period did not exceed one hundred and twenty days as stipulated under Section 173 (1) of the Companies Act, 2013 and Regulation 17 (2) of SEBI LODR Regulations, 2015 and the Secretarial Standards by ICSI.

Sl. No.	Type of Meeting	Date of the Meeting
1	Board Meeting	May 18, 2022
2	Board Meeting	July 27, 2022
3	Board Meeting	September 21, 2022
4	Board Meeting	November 09, 2022
5	Board Meeting	January 25, 2023
6	Board Meeting	February 03, 2023

\*The option to attend the Meetings through Video Conferencing was extended to the Board Members.

**A. Attendance of Directors at Board Meetings and at Annual General Meeting:**

Sl. No.	Director	Held during Directorship	No. of Board Meetings Attended	Attendance at last AGM (September 16, 2022)
1	Mr. Manish Sabharwal	6	4	Yes
2	Mr. Ashok Reddy	6	6	Yes
3	Mrs. Latika Pradhan	6	6	Yes
4	Mr. Narayan Ramachandran	6	6	Yes
5	Dr. V. Raghunathan	6	6	Yes
6	Mr. Zarir Batliwala	6	6	Yes
7	Mr. Mekin Maheshwari	6	5	No
8	Mrs. Meenakshi Nevatia	6	6	No
9	Mr. Subramaniam Somasundaram	6	6	Yes
10	Ms. Rituparna Chakraborty*	5	5	Yes

\*Appointed as Director w.e.f. May 18, 2022. Ms. Chakraborty Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

## B. Discussions with Independent Directors and External Auditors

The Board's policy is to regularly have separate meetings with Independent Directors and External Auditors of the Company, to update them on all business related issues, new initiatives and changes in the industry specific market scenario. At such meetings, the Executive Directors and other Shareholders of the Management make presentations on relevant issues.

## VI. Shareholding of Directors

### A. Non-Executive

None of the Non-Executive Directors except Mr. Narayan Ramachandran; Non-Executive Chairman and Lead Independent Director, Mr. Subramaniam Somasundaram; Independent Director and Ms. Rituparna Chakraborty\*; Non-Executive and Non Independent Director held any Shares in the Company during the year ended March 31, 2023. Mr. Narayan Ramachandran held 10,000 Shares and Mr. Subramaniam Somasundaram held 57 Shares, respectively as on March 31, 2023. Ms. Rituparna Chakraborty\* held 1,09,186 Shares.

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

## VII. Pecuniary Relationship

There were no pecuniary relation or transactions of Non-Executive Directors vis-a-vis the Company other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

## VIII. Meeting of the Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013, the Independent Directors of your Company met once during the Financial Year under review, on May 18, 2022 without the presence of Non-Independent Directors and Shareholders of the management, without the presence of the Chairman, Managing Director / Chief Executive Officer, other Non-Independent Director, Chief Financial Officer, Company Secretary and any other Management Personnel. The meeting was conducted in an informal and flexible manner to enable the Independent Directors to inter alia, discuss matters pertaining to review of performance of Non Independent Directors and the Board as a whole, review the performance of the Chairman of the Company after taking into account the views of the Executive and Non-Executive Directors, assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All Independent Directors had attended the Independent Directors meeting.

## IX. Directors' Induction and Familiarization

At the time of appointment, the Company conducts familiarization programmes for an Independent Director through meetings with key officials such as Executive Chairman and Managing Director, Chief Financial Officer, Head of Human Resources, General Counsel, Company Secretary and other senior business leaders. During these meetings, presentations are made on the roles and responsibilities, duties and obligations of the Board members, Company's business and strategy, financial reporting, governance and compliances and other related matters. Details regarding familiarization programme imparted by the Company for the year under review is available on our website at <https://group.teamlease.com/investor/familiarization-programme-policies/>.

As part of ongoing training, the Company schedules quarterly meetings of business heads and functional heads with the Independent Directors. During these meetings, comprehensive presentations are made on the various aspects such as business models, new strategic initiatives, risk minimization procedures, recent trends in technology, changes in domestic industry scenario, and regulatory regime affecting the Company. These meetings also facilitate Independent Directors to provide their inputs and suggestions on various strategic and operational matters directly to the business and functional heads.

The provision of an appropriate induction program for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Company Secretary is responsible for ensuring that such induction and training programs are extended to Directors. The Independent Directors, from time to time, request the Management to provide detailed understanding of any specific project, activity or process of the Company. The Management provides such information and training either at the meeting of Board of Directors or otherwise. The induction process is designed to:

- a. build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;
- b. provide an appreciation of the role and responsibilities of the Director;
- c. fully equip Directors to perform their role on the Board effectively; and
- d. develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

In addition to the extensive induction and training provided

as part of the familiarization program, the Independent Directors are also taken through various business and functional sessions during the pre-Board Meeting sessions to discuss strategy. The details of familiarization program are available on the Company's website at <https://group.teamlease.com/investor/familiarization-programme-policies/>.

The TeamLease Code of Conduct and Business Ethics Policy for members of the Board and Senior Management Personnel is in place, mentioning the duties, obligations and responsibilities and the same is available on the website of the Company under the following link <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf>.

The Company has also formed the Board Diversity and the same is adopted by the Board of Directors along with the policy on the evaluation of the performance of the directors and the same is available on the website of the Company with the following link <https://group.teamlease.com/wp-content/uploads/2020/11/POLICY-ON-BOARD-DIVERSITY.pdf>.

## X. Board Evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of the Chairman, the Board, Board Committees and Executive / Non-Executive / Independent Directors.

In terms of the requirements of the Companies Act, 2013 and pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI LODR Regulations, 2015, read with SEBI LODR Amendment Regulations, the Board carried out the Annual Performance Evaluation of all the Directors individually, Board Committees and the Board as a whole. During the year, Board Evaluation cycle was completed by the Company with support of an external agency. To maintain transparency and to promote good corporate governance, this year the evaluation process was automated and implemented with help of an external service provider "Fidem Smart Board - Potentia Group", (<https://potentia.in/>) who had partnered with TeamLease to facilitate the Board Evaluation process of the Company.

For facilitating the evaluation of performance, questionnaires were framed separately for the evaluation of Board, the Committees, the individual directors and the Chairperson. The questionnaires were circulated to the Board members via individual emails with user specific login credentials for all Board Members. On completion of Board Evaluation process, the Report and summary results of the filled-in questionnaires pertaining to the Board Evaluation for Financial Year 2022-23 was submitted to the Nomination and Remuneration Committee Chairman for his onward discussion with Board Members. The Evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and

obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment. It is specifically informed that directors subject to evaluation did not participate in the own evaluation process.

The results of the evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the Evaluation, the Board and Committees have agreed on an action to further improve the effectiveness and functioning of the Board and Committees. The Chairman of respective Board Committees also shared the results of evaluation with the respective Committee Members.

The Nomination and Remuneration Committee also formulated the additional criteria of independence and independent judgment for the assessment of the performance of Independent Directors along with other criteria such as qualification, experience relevant to the industry, knowledge & competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution and integrity as required under the guidelines provided by SEBI in respect of Board Evaluation.

This evaluation was led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and SEBI LODR Regulations, 2015, and in consonance with Guidance Note on Board Evaluation issued by SEBI in January 2017. The Board evaluation was conducted through questionnaire having qualitative parameters and feedback based on ratings.

### Evaluation of the Board

Evaluation of the Board was based on criteria such as composition and role of the Board, communication and relationships between the Board of Directors, functioning of Board Committees, review of performance and compensation to Executive Directors, succession planning, strategic planning, etc.

### Evaluation of Directors

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback and guidance to top management on business strategy, governance and risk, understanding of the organization's strategy, risk and environment, etc.

### Evaluation of Committees

Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

### Evaluation of the Independent Directors

The Performance Evaluation of the Independent Directors was carried out by the entire Board.

Some of the performance indicators, based on which the Independent Directors are evaluated include:

- The ability to contribute to and monitor our corporate governance practices.
- The ability to contribute by introducing international best practices to address business challenges and risks.
- Active participation in long-term strategic planning.
- Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities; these include participation in Board and Committee meetings.
- Performance of the directors.
- Fulfillment of the independence criteria as specified in these regulations and their independence from the management.

### Evaluation of the Chairman and Managing Director

The Performance Evaluation of the Chairman and Managing Director was carried out by the Independent Directors.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management and the openness of the Management in sharing strategic information to enable the Board Members to discharge their responsibilities. It is specifically informed that directors subject to evaluation did not participate in the own evaluation process.

The Board has received improved ratings on its overall effectiveness, including higher rating on Board communication, relationships and Board Committees. The Board has also noted areas requiring more focus in the future.

The Independent Directors had their meeting on May 18, 2022 to assess the performance of the Board and committees as a whole and for the assessment of Executive Vice Chairman, Executive Director and Independent Directors.

The Board was largely satisfied with the effectiveness and governance standards as well as the performance of the Board, board committees, and the individual Directors. Suggestions of the board members to further strengthen the Board effectiveness were noted and taken up for implementation.

### XI. Directors and Officers Insurance

The Company has obtained Directors and Officers Liability Insurance ('D & O Insurance') for all its Directors, including Independent Directors, for a quantum and risks as determined by the Board of Directors of the Company.

### XII. Succession Planning

We have an effective mechanism for succession planning which focuses on orderly succession of Directors, including Executive Directors and other senior management team and executive officers. The Nomination and Remuneration Committee implements this mechanism in concurrence with the Board. The Board has adopted a Policy on appointment of Directors and Senior Management and Succession Planning for orderly succession to the Board and the Senior Management. The Senior Management has made disclosures to the Board confirming that there is no material, financial and/or commercial transaction between them and the Company, which could have potential conflict of interest with the Company at large.

### XIII. Committees of the Board

The Board of Directors have constituted various Committees to focus on specific areas and to make informed decisions within their authority. Each Committee is directed by its charter which outlines their scope, roles, responsibilities and powers. All the decisions and recommendations of the Committee are placed before the Board for their approval.

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles. The Board supervises the execution of its responsibilities by the Committee and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review.






























The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functions. Senior officers/function heads are invited to present various details called for by the Committee at its meeting.

Committees of the Board are as under:

- A.** Audit Committee
- B.** Nomination and Remuneration Committee
- C.** Stakeholders' Relationship Committee
- D.** Corporate Social Responsibility Committee
- E.** Risk Management Committee



## Committee Matrix

 Chairperson  Chairman  Member	Audit Committee	Nomination And Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
	Mrs. Latika Pradhan (Independent Director)				
Mr. Narayan Ramchandran (Non-Executive Chairman and Lead Independent Director)					
Dr. V. Raghunathan (Independent Director)					
Mr. Zarir Batliwala (Independent Director)					
Mr. Mekin Maheshwari (Independent Director)					
Ms. Meenakshi Nevatia (Independent Director)					
Mr. S. Subramaniam (Independent Director)					
Mr. Manish Sabharwal (Executive Vice Chairman)					
Mr. Ashok Reddy (Managing Director & CEO)					
Ms. Rituparna Chakraborty** (Non-Executive Director)					

\*Date of formation of all the committees :09/07/2015

\*\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

## A. Audit Committee

The Audit Committee has been constituted in terms of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI LODR Regulations, 2015.

The Committee meets at the frequent intervals depending upon the requirements. The Audit Committee comprises of the following members on the date of reporting:

Type of Meeting	Date of the Meeting
Mrs. Latika Pradhan	Chairperson (Independent Director)
Dr. V. Raghunathan	Member (Independent Director)
Mr. Subramaniam Somasundaram	Member (Independent Director)

### Objectives of the Audit Committee:

The primary objective of the Committee is to assist the Board with oversight of:

- i. The accuracy, integrity and transparency of the Company's financial statements with adequate and timely disclosures;
- ii. Compliance with legal and regulatory requirements;
- iii. The Company's independent auditors' professional qualifications and independence;
- iv. The performance of the Company's independent auditors and internal auditors; and
- v. Acquisitions and investments made by the Company.

### Audit Committee Policy:

In India, we are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Regulation 18 of the SEBI LODR Regulations mandate that listed companies adopt an appropriate audit committee policy. The Committee is guided by the Policy adopted by the Board, available on the Company's website at <https://group.teamlease.com/wp-content/uploads/2021/04/14-TeamLease-Audit-Committee-Charter-1.pdf>.

Extracts of Terms of Reference of Audit Committee Charter

The Audit Committee meets at frequent intervals and the terms of reference of the Audit Committee as required under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI LODR Regulations, 2015 covers points as mentioned below:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its Financial Statements are correct, sufficient and credible;
- 2) Recommending to the Board the appointment, re-appointment and replacement, remuneration and

terms of appointment of the statutory auditor of the Company and the fixation of audit fee;

- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the Financial Statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to Financial Statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
- 6) Reviewing, with the management, the Quarterly, Half-Yearly and Annual Financial Statements before submission to the Board for approval;
- 7) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed Offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties;
- 9) Scrutinizing of inter-corporate loans and investments;
- 10) Valuing of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluating of internal financial controls and risk management systems;

- 12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 15) Discussing with internal auditors on any significant findings and follow up there on;
- 16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 17) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Reviewing the management discussion and analysis of financial condition and results of operations;
- 21) Approving the appointment of the Chief Financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
- 22) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- 23) reviewing the utilization of loans and/ or advances from/investment by the company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- 24) considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.
- 25) Statement of Deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable,

submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI LODR Regulations, 2015.

- b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI LODR Regulations, 2015.

The Audit Committee Policy/Charter/Terms of Reference is hosted at the website of the Company at <https://group.teamlease.com/wp-content/uploads/2021/04/14-TeamLease-Audit-Committee-Charter-1.pdf>.

#### **Audit Committee Governance Mechanism:**

The Committee is comprised solely of independent directors and fulfills the requirements of:

- Audit committee charter
- Section 149 and 177 of the Companies Act, 2013
- Regulation 18 of the Listing Regulations

The Committee, to carry out its responsibilities efficiently and transparently, relies on the Management's financial expertise and that of the internal and independent auditors. The Management is responsible for the Company's internal control over financial reporting and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the Generally Accepted Auditing Principles and for issuing a report based on the audit.

#### **Details of Audit Committee Meetings**

The Audit Committee met four (4) times during the Financial Year ended March 31, 2023 on May 18, 2022; July 27, 2022; November 09, 2022 and January 25, 2023. The Audit Committee Meetings were held with gap of not more than 120 days between two consecutive meetings as required under the provisions of the Companies Act, 2013 and SEBI LODR Regulations, 2015.

#### **Details of members and their attendance at the Audit Committee meetings:**

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mrs. Latika Pradhan	Chairperson	4	4
Dr. V. Raghunathan	Member	4	4
Mr. Subramaniam Somasundaram	Member	4	4

Cases of non-acceptance by the Board of Directors, of any recommendation of the Audit Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof: NIL

## B. Nomination and Remuneration Committee

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 and Part D of Schedule II of SEBI LODR Regulations, 2015.

Objectives and Responsibilities of the Nomination and Remuneration Committee:

- i. Assist the Board in discharging its responsibilities relating to compensation of the Company's executive directors, Key Managerial Personnel (KMP) and senior management.
- ii. Evaluate and approve the adequacy of the compensation plans, policies, programs and succession plans for the Company's executive directors, KMP and senior management.
- iii. Formulate criteria for determining Board composition, Board effectiveness, Board succession, and independent functioning of the Board.
- iv. Oversee the Company's nomination process for the KMP and senior management and identify through a comprehensive selection process, individuals qualified to serve as directors, KMP and senior management consistent with the criteria approved by the Board.
- v. Recommend the appointment and removal of directors, for approval at the AGM.
- vi. Evaluate the performance of the Board, including committees and individual directors.
- vii. Leadership development and succession planning of the organization.
- viii. Develop and maintain corporate governance policies applicable to the Company.
- ix. Devise a policy on Board diversity and sustainability.

### Nomination and Remuneration Committee Policy:

In India, we are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Regulation 19 of the SEBI LODR Regulations mandate that listed companies adopt an appropriate NRC committee policy. The Committee is guided by the Policy adopted by the Board, available on the Company's website, at [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Nomination\\_and\\_Remuneration\\_Policy.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Nomination_and_Remuneration_Policy.pdf) and is also part of this Annual Report in **Annexure IV**.

Nomination and Remuneration Committee Governance Mechanism:

The Committee is comprised solely of independent directors and fulfills the requirements of:

- Nomination and Remuneration Committee Policy
- Section 178 of the Companies Act, 2013
- Regulation 19 of the Listing Regulations

The Committee oversees key processes through which the Company recruits new members to its Board, and the processes through which the Company recruits,

motivates and retains outstanding senior management as well as the Company's overall approach to human resources management. The Board amended the charter of the nomination.

The Committee meets at the frequent intervals depending upon the requirements. Nomination and Remuneration Committee comprises of the following members of the Board on the date of reporting:

Mr. Zarir Batliwala	Chairman (Independent Director)
Mr. Narayan Ramachandran	Member (Lead Independent Director)
Mrs. Meenakshi Nevatia	Member (Independent Director)
Mr. Mekin Maheshwari	Member (Independent Director)

Extracts of Terms of Reference of Nomination and Remuneration Committee Charter:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the Independent Directors and the Board;
3. Devising a policy on Board Diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every Director's performance;
5. Determining the company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment, and determining remuneration packages of such Directors;
6. Determine compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component including the matter relating to ESOP grants as per the scheme formulated by the Company;

7. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
8. Perform such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
9. Whether to extend or continue the terms of appointment of the independent director, on the basis of the report of Performance Evaluation of Independent Directors.

The members of the Nomination and Remuneration Committee met five (5) times during the year under review i.e., on May 17, 2022, July 08, 2022, September 21, 2022, October 14, 2022 and February 22, 2023.

**Details of members and their attendance at the meetings:**

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Zarir Batliwala	Chairman	5	5
Mr. Narayan Ramachandran	Member	5	5
Mrs. Meenakshi Nevatia	Member	5	5
Mr. Mekin Maheshwari	Member	5	5

Cases of non-acceptance by the Board of Directors, of any recommendation of the Nomination and Remuneration Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof: NIL

Besides, the Nomination and Remuneration Committee periodically reviews the composition of the Board to ensure that there is an appropriate mix of abilities, experience and diversity to serve the interests of all Shareholders and the Company.

The process of appointing a director/KMP(s)/ Senior Management Personnel is, that when a vacancy arises or is expected the Committee will identify, ascertain the integrity, qualification, appropriate expertise and experience, having regard to the skills that the candidate bring to the Board/Company and the balance of skills added to that of which the existing Members hold.

**C. Stakeholders' Relationship Committee**

Pursuant to provisions of Section 178 (5) of the Companies Act, 2013 read with Regulation 20 of the SEBI LODR Regulations, 2015, Stakeholders' Relationship Committee has been constituted by the Board. The Committee meets

at frequent intervals depending upon the requirements.

Stakeholders' Relationship Committee comprises of the following members of the Board on the date of reporting:

Mrs. Latika Pradhan	Chairperson (Independent Director)
Dr. V. Raghunathan	Member (Independent Director)
Mr. Zarir Batliwala	Member (Independent Director)

**Objectives & Responsibilities of Stakeholders' Responsibility Committee:**

1. Redressal of Shareholders'/Investors' Grievances;
2. Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
3. Issue of duplicate certificates and new certificates on split/ consolidation/renewal;
4. Non-receipt of declared dividends, balance sheets of the Company or any other documents or information to be sent by the Company to its Shareholders;
5. Carrying out any other function as prescribed under Listing Obligations and Disclosure Requirements, Regulations, 2015 issued by SEBI; and
6. The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

**Purpose of Stakeholders' Responsibility Committee:**

The purpose of the Committee is to assist the Board and the Company to oversee the various aspects of interests of stakeholders of the Company.

**Stakeholders' Responsibility Committee Policy:**

In India, we are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Regulation 20 of the SEBI LODR Regulations mandate that listed companies adopt an appropriate SRC committee policy. The Committee is guided by the Policy adopted by the Board, available on the Company's website, at [https://group.teamlease.com/wp-content/uploads/2020/11/SRC-Terms-of-Reference\\_1.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/SRC-Terms-of-Reference_1.pdf).

**Stakeholders' Responsibility Committee Governance Mechanism:**

The Committee comprises three independent directors and performs the functions as required by:

- Section 178 of the Companies Act, 2013 and rules framed thereunder

- Regulation 20 of the Listing Regulations and other regulations and laws, as applicable
- Stakeholders relationship committee policy

Cases of non-acceptance by the Board of Directors, of any recommendation of the Stakeholders' Relationship Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof: NIL

The Members of the Stakeholders' Relationship Committee met once (1) during the year under review i.e., on May 18, 2022. Details of Members and their attendance at the meetings are as follows:

**Details of Members and their attendance at the meeting:**

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mrs. Latika Pradhan	Chairperson	1	1
Dr. V. Raghunathan	Member	1	1
Mr. Zarir Batliwala	Member	1	1

**D. Corporate Social Responsibility (CSR) Committee**

The CSR Committee is formed in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the relevant Rules. The CSR Committee meets at frequent intervals depending upon the requirements.

**Objectives & Responsibilities of Corporate Social Responsibility Committee:**

The primary objective of the Committee is to assist the Board in fulfilling its corporate social responsibility. The Committee has overall responsibility for:

- Identifying the areas of CSR activities.
- Recommending the amount of expenditure to be incurred on the identified CSR activities.
- Implementing and monitoring the CSR Policy from time to time.
- Coordinating with Infosys Foundation or other such agency in implementing programs and executing initiatives as per the CSR Policy of the Company.
- Reporting progress of various initiatives and in making appropriate disclosures on a periodic basis.
- Other items / matters prescribed under applicable law or prescribed by the Board of directors from time to time.

Corporate Social Responsibility Committee comprises of the following members of the Board on the date of reporting:

Dr. V. Raghunathan	Chairman (Independent Director)
Mrs. Latika Pradhan	Member (Independent Director)
Mr. Mekin Maheshwari	Member (Independent Director)

During the year under review the Committee met once (1) i.e., on January 25, 2023. Details of members and their attendance at the meetings are as follows:

**Details of members and their attendance at the meeting:**

Name	Designation	No. of Committee Meetings	
		Held	Attended
Dr. V. Raghunathan	Chairman	1	1
Mrs. Latika Pradhan	Member	1	1
Mr. Mekin Maheshwari	Member	1	1

Cases of non-acceptance by the Board of Directors, of any recommendation of the Corporate Social Responsibility Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof: NIL.

Details of Policy developed and implemented by the Company on its Corporate Social Responsibility (CSR) initiatives forms part of the Board's Report at Page No. 110.

**E. Risk Management Committee**

In terms of Regulation 21 of SEBI LODR Regulations, 2015, the Company has constituted a Risk Management Committee. The composition of the Committee is in conformity with SEBI LODR Regulations, 2015.

**Objectives & Responsibilities of Risk Management Committee:**

The primary objectives of the Committee are to assist the Board in the following:

- To assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks.
- To monitor and approve the enterprise risk management framework and associated practices of the Company.
- To periodically assess risks to the effective execution of business strategy by reviewing key leading indicators in this regard.
- To periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.

- v. To evaluate significant risk exposures of the Company and assess the Management's actions to mitigate the exposures in a timely manner.
- vi. To evaluate risks related to cybersecurity and ensure appropriate procedures are in place to mitigate these risks in a timely manner.
- vii. To coordinate its activities with the audit committee in instances where there is any overlap with audit activities.
- viii. To review and reassess the adequacy of the Charter periodically and recommend any proposed changes to the Board for approval.
- ix. To ensure access to any internal information necessary to fulfill its oversight role and obtain advice and assistance from internal or external legal, accounting or other advisors.

#### **Risk Management Committee Governance Mechanism:**

The Committee is comprised solely of Independent Directors and fulfills the requirements of:

- Risk Management Committee charter
- Regulation 21 of the Listing Regulations

The Committee meets at frequent intervals depending upon the requirements.

Risk Management Committee comprises of the following members of the Board on the date of reporting:

Mr. Subramaniam Somasundaram	Chairman (Independent Director)
Mr. Ashok Reddy	Member (Executive Director)
Dr. V. Raghunathan	Member (Independent Director)
Mrs. Latika Pradhan	Member (Independent Director)
Mr. Zarir Batliwala	Member (Independent Director)
Mr. Mekin Maheshwari	Member (Independent Director)
Mrs. Meenakshi Nevatia	Member (Independent Director)
Ms. Rituparna Chakraborty*	Member (Non-Executive Director)

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

#### **Extracts of Terms of reference of Risk Management Committee Charter**

The Risk Management Committee shall:

- review and guide Risk Management Policy of the Company.

- ensure that appropriate systems of control are in place, in particular, systems for risk management.
- ensure that, while rightly encouraging positive thinking, it does not result in over-optimism that either leads to significant risks not being recognized or exposes the company to excessive risk.
- have ability to, step back to assist executive management by challenging the assumptions underlying risk appetite

In adherence to the present regulatory mandates described herein above, the Risk Management Committee of the Board of Directors of the Company shall:

- Ensure an organization relevant and perpetual Risk Management framework for identifying, assessing, responding to, monitoring or controlling and reporting risks.
- Apply an organized, thorough approach to effectively anticipate and mitigate the probable or realistic risks that could endanger achievement of key objectives.
- Ensure systemic risk evaluation, categorization, and prioritization thereof to assign relative importance to identified risks to determine where appropriate management attention is required.
- Evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner (including one-off initiatives, and ongoing activities such as business continuity planning and disaster recovery planning & testing).
- Practice the highest level of control measures by installing mechanisms and tools, with involvement of all process-owners across the organization, to ensure that all applicable legal, regulatory, and business requirements are up-to-date and met.
- Develop alternative/ recommended courses of action for critical risks and control the probability of occurrence of the risk, keeping ready contingency plans for selected risks where the consequences of the risks are determined to be high.
- Review the activities, status, and results of the risk management process on a periodic and event-driven basis with appropriate levels of management and resolve issues i.e., gauging potential risk exposure and addressing the same with appropriate corrective action.
- Obtain, wherever required or desirable, the advice, opinion and assistance from outside legal, accounting, or other advisors, as necessary, to aid informed decision making.
- Co-ordinate its activities with the Audit Committee

in instances where there is any overlap with audit activities (e.g. internal or external audit issue) relating to risk management policy or practice.

The role and responsibilities of the Risk Management Committee shall include such other items as may be prescribed by applicable law or the Board in compliance with applicable law, from time to time.

The policy is also uploaded on the website of the Company at <https://group.teamlease.com/wp-content/uploads/2021/04/Risk-Management-Policy.pdf>.

#### Risk Management Committee Charter Framework:

Identify the risk

Rate and Quantify the risks on 'impact' and 'vulnerability' factor.

Develop mitigation plan for each risk with relevant efforts and result metrics.

Implement the risk mitigation plan post Board approval.

Monitor and Review the mitigation plans.

During the year under review the Committee met four (4) times i.e., on May 18, 2022, September 21, 2022, November 09, 2022 and February 22, 2023.

#### Details of members and their attendance at the meetings are as follows:

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Subramaniam Somasundaram (From May 18, 2022)**	Chairman	4	4
Mr. Ashok Reddy	Member	4	4
Mrs. Latika Pradhan	Member	4	4
Mr. Zarir Batliwala	Member	4	4
Dr. V. Raghunathan	Member	4	4
Mr. Mekin Maheshwari	Member	4	4
Mrs. Meenakshi Nevatia	Member	4	4
Ms. Rituparna Chakraborty (From May 18, 2022)**	Member	3	3
Mr. Narayan Ramachandran (Till May 18, 2022)*	Chairman	1	1
Mr. Manish Sabharwal (Till May 18, 2022)*	Member	1	0

\*Mr. Narayan Ramachandran (Non-Executive Chairman & Lead Independent Director) and Mr. Manish Sabharwal (Executive Vice Chairman & Whole Time Director) have ceased to be the Members of the Risk Management Committee w.e.f. May 18, 2022.

\*\*Mr. Subramaniam Somasundaram was re-designated as Chairman of the Risk Management Committee and Ms. Rituparna Chakraborty was appointed as a member of Risk Management Committee w.e.f. May 18, 2022.

Cases of non-acceptance by the Board of Directors, of any recommendation of the Risk Management Committee during the year under review, pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof: NIL.

#### XIV. Details of Company Secretary and Compliance Officer

Ms. Alaka Chanda, bearing Membership Number F10911 is the Company Secretary and Compliance Officer of the Company since October 30, 2018.

The Shareholders may send their concerns to the Company Secretary at [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com).

#### Role of the Company Secretary and Compliance Officer (CS & CO) in Overall Governance Process

Functions of the CS & CO are discharged by the Group Company Secretary. The CS & CO plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The CS & CO ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The CS & CO is primarily responsible to assist and advice the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements, to provide guidance to directors and to facilitate convening of meetings. The CS & CO interfaces between the management and regulatory authorities for governance matter.

#### XV. Details of Shareholders Complaints received, solved and pending share transfers

The total number of complaints received and resolved during the year ended March 31, 2023, was none. There were no complaints outstanding as on March 31, 2023. The number of pending share transfers and pending requests for dematerialization as on March 31, 2023 were NIL. Shareholders/Investors Complaints and other correspondence are normally attended to within seven working days except where constrained by disputes or legal impediments. No investor grievances remained unattended/pending for more than thirty days as on March 31, 2023.

Complaints pending as on April 01, 2022	0
Complaints received during the year	0
Complaints resolved during the year	0
Complaints pending as on March 31, 2023	0

The above table includes Complaints received from SEBI SCORES by the Company. SCORES is an online platform designed by SEBI to help investors to lodge their complaints pertaining to securities market against listed companies and/or listed intermediaries.



## XVI. Remuneration to Directors

### A. Remuneration Policy:

Your Company has a well-defined policy for remuneration of the Directors, Key Management Personnel(s) (KMP(s)) and other Employees. The policy is furnished as **Annexure IV** to Board's Report.

The Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our Business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and incentive (variable component) to its Executive Directors. Annual increments are decided by the Nomination and Remuneration Committee within the prescribed limit mentioned in Schedule V of Companies Act, 2013 and the same is effective from April 01, each year. The Nomination and Remuneration Committee decides on the incentive payable to the Executive Directors out of the profits for the Financial Year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the Executive Directors.

The Executive Directors are the employees of the Company and are subject to service conditions as per the Company policy. There is no provision for payment of severance fees to Executive/ Non-Executive Directors. Independent Directors are paid sitting fees and are not subject to any notice period and severance fees.

### B. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors

are paid Sitting Fees for each Meeting of the Board or Committee as attended by them. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

During the year 2022-23, the Company paid sitting fees of ₹ 1,00,000 per Board Meeting and ₹ 80,000 for the Committee Meetings to Independent Directors for attending meetings of the Board and Committees. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock options to its Executive or Non-Executive Directors/ Independent Directors.

### C. Remuneration to Executive Directors

The appointment and remuneration of Executive Director i.e., Chairman and Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company and Agreement executed between them and the Company. The remuneration package of Chairman and Managing Director comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the Shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent. The Nomination and Remuneration Policy is displayed on the Company's website viz. [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Nomination\\_and\\_Remuneration\\_Policy.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Nomination_and_Remuneration_Policy.pdf). Presently, the Company does not have a stock options scheme for its Directors.

Details of remuneration paid to Executive Directors of the Company presented below:

**Remuneration to Managing Director, Whole-time Directors and/or Manager**

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Ashok Reddy, Managing Director & CEO	Mr. Manish Sabharwal, Whole Time Director & Executive Vice Chairman	Mr. Rituparna Chakraborty*, Non-Executive Director	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Fixed Component)	80.92	65.00	91.54	237.46
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify (Variable Component – Performance Pay)	84.49	64.61	60.87	209.97
	<b>Total (A)</b>	<b>165.41</b>	<b>129.61</b>	<b>152.41</b>	<b>447.43</b>
	Ceiling as per the Companies Act, 2013				1064.56

Note: Gross Salary mentioned in the table is the amount accrued during the FY 2022-23.

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

**D. Service Contracts, Notice and Severance Fees**

As on date of this report, the Board comprised ten members including two Executive Directors, seven Non-Executive Independent Directors and one Non-Executive Non-Independent Director. The Executive Directors are the employees of the Company and are subject to service conditions as per the Company's Policy. There is no separate provision for payment of severance fees.

**E. Criteria for making payment to Non-Executive Directors**

The criteria of making payment to the Non- Executive Directors is based on the varied roles played by them towards the Company. The Company seeks their expert advice on various matters in general management, strategy, business planning, finance, science, technology or intellectual property. It is not just restricted to corporate governance or outlook of the Company but they also bring along with them significant professional expertise and rich experience across the wide spectrum of functional areas such

as technology, corporate strategy, finance and other corporate functions. As on the date of reporting, the Company pays Sitting fees to Independent Board Members of ₹ 1,00,000 per Board Meeting attended and ₹ 80,000 per Committee meeting attended. Sitting fees is the fixed component and currently there are no performance linked incentives for Non- Executive Board Members. The Company has not paid any commission to any of its Directors. The Managing Director & Whole Time Director draw remuneration only from the Company and do not receive any remuneration or commission from any of its subsidiary companies / holding company. Further, none of the subsidiaries of the Company has paid any commission/remuneration to any of the Directors of the Company.

**F. Disclosure of relationships between Directors inter-se**

There is no inter-se relationship between any Directors.

## XVII. General Body Meetings

### I. General Meeting

#### A) Annual General Meeting ("AGM"):

The date, time and location of Annual General Meetings held during the last three years and the special resolutions passed are as follows:

Financial Year	Date	Time	Venue	Special Resolution(s) Passed
2019-20	September 04, 2020	03:00 P.M. IST	Meeting held through Video Conferencing/ Other Audio Visual Means and the deemed venue of the AGM is TeamLease Registered Office at Bangalore.	<ol style="list-style-type: none"> <li>To re-appoint Mrs. Latika Pradhan (DIN: 07118801) as an Independent Director of the Company.</li> <li>To re-appoint Mr. Narayan Ramachandran (DIN: 01873080) as an Independent Director of the Company.</li> <li>To re-appoint Dr. V. Raghunathan (DIN: 00254091) as an Independent Director of the Company.</li> <li>To amend the TeamLease Services Limited - Employee Stock Appreciation Rights (ESAR) Plan 2019 adopted by the Company at the Nineteenth (19<sup>th</sup>) AGM of the company held on August 23, 2019.</li> </ol>
2020-21	September 03, 2021	03:00 P.M. IST	Meeting held through Video Conferencing/ Other Audio Visual Means and the deemed venue of the AGM is TeamLease Registered Office at Bangalore.	<ol style="list-style-type: none"> <li>To amend the TeamLease Services Limited - Employee Stock Appreciation Rights (ESAR) Plan 2019 adopted by the Company at the Nineteenth (19<sup>th</sup>) AGM of the company held on August 23, 2019.</li> </ol>
2021-22	September 16, 2022	03:00 P.M. IST	Meeting held through Video Conferencing/ Other Audio Visual Means and the deemed venue of the AGM is TeamLease Registered Office at Bangalore.	NIL

#### B) Postal Ballot conducted during the year 2022-23

The Postal Ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders as per the permitted mode wherever applicable. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through Postal Ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by Postal Ballot are announced within 2 working days of conclusion of the voting period. The results are displayed on the website of the Company (<https://group.teamlease.com/>) and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

In view of the COVID-19 pandemic, the MCA permitted companies to transact items through Postal Ballot as per the framework set out in MCA Circulars. In accordance with the aforementioned circulars, e-voting facility was provided to all the Shareholders to cast their votes only through the remote e-voting process as per notice of Postal Ballot dated February 03, 2023, for Buyback of up to 3,27,869 Equity Shares at a price of ₹ 3,050/- per Equity Share, on a proportionate basis, through the

“Tender Offer” route in accordance with the Act and the SEBI Buyback Regulations.

The aforesaid resolutions were duly passed and the results of Postal Ballot/e-voting were announced on March 16, 2023. The Board has appointed Mukesh Siroya, M Siroya and Company, Practising Company Secretary bearing CP No. 4157; M. No. F. 5682, as the Scrutinizer for conducting the Postal Ballot / e-voting process in a fair and transparent manner.

Resolution	No. of Votes Polled	No. of Votes Cast in Favour	No. of Votes Cast Against	% of Votes Cast in Favour on Votes Polled (Approx.)	% of Votes Cast Against on Votes Polled (Approx.)
Buyback of up to 3,27,869 Equity Shares at a price of ₹ 3,050/- per equity share, on a proportionate basis, through the “tender offer” route in accordance with the Act and the SEBI Buyback Regulations	1,50,71,682	1,50,71,595	87	100.00	0.00

### C) Remote E-Voting and Direct Voting at the Annual General Meeting

To allow the Shareholders to vote on the resolutions proposed at the Annual General Meeting, the Company has arranged for a remote E-Voting facility. The Company has engaged KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)(KFinTech) to provide E-Voting facility to all the Shareholders. Shareholders whose names shall appear on the Register of Shareholders as on September 08, 2023 shall be eligible to participate in the E-Voting. The facility for direct voting will also be made available at the Annual General Meeting, and the Shareholders who have not already cast their vote by remote E-Voting can exercise their vote at the Annual General Meeting.

Presentations are made to institutional investors and financial analysts on quarterly financial results of the Company. These presentations are also uploaded on the Company's website <https://group.teamlease.com/investor/investor-presentation/> and also sent to Stock Exchanges. The schedule of meetings with institutional investors/financial analysts are intimated in advance to the stock exchanges and disclosed on Company's website.

#### 4. Website

The Company's website <https://group.teamlease.com/> contains a separate and dedicated section “Investors” wherein Shareholders information is available. The information such as press releases, notice of the Board meeting, revision in credit rating, clippings of newspaper publications etc., are uploaded on the website from time to time. The Company's Annual Report is also uploaded on the website in a user-friendly and downloadable form.

#### 5. NSE Electronic Application Processing System (NEAPS)

NEAPS is a web based application designed by National Stock Exchange of India Limited for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases are electronically filed on NEAPS.

#### 6. BSE Corporate Compliance & Listing Centre ('Listing Centre')

## II. MEANS OF COMMUNICATION

### 1. Quarterly Results

The quarterly and year to date financial results of the Company are published in leading newspapers in India which include, Financial Express and Prajavani. The results are also displayed on the Company's website under <https://group.teamlease.com/investors/newspaper-publication/>.

### 2. News Releases, Presentations

Official news/Press releases are sent to the stock exchanges and also displayed on the Company's website <https://group.teamlease.com/investor/investor-press-release/>.

### 3. Presentations to Institutional Investors/ Analysts

BSE Limited's 'Listing Centre' is a web based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases are electronically filed on the 'Listing Centre'.

#### 7. SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web-based complaints redressal system. Centralised database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company and online viewing by investors of actions taken on the complaint and its current status are updated/ resolved electronically in the SEBI SCORES system.

#### 8. Annual Report

The Annual Report circulated to Shareholders and others entitled thereto is disseminated to Stock Exchanges and is also uploaded on the Company's website.

### XVIII. General Shareholders Information

#### A. Annual General Meeting for FY 2022-23

Pursuant to Circular issued by Ministry of Corporate Affairs ('MCA') General Circular Nos. 14/2020 dated April, 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, and 11/2022 dated December 28, 2022, and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/ CMD2/

CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/DDHS/DDHS\_Div2/P/CIR/2022/079 dated June 03, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, companies are allowed to conduct their AGM through video conferencing (VC) or other audio visual means (OAVM). Accordingly, your Company will be conducting the AGM through VC/OAVM facility. Shareholders can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM, and this mode will be available throughout the proceedings of the AGM.

During the live AGM, Shareholders may post their queries in the message box provided on the screen or may submit questions in advance on the email ID of the Company at [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com). In case of any query and/or help, in respect of attending AGM through VC/OAVM, Shareholders may refer to the Help & Frequently Asked Questions (FAQs) and VC/ OAVM user manual available at the download Section of [evoting@kfintech.com](mailto:evoting@kfintech.com) (KFintech Website) or contact at [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com), or contact Ms. Rajitha Cholleti / Mr. Premkumar Nair - Corporate Registry, KFintech at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500 032 or at the email ID [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call KFintech's toll free No.: 1-800- 309-4001 for any further clarifications.

Day, date and time : Friday, September 08, 2023

Venue	: Video Conferencing/ Other Audio-Visual Means and the deemed venue of the AGM shall be TeamLease Registered Office at Bangalore
Financial Year	: April 01, 2022, to March 31, 2023
Cut-off date for determining the names of Shareholders eligible to get Notice of Annual General Meeting	: Friday, August 04, 2023
Cut-off date for determining the names of Shareholders eligible to vote	: Friday, September 08, 2023
Remote E-Voting start time and date	: Tuesday, September 12, 2023 (09:00 A.M. IST)
Remote E-Voting end time and date	: Thursday, September 14, 2023 (05:00 P.M. IST)
Remote E-Voting website of KFintech	: <a href="mailto:evoting@kfintech.com">evoting@kfintech.com</a>
Name, address and contact details of E-Voting service Provider and Registrar and Transfer Agent	: KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana - 500032 Contact detail: KFintech's toll free No.: 1-800-309-4001

Participation through Video-Conferencing	: Shareholders can login from 02:45 P.M. IST on the date of AGM at <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a>
Helpline Number for VC participation	: Call KFinTech's toll free No.: 1-800-309-4001
Submission of Questions / Queries Before AGM	: Questions/queries are requested to be submitted 48 hours before the time fixed for AGM i.e., by 03:00 P.M. IST on September 13, 2023, by any of the following process: <ul style="list-style-type: none"> <li>• Email to <a href="mailto:corporateaffairs@teamlease.com">corporateaffairs@teamlease.com</a> mentioning name, demat account no./folio number, email ID, mobile number, etc.</li> <li>• Members holding shares as on the cut-off date i.e., Friday, September 08, 2023, may also visit <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> and click on "Post Your Queries" and post queries/views/questions in the window provided, by mentioning name, demat account number/ folio number, email ID and mobile number.</li> </ul>
Speaker Registration Before AGM	: Visit <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> and click on "Speaker Registration" and register as Speaker until 48 hours before the time fixed for AGM i.e., from Monday, September 11, 2023 (09:00 A.M. IST) upto Wednesday, September 13, 2023 (03:00 P.M. IST).
Recorded transcript	: Will be made available post AGM at <a href="https://group.teamlease.com/investor/annual-compliances/">https://group.teamlease.com/investor/annual-compliances/</a>

#### B. Listing on Stock Exchanges:

Sl. No	Name of the Stock Exchange	Address of the Stock Exchange	Stock Code	ISIN
1.	National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai 400-051, <a href="http://www.nseindia.com">www.nseindia.com</a>	TEAMLEASE	INE985S01024
2.	BSE Limited	Floor 25, PJ Towers, Dalal Street, Mumbai – 400-001 <a href="http://www.bseindia.com">www.bseindia.com</a>	539658	

#### Payment of Listing Fees:

Annual listing fee for the Financial Year 2023-24 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited, based on the Invoices received.

#### Payment of Depository Fees:

Annual Custody / Issuer fee is being paid by the Company within the due date based on invoices received from the Depositories.

#### C. Market Price Data:

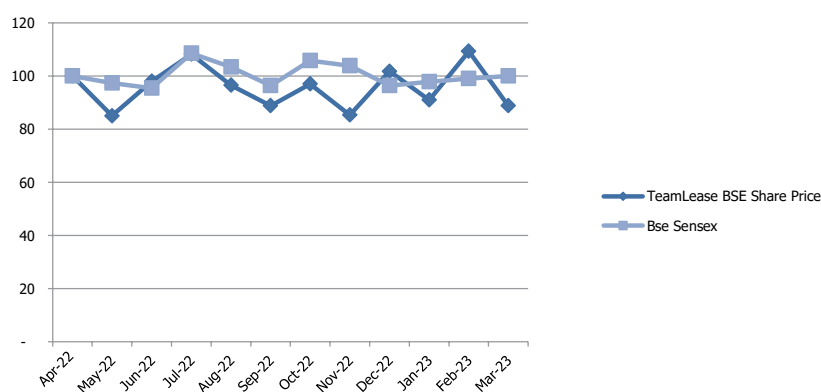
High, Low (based on daily closing prices) and number of equity shares traded during each month in the year 2022-23 on National Stock Exchange of India Limited and BSE Limited:

Month	NSE			BSE		
	High (₹)	Low (₹)	Total number of equity shares traded	High (₹)	Low (₹)	Total number of equity shares traded
Apr-22	4,247.55	3,785.20	3,62,565	4,255.55	3,789.05	1,21,628
May-22	3,821.25	3,162.45	6,07,387	3,825.75	3,164.45	1,33,169
Jun-22	3,404.70	2,956.85	4,59,789	3,402.40	2,970.15	20,169
Jul-22	3,762.95	3,253.55	3,81,693	3,765.75	3,252.90	21,603
Aug-22	3,473.75	3,212.15	4,52,357	3,467.20	3,214.80	20,104
Sep-22	3,375.05	3,003.35	4,98,079	3,381.50	3,003.05	1,91,951
Oct-22	3,102.55	2,801.10	4,55,879	3,102.00	2,803.15	2,34,132
Nov-22	2,904.10	2,304.10	18,13,290	2,903.95	2,303.25	49,914
Dec-22	2,559.30	2,442.35	5,44,119	2,559.05	2,448.55	16,799
Jan-23	2,527.15	2,244.30	4,05,460	2,526.80	2,247.20	93,546

Month	NSE			BSE		
	High (₹)	Low (₹)	Total number of equity shares traded	High (₹)	Low (₹)	Total number of equity shares traded
Feb-23	2,538.85	2,248.65	3,34,573	2,548.65	2,246.95	18,402
Mar-23	2,566.35	2,204.75	4,51,487	2,563.95	2,200.70	16,275

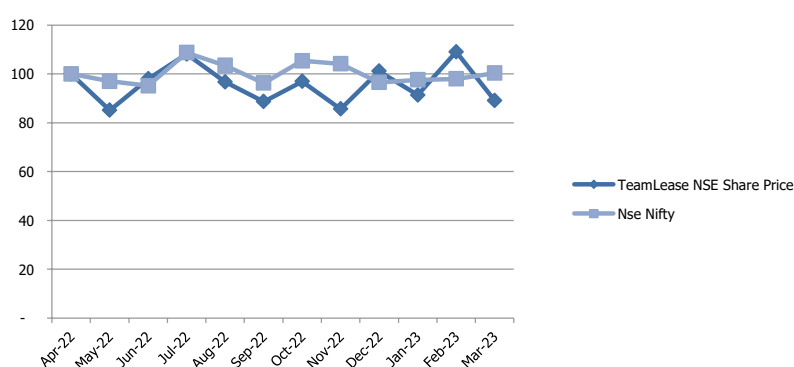
#### D. Performance of the share price of the Company in comparison to the BSE Sensex:

TeamLease Share Price and Sensex Movement



#### E. Performance of the share price of the Company in comparison to the CNX NIFTY:

TeamLease Share Price and NIFTY Movement



#### F. Registrar and Share Transfer Agent

The Company has appointed KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) (KFintech), as Registrars and Transfer Agents (R& T Agents) who are registered with SEBI as share transfer agents under Registration Number INR000000221 and the contact details are as follows:

KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), ('KFintech') Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032. Telangana, India.

Toll Free Number: 1- 800-309-4001 Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) Website : [www.kfintech.com](http://www.kfintech.com)

#### G. Share Transfer System

The matter connected with the share transfer/ transmission and other related matters are being handled by Registrars and Transfer Agents located in the addressed mentioned above.

Share lodged for transfer are normally processed with 15 days from the date of lodgement, if the documents are clear in all respects.

All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Grievances received from the investors and other miscellaneous correspondences relating to change of address, mandates, etc., are processed by KFintech within 7 days.

In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

Certificates are being obtained and submitted to Stock Exchanges on half yearly basis, from a Company Secretary in practice towards due compliance of share transfer formalities by the company within the due dates, in terms of Regulation 40 (9) of SEBI LODR Regulations, 2015.

The Company as required under Clause 46 of the SEBI LODR Regulations, 2015, has designated the following email ID namely [corporateaffairs@](mailto:corporateaffairs@teamlease.com)

[teamlease.com](http://teamlease.com) for the purpose of registering complaints if any by the investors and expeditious redressal of their grievances.

The Shareholders are therefore, requested to correspond with KFinTech for transfer/transmission of shares, change of address and queries pertaining to their shareholdings at the address given in this report.

#### H. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

#### I. Suspension of Trading

None of the securities of the Company were suspended from trading on stock exchanges during the year under review.

#### J. Financial Year

Financial Year covers the period from April 01, 2022 to March 31, 2023.

### I. Shareholding as on March 31, 2023

#### a. Distribution of Equity Shareholding as on March 31, 2023:

Sl. No	Category (Shares)	No. of Shares	% To Holders	No. of Holders	% To Equity
1	1 - 500	4,35,566	99.40	58,739	2.55
2	501 - 1000	87,264	0.20	117	0.51
3	1001 - 2000	81,841	0.10	61	0.48
4	2001 - 3000	53,900	0.04	21	0.32
5	3001 - 4000	59,849	0.03	17	0.35
6	4001 - 5000	54,511	0.02	12	0.32
7	5001 - 10000	2,36,797	0.05	31	1.39
8	10001 - 20000	2,81,836	0.03	19	1.65
9	20001 - 50000	8,79,306	0.04	26	5.14
10	50001 - 100000	12,42,025	0.03	16	7.26
11	100001 & Above	1,36,83,874	0.06	37	80.04
	<b>TOTAL:</b>	<b>1,70,96,769</b>	<b>100.00</b>	<b>59,096</b>	<b>100.00</b>



**b. Category wise Shareholding as on March 31, 2023:**

Category	Number of Equity Shares Held	Percentage of Holding
Promoter & Promoter Group	53,87,615	31.51%
Mutual Funds	35,57,240	20.81%
FII/FPI	62,36,558	36.48%
Financial Institutions/Banks/AIFs	18,232	0.11%
Retail (Individual/HUF/NRI)	10,65,637	6.23%
Bodies Corporates	8,19,311	4.79%
Clearing Shareholders	3,481	0.02%
ESOP Trust	8,466	0.05%
Trusts	229	0.00%
<b>Grand Total</b>	<b>1,70,96,769</b>	<b>100.00%</b>

**c. Top Ten Equity Shareholders of the Company as on March 31, 2023**

Sl. No	Name of the Shareholder	Number of Equity Shares Held	Percentage of Holding
1	HR Offshoring Ventures Pte. Ltd.	40,58,876	23.74%
2	NED Consultants LLP	11,96,997	7.00%
3	Indus India Fund (Mauritius) Limited	5,89,734	3.45%
4	T. Rowe Price International Discovery	5,42,633	3.17%
5	ICICI Prudential Life Insurance Company Limited	4,97,689	2.91%
6	Fidelity Funds - India Focus Fund	3,95,181	2.31%
7	Franklin India Smaller Companies Fund	3,85,274	2.25%
8	Goldman Sachs Funds - Goldman Sachs Emerging Markets Equity Portfolio	3,79,381	2.22%
9	Goldman Sachs Trust - Goldman Sachs Emerging Markets Equity Fund	3,59,310	2.10%
10	Invesco India Contra Fund	3,13,114	1.83%

**d. Dematerialization of Shares and Liquidity:**

The Company's shares are compulsorily traded in dematerialized form on National Stock Exchange of India Limited and BSE Limited. Equity Shares of the Company representing 99.99% of the Company's Equity Share Capital are dematerialized as on March 31, 2023.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE985S01024.

The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialize their shares with either of the Depositories.

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail benefits of dealing in shares in

demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant ("DP").
- Shareholders should submit the Dematerialization Request Form ("DRF") along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number ("DRN").
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents ("RTA"), i.e. Link Intime India Private Limited.
- RTA will process the DRF and update the status to DP/depositories.
- Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

- g) As required under SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 and to enhance ease of dealing in securities markets by investors, listed companies are required to issue securities in dematerialized form only. As per the referred circular Form ISR-4 required to be submitted by securities\holder/claimant has been hosted on the website of the Company at <https://group.teamlease.com/investors/physical-security-holders/>. The Company has further authorised its RTA to issue 'Letter of confirmation' in lieu of physical securities certificate(s) within 30 days of its receipt of such request after removing objections and complied with other requirements as stated in the Circular.

#### Consolidation of Folios and Avoidance of Multiple Mailing

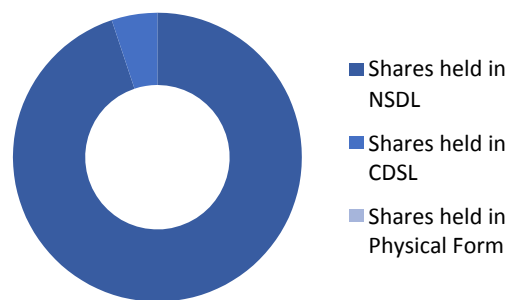
In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, Shareholders who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Shareholders may write to the RTA indicating the folio numbers to be consolidated along with the original share certificates.

#### Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

#### e. Shares held in dematerialized status as on March 31, 2023

Status of Dematerialisation	No. of Shares	% of Total Shares
Shares held in NSDL	1,61,46,608	94.44%
Shares held in CDSL	9,49,260	5.55%
Shares held in Physical Form	901	0.01%



#### XIX. Other Disclosures:

##### i. Materially Significant Related party transactions:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI LODR Regulations, 2015 during the Financial Year were on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the Financial Year. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with "IND AS". A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval. As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. None of the transactions with Related Parties were in conflict with the interest of Company. All the transactions are on arm's length basis and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis. The Board of Directors has approved a policy for related party transactions which has been uploaded on the Company's website at the following link <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Related-Party-Transaction.pdf>.

##### ii. Non-compliance by the Company (if any)

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the year under review -NIL

##### iii. Whistle Blower Policy / Vigil Mechanism

The Company has adopted a Whistle Blower and Vigil Mechanism Policy as defined under Regulation 22 of SEBI LODR Regulations, 2015 and Section 177 (9) & (10) of Companies Act, 2013, for directors and employees to report concerns about unethical behavior. No person has been denied access to the

Chairperson of the Audit Committee. The said policy has been also put up on the website of the Company at the following link <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf>.

**iv. Compliance with mandatory requirements of the SEBI LODR Regulations, 2015 read with its Amendments**

Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has adhered to all the mandatory and non mandatory requirements of Regulation 27 of the SEBI Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations is as under:

- The financial statements of the Company are with unmodified audit opinion
- The Internal Auditor reports to the Audit Committee

**v. Determination of the material subsidiary**

The Company has framed the policy on determination of the material subsidiary and accordingly none of the subsidiaries of the company fall within the ambit prescribed by the material subsidiary policy for the year under review. The policy is also posted in the website of the company with the following link [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Policy\\_for\\_determining\\_Material\\_Subsidiaries-1.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Policy_for_determining_Material_Subsidiaries-1.pdf).

All the subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage these companies in the best interest of respective stakeholders. The Company nominates its representatives on the Board of subsidiary companies and monitors performance of such companies, inter alia, by reviewing;

- Financial Statements, the investment made by the unlisted subsidiary companies, statement containing all significant transactions and arrangements entered by the unlisted subsidiary companies forming part of the financials being reviewed by the Audit Committee of the Company on a quarterly basis.
- Minutes of the meetings of the unlisted subsidiary companies, if any, are placed before the Company's Board regularly.
- Providing necessary guarantees, letter of comfort and other support for their day-to-day operations from time-to-time.

**vi. Policy pertaining to determination and disclosure of the material events/information**

The Board of Directors in their meeting held on March 30, 2016 has approved the policy pertaining to determination and disclosure of the material events/information. Accordingly any such material events/information will be disclosed to the concerned either by Managing Director or Chief Financial Officer or Company Secretary. The policy on determination and disclosure of material events/ information is posted in the website of the company with the following link <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-for-determination-of-materiality-for-disclosure-of-events-or-information.pdf>.

**vii. Reconciliation of share capital audit**

Mr. Mukesh Siroya, M Siroya and Company, Practicing Company Secretary, Mumbai carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**viii. Code of Conduct**

The members of the Board and senior management personnel have affirmed the compliance with Code of Conduct applicable to them during the year ended March 31, 2023. The **Annexure I** of the Corporate Governance Report contains a certificate by the Managing Director in terms of SEBI LODR Regulations, 2015 on the compliance declarations received from Independent Directors, Non-executive Directors and Senior Management.

**ix. Subsidiary Companies**

The Company does not have any material non-listed Indian Subsidiary as defined under Regulation 24 of the SEBI Regulations during the year under review.

The Audit Committee reviews the Consolidated Financial Statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board Meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

**x. Non-mandatory requirements**

Adoptions of non-mandatory requirements of the SEBI LODR Regulations, 2015 read with its Amendments are also reviewed by the Board

from time-to time. The Company has duly fulfilled the discretionary requirements as prescribed in Schedule II Part E of the SEBI LODR Regulations, 2015.

Non-mandatory (discretionary) requirements under Regulation 27 of the SEBI LODR Regulations, 2015. The status of compliance with the non-mandatory requirements of the SEBI LODR Regulations, 2015 is provided below:

▪ **The Board**

Mr. Narayan Ramachandran is the Non-Executive Chairman and Lead Independent Director of the Company. The requirement relating to maintenance of office and reimbursement of expenses to him is applicable to the Company and the same been duly complied with.

Mr. Manish Sabharwal is the Whole Time Director & Executive Vice Chairman of the Company till March 31, 2022 and his re-appointment for a period of 5 years is approved by the Shareholders in the 22<sup>nd</sup> Annual General Meeting held on September 16, 2022. Mr. Ashok Reddy is the Managing Director & CEO of the Company till August 31, 2025, eligible for re-appointment. The Company has complied with the discretionary requirement of having separate persons to the post of Chairman and Managing Director / Chief Executive Officer.

None of the Independent Directors of the Company is a non-independent director/ executive director of another company on the Board of which any non-independent director/ executive director of the Company is an Independent director.

No person has been appointed or continues as an alternate director for an independent director of the Company.

▪ **Shareholders rights**

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to Shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

- The Audit Report forms part of the Financial Statements enclosed in the Annual Report.

▪ **Reporting of Internal Auditor**

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee

which reviews the audit reports and suggests necessary action. Grant Thornton, Bangalore, the Internal Auditors of the Company, make presentations to the audit committee on their reports on a quarterly basis.

- Disclosures with respect to demat suspense account/ unclaimed suspense account: NIL.
- Trading window closure for financial results is from the beginning of the quarter till 48 hours after the Unpublished Price Sensitive Information (UPSI) becomes generally available.

**xi. Conflict of Interests**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

**xii. Compliance with Secretarial Standards**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

**xiii. Code for Prohibition of Insider Trading Practices**

The Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading for its designated persons/ employees/ directors, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Directors, officers, designated persons and other connected persons of the Company are governed by the above said Code.

The Code of Conduct for Prohibition of Insider Trading (Insider Trading Code) was updated to commensurate with the existing organisation structure and changes in regulatory environment. The revised Insider Trading Code was adopted by the Board at its meeting held in May 18, 2022. The Insider Trading Code lays down procedures to be followed and disclosures to be made while trading in the Company's shares. The Insider Trading Code restricts the connected persons, who are designated as such under the Insider Trading Code, from disclosing any price sensitive information and imposes strict confidentiality obligations on persons who have access to any price sensitive information in relation to the Company. It also prohibits the designated person from dealing in

shares of the Company who is in possession of unpublished price sensitive information, forward contracts, derivatives, portfolio management schemes, amongst the others.

In order to ensure rigour of the Insider Trading Code, the employees were familiarised with the revised Insider Trading Code through training programmes and other periodical communications. The employees were also sensitised on ways to handle price sensitive information and information confidentiality.

#### **xiv. MD / CFO Certification**

The Managing Director (MD) and Chief Financial Officer (CFO) of the Company have furnished to the Board, the requisite Compliance Certificate under Regulation 17(8) of SEBI LODR Regulations, 2015 for the Financial Year ended March 31, 2023. The annual certificate given by the MD and the CFO is published in this Report as **Annexure II** of this Corporate Governance Report.

The MD and CFO have also given quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI LODR Regulations, 2015.

#### **xv. Policy for Prevention, Prohibition & Redressal Sexual Harassment of Women at Workplace**

Pursuant to the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, your Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization

#### **xvi. Policy for Preservation of Documents**

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to certain documents are to be retained. The policy percolates to all levels of the organization who handle the prescribed categories of documents.

#### **xvii. Policy for Determining Materiality of Events**

The Company has adopted a Policy for Determining Materiality of Events / Information as defined under Regulation 30 of the SEBI Regulations. The said policy has been put on the Company's website viz. <https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-for-determination-of-materiality-for-disclosure-of-events-or-information.pdf>. The Policy was last updated on May 18, 2022.

#### **xviii. Dividend Distribution Policy**

The Company has adopted Dividend Distribution Policy as defined under Regulation 43A of the SEBI Regulations. The said policy has been put on the Company's website viz. [https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease\\_Dividend\\_Distribution\\_Policy.pdf](https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Dividend_Distribution_Policy.pdf).

#### **xix. Policy for Determination of Legitimate Purposes pertaining to Unpublished Price Sensitive Information**

The Company has formulated a comprehensive Policy for Determination of Legitimate Purposes This Policy is formulated pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 for determination of legitimate purpose of for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring Unpublished Price Sensitive Information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any. This Policy was implemented from January 29, 2019, the date of approval by the Board of Directors.

The Policy is also hosted on the website of the Company at <https://group.teamlease.com/wp-content/uploads/2021/04/Policy-Legitimate-Purpose-Determination-1.pdf>.

#### **xx. Policy on enquiry of leak of Unpublished Price Sensitive Information**

The Company has formulated a comprehensive Policy for enquiry of leak Unpublished Price Sensitive Information. This Policy is formulated as per requirement of Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading)(Amendment) Regulations, 2018 for enquiry procedure in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information. This Policy was implemented from January 29, 2019, the date of approval by the Board of Directors.

The Policy is also hosted on the website of the Company at <https://group.teamlease.com/wp-content/uploads/2021/04/Policy-Enquiry-of-Leak-of-UPSI-1.pdf>.

#### **xxi. Disclosures regarding appointment or re-appointment of Directors**

As per the Companies Act, 2013, at least two thirds of the Board should consist of retiring Directors, of these, at least one third are required to retire every year.

Mr. Manish Sabharwal (DIN: 00969601), Whole Time Director of the Company, being the longest in the office, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment as a Director. The detailed profile of the above director is provided as part of the Notice of the Annual General Meeting of the Company.

**xxii. Accounting Treatment in Preparation of Financial Statements**

In the preparation of the Financial Statements, the Company has followed existing Indian Accounting Standards. (Ind AS) The significant accounting policies which are consistently applied have been set out in the notes to the Financial Statements.

**xxiii. Details of Unclaimed Shares/Dividends**

The Company has not declared / paid any dividends, hence the question of unclaimed shares/dividend does not arise.

**xxiv. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2023, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**xxv. Details of utilization of funds raised through preferential allotment or qualified institutions placement**

The Company has not raised any funds through preferential allotment or qualified institutions placement during the year under review.

**xxvi. DISCLOSURE AS PER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS**

**xxvii.** There are no non-compliances of any requirements of Corporate Governance Report, as per sub- paras (2) to (10) of Schedule V Part C of the Listing Regulations.

**xxviii. Commodity Price Risk or Foreign Exchange Risk and Hedging activities**

Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk and therefore no question of hedging. The Company has not entered into foreign currency swap/ derivative transactions to cover the risk exposure on account of foreign currency transactions. Your Company follows the Accounting Policy and Disclosure Norms for swap/derivative transactions as prescribed by the relevant Regulatory Authorities and

Accounting Standards from time to time. The foreign exchange exposure as on March 31, 2023 is NIL.

**xxix. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

Not Applicable, the Company does not have any unutilized fund for reporting of its utilization in terms of Regulation 32(7A) of Listing Regulations.

**xxx.** A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice shall be made available for inspection at the Annual General Meeting.

**xxxi. Cases where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant Financial Year. The Board of Directors confirm that they have accepted all the recommendations received from all its Committees.**

**xxxii.** Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors are given in Note 33 to the Standalone Financial Statements and Note 34 to the Consolidated Financial Statements under Other Expenses.

**xxxiii.** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of number of complaints filed and disposed of during the year and pending as on March 31, 2023 is given in the Directors' Report. The same is as tabled below:

Particulars	Numbers
No. of complaints pending at the beginning of the Financial Year 2022-23:	0
No. of complaints received during the Financial Year 2022-23:	13
No. of complaints disposed off during the Financial Year 2022-23:	9
No. of complaints pending at the end of the Financial Year 2022-23:	4*

\*The number of cases pending as on March 31, 2023 were attended and resolved within the specified time period provided in Prevention of Sexual Harrasment Act.

**xxxiv. Risk Management**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**xxxii. Credit Rating**

The Company continues to maintain its credit ratings.

Pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof, it is informed that the Company continues to maintain its credit ratings.

The Credit Rating Information Services of India Limited (CRISIL) & Investment Information and Credit Rating Agency (ICRA) has continued to assign the ratings to the Company's various credit facilities and debt instruments during the Financial Year 2022-23 and they are as below:

Line of Credit of TeamLease Services Limited (LOC) for ₹ 178.00 Crores	Long-term outstanding rating of ICRA A and short-term outstanding rating of ICRA A1 for ₹ 158.00 Crores LOC and a long-term rating of ICRA A and short-term rating of ICRA A1 to the additional limit of ₹ 20.00 Crores is assigned by ICRA Limited.
Bank loan rating for ₹ 195 Crores bank facilities	The Outlook on the long-term rating continues to be Stable.
	Long-term rating of CRISIL A/ Stable and short-term rating of CRISIL A1 is assigned by CRISIL.

**xxxiv. Branch Locations:**

In view of the nature of the Company's business viz. Staffing Solutions and others, the Company operates from various offices in India. Details thereof are available at <https://group.teamlease.com/contact-us/>.

**xxxv. Address for Correspondence:**

TeamLease Services Limited  
CIN: L74140KA2000PLC118395

Registered Office of the Company:  
315 Work Avenue Campus, Ascent Building,  
Koramangala Industrial Layout, Jyoti Nivas College Road,  
Koramangala, Bangalore- 560095, Karnataka, India.  
E-mail ID: [corporateaffairs@teamlease.com](mailto:corporateaffairs@teamlease.com)  
Ph: (91-80) 6824 3333  
Fax: (91-80) 6824 3001  
Website: <https://group.teamlease.com/>

**Corporate Governance & Compliance**

Ms. Alaka Chanda  
Company Secretary and Compliance Officer  
Tel: +91 80 6824 3336  
E-mail id: [alaka.dhawan@teamlease.com](mailto:alaka.dhawan@teamlease.com)

**Financial Disclosure**

Ms. Ramani Dathi  
Chief Financial Officer  
Tel: +91 80 6824 3332  
E-mail id: [ramani.dathi@teamlease.com](mailto:ramani.dathi@teamlease.com)

**Investor Relations (Institutional Investors & Research Analysts)**

Ms. Ramani Dathi  
Chief Financial Officer  
Tel: +91 80 6824 3332  
E-mail id: [ramani.dathi@teamlease.com](mailto:ramani.dathi@teamlease.com)

**Registrar and Share Transfer Agents**

KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) (KFinTech)  
(Unit: TeamLease Services Limited)

**Registered Office**

Selenium Tower B, Plot No. 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad - 500  
032, Telangana, India.  
E-mail id: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com)  
Website : [www.kfintech.com](http://www.kfintech.com)

**XX. Request to Shareholders**

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to serve them efficiently and avoid risks while dealing in securities of the Company.

**A. Demat of Shares:**

Shareholders are requested to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.

**B. Transfer of Shares:**

SEBI amended Regulation 40 of SEBI LODR Regulations, 2015 vide Gazette notification dated June 08, 2018 which has mandated that transfer of securities would be carried out in dematerialized form only. These regulations shall come into force on the one hundred and eightieth day from the date of its publication in the Official Gazette. In this regard, the Company is required to take special efforts through their RTAs to send letter under Registered/Speed post to the holders

of physical certificates appraising them about the amendment and sensitise them about the impact of the regulation on the transfer of shares held by them in physical form w.e.f. December 05, 2018 and Company is in due compliance with such process. The Shareholders may continue to hold shares in physical form but transfer of shares will be in dematerialized form only.

However, in case of transfer of shares in physical mode till the effective date of the above amendment, Shareholders should fill up complete and correct particulars in the transfer deed for expeditious transfer of shares. Wherever applicable, registration number of power of attorney should also be quoted in the transfer deed at the appropriate place.

Shareholders, whose signatures have undergone any change over a period of time, are requested to lodge their new specimen signature to the R & T Agents duly attested by a bank.

In terms of SEBI's circular No. MRD/DoP/Cir-05/1009 dated May 20, 2009; it has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares to be held in physical mode.

In case of loss / misplacement of share certificate, Shareholders should immediately lodge a FIR/ Complaint with the police and inform the Company/ R & T Agents with original or certified copy of FIR/ acknowledged copy of complaint for making stop transfer of shares.

#### **C. Consolidation of Multiple Folios:**

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

#### **D. Registration of Nominations:**

Section 72 of the Companies Act, 2013 read with the Companies (Share capital and Debentures) Rules, 2014, provides facility for making nominations by Shareholders in respect of their holdings of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his/ her nominees without having to go through the process of obtaining succession certificate/probate of will etc. Shareholders who have not availed nomination facility are requested to avail the same by submitting the nomination Form in SH-13. This form will be made available on request. Investors holding shares in demat form are advised to contact their DPs for making nominations.

#### **E. Updation of Address:**

Shareholders are requested to update their addresses and registered with the company, directly through the R & T Agents to receive all communications promptly. Shareholders holding shares in electronic form are requested to deal only with their DPs in respect of change of address and furnishing bank account number etc.

#### **F. Shareholder voting:**

Shareholders are requested to cast their votes on the Resolutions mentioned in the Notice of the Twenty Third (23<sup>rd</sup>), Annual General Meeting of the Company by using any one of the following options:

1. Vote in advance of the Annual General Meeting through remote E-Voting process.
2. Vote directly during the Annual General Meeting.

#### **G. Issuance of Securities in dematerialized form in case of Investor Service Requests**

As an on going measure to enhance ease of dealing in securities markets by investors, it has been decided that listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/ LAD-NRO/GN/2022/66 dated January 24, 2022) while processing the following service request.

- i. Issue of duplicate securities certificate
- ii. Claim from Unclaimed Suspense Account
- iii. Renewal / Exchange of securities certificate
- iv. Endorsement
- v. Sub division / Splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

In this regard, your Company has hosted the following forms on its website under the link <https://group.teamlease.com/investors/physical-security-holders/>.

- a. Form SH-13
- b. Form SH-14
- c. Forms ISR- 1, 2, 3, 4 and 5

#### **XXI. Green Initiative in Corporate Governance**

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of Annual Report through electronic



means to such of the Shareholders whose e-mail addresses are registered with NSDL or CDSL or the Shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those Shareholders whose e-mail IDs have not been registered either with the company or with the depositories.

To support this green initiative of the Government, Shareholders are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the R & T Agents, in case the share are held in physical form and also intimate changes, if any in their registered e-mail addresses to the company/DPs, from time to time.

#### XXII. Compliance Certificate on Corporate Governance

Certificate received from Mr. Mukesh Siroya, M Siroya and Company, Practicing Company Secretaries, Mumbai (FCS No. 5682, CP No. 4157), having their office at A-103, Samved Building (Madhukunj), Near Ekta Bhoomi Gardens, Rajendra Nagar, Borivali (E), Mumbai - 400 066 confirming compliance with the

conditions of Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V (E) of the SEBI LODR Regulations, 2015 for the Financial Year 2022-23 is annexed to this Corporate Governance Report as **Annexure III**.

#### XXIII. Secretarial Audit

The Company's Board of Directors appointed Mr. Mukesh Siroya, M Siroya and Company, Practicing Company Secretaries, Mumbai (FCS No. 5682, CP No. 4157), to conduct the secretarial audit of its records and documents for the Financial Year 2022-23. The Secretarial Audit report confirms that the Company has complied with all applicable provisions of the Companies Act, 2013, Secretarial Standards, Depositories Act 1996, SEBI LODR Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and all other regulations and guidelines of SEBI as applicable to the Company. The Secretarial Audit Report forms part of the Directors' Report.

#### XXIV. Details of Corporate Policies

Particulars Website Details/Links:

Policy/Code	Weblink
TeamLease Dividend Distribution Policy	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Dividend_Distribution_Policy.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Dividend_Distribution_Policy.pdf</a>
TeamLease Familiarization Policy	<a href="https://group.teamlease.com/investor/familiarization-programme-policies/">https://group.teamlease.com/investor/familiarization-programme-policies/</a>
TeamLease Nomination and Remuneration Policy	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Nomination_and_Remuneration_Policy.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Nomination_and_Remuneration_Policy.pdf</a>
TeamLease Code of Conduct and Business Ethics	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf</a>
TeamLease Learning and Development Policy	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Learning_and_Development_Policy.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Learning_and_Development_Policy.pdf</a>
TeamLease Corporate Social Responsibility Policy	<a href="https://group.teamlease.com/investor/teamlease-corporate-social-responsibility-policy/">https://group.teamlease.com/investor/teamlease-corporate-social-responsibility-policy/</a>
TeamLease Policy on Related Party Transactions	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Related-Party-Transaction.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Related-Party-Transaction.pdf</a>
TeamLease Policy for determining Material Subsidiaries	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Policy_for_determining_Material_Subsidiaries-1.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Policy_for_determining_Material_Subsidiaries-1.pdf</a>
TeamLease Whistle Blower and Vigil Mechanism Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>
TeamLease Preservation of Documents and Archival Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Preservation-of-Documents-and-Archival-Policy_Final.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Preservation-of-Documents-and-Archival-Policy_Final.pdf</a>
TeamLease Prevention of Sexual Harassment Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Prevention-of-Sexual-Harrasment-Policy-Core-Employees-Version-3.4-8th-Feb-2021.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Prevention-of-Sexual-Harrasment-Policy-Core-Employees-Version-3.4-8th-Feb-2021.pdf</a>

<b>Policy/Code</b>	<b>Weblink</b>
TeamLease Code of Conduct for Prohibition of Insider Trading	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-for-Prohibition-of-Insider-Trading-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-for-Prohibition-of-Insider-Trading-1.pdf</a>
TeamLease Anti-Bribery and Corruption Policy	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Anti-Bribery_and_Corruption_Policy.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Anti-Bribery_and_Corruption_Policy.pdf</a>
TeamLease Risk Management Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/Risk-Management-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/Risk-Management-Policy.pdf</a>
TeamLease Policy on Board Diversity	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/POLICY-ON-BOARD-DIVERSITY.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/POLICY-ON-BOARD-DIVERSITY.pdf</a>
TeamLease Performance Evaluation of Directors Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Performance-Evaluation-of-Directors-Policy-2.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Performance-Evaluation-of-Directors-Policy-2.pdf</a>
TeamLease Policy on Determination of Legitimate Purposes for sharing of UPSI	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/Policy-Legitimate-Purpose-Determination-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/Policy-Legitimate-Purpose-Determination-1.pdf</a>
TeamLease Policy on Inquiry Procedure in case of UPSI Leak	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/Policy-Enquiry-of-Leak-of-UPSI-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/Policy-Enquiry-of-Leak-of-UPSI-1.pdf</a>
TeamLease Policy for Determination of Materiality for Disclosure of Events or Information	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-for-determination-of-materiality-for-disclosure-of-events-or-information.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-for-determination-of-materiality-for-disclosure-of-events-or-information.pdf</a>
TeamLease Business Responsibility Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Business-Responsibility-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Business-Responsibility-Policy.pdf</a>
TeamLease Code of Ethics for Directors	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Ethics-for-Directors.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Ethics-for-Directors.pdf</a>
TeamLease Audit Committee Charter	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/14-TeamLease-Audit-Committee-Charter-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/14-TeamLease-Audit-Committee-Charter-1.pdf</a>
TeamLease Policy on Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Prohibition-of-Fraudulent-and-Unfair-Trade-Practices-relating-to-Securities-Market-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Prohibition-of-Fraudulent-and-Unfair-Trade-Practices-relating-to-Securities-Market-1.pdf</a>
TeamLease Human Rights Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/Human-Rights-Policy-Nov19-1-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/Human-Rights-Policy-Nov19-1-1.pdf</a>
TeamLease SRC Terms of Reference	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/SRC-Terms-of-Reference_1.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/SRC-Terms-of-Reference_1.pdf</a>
TeamLease Investor Grievance Redressal Policy	<a href="https://group.teamlease.com/wp-content/uploads/2022/05/TeamLease-Investor-Grievance-Redressal-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2022/05/TeamLease-Investor-Grievance-Redressal-Policy.pdf</a>

**XXV. The Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulation 17 to 27 and Regulation 46(2) of SEBI LODR Regulations, 2015 read with its Amendments.**

Sl. No	Particulars	Regulations	% To Holders	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition and Appointment of Board	Yes
		17(2)	Meeting of Board of Directors and quorum	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation to Non-Executive Directors	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate by Chief Executive Officer and Chief Financial Officer	Yes
		17(9)	Risk Assessment & Management plan	Yes
		17(10)	Performance Evaluation	Yes
		17(11)	Recommendation of Board for each item of special Business	Yes
2	Maximum Number of Directorships	17A	Directorships in listed entities	Yes
3	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
4	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
5	Stakeholders' Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
6	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	Yes
		21(4)	Role of the Committee	Yes
7	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee, Adequate safeguards against victimization and Direct access to Chairperson of Audit Committee	Yes
8	Related Party Transaction	23(1), (5), (6), & (8)	Policy on Materiality of related party transactions and dealing with related party transactions	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee periodically	Yes
		23(4)	Approval for Material Related Party Transactions	Yes

Sl. No	Particulars	Regulations	% To Holders	Compliance Status (Yes/No/N.A.)
9	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	NA
		24(2), (3), (4), (5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	NA
10	Secretarial Audit	24 (A)	Annual Secretarial Audit Report and Annual Secretarial Compliance Report ▪ Secretarial Audit Report of material unlisted subsidiaries incorporated in India	Yes
11	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
		25(8 & 9)	Declaration from Independent Director that he / she meets the criteria of independence	Yes
12	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
			Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
13	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
14	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of Familiarisation Programmes imparted to Independent Directors	Yes

# Annexure I-Corporate Governance Report

## Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

### DECLARATION PURSUANT TO REGULATION 26(3) OF THE SEBI REGULATIONS

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place: Bangalore  
Date: May 17, 2023

**Ashok Reddy**  
Managing Director  
DIN: 00151814

# Annexure II-Corporate Governance Report

## MD and CFO Certification

### CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE SEBI REGULATIONS

To,  
The Members,  
TeamLease Services Limited

We, Ashok Reddy, Managing Director and Ramani Dathi, Chief Financial Officer of TeamLease Services Limited, to the best of our knowledge and belief, certify that:

- 1) We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's Report for the year ended March 31, 2023 and to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- 2) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023 are fraudulent, illegal or violative of the Company's code of conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- 4) We have indicated to the auditors and the Audit Committee that:
  - a. There has not been any significant change in internal control over financial reporting during the year under reference;
  - b. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the Financial Statements; and
  - c. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Bangalore  
Date: May 17, 2023

**Ashok Reddy**  
Managing Director  
DIN: 00151814

**Ramani Dathi**  
Chief Financial Officer

# Annexure III-Corporate Governance Report

## Secretarial Auditor's Certificate on Corporate Governance

To,  
The Shareholders,  
TeamLease Services Limited

We have examined the compliance of conditions of Corporate Governance by M/s. TeamLease Services Limited ('the Company') for the year ended on March 31, 2023, as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

We have been requested by the management of the Company to provide a certificate on compliance of corporate governance under the relevant provisions of the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as amended from time to time.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M Siroya and Company  
Company Secretaries

**Mukesh Siroya**

Proprietor

FCS No.: 5682

CP No.: 4157

UDIN: F005682E000324011

Date: May 17, 2023

Place: Mumbai

# BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

[As per Regulation 34 (2) (f) of the SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 read with Amendments]

The prism through which companies are being looked at, is rapidly changing. In the recent period, the resilience of companies has been tested in terms of how they have been able to withstand the turmoil of the COVID-19 induced pandemic. The other issue taking centre stage is a Company's commitment towards Environmental, Social and Governance (ESG) parameters. Each Company's experience on dealing with the pandemic is different as is each Company's journey on ESG. For TeamLease Services Limited (TeamLease/Company), the pandemic has reiterated that there can be no greater security in life than having a job, a source of income. ESG links together all spheres of activity within TeamLease.

Due credit must be given to the Indian capital markets regulator, The Securities & Exchange Board of India (SEBI) for taking the lead in putting together the Business Responsibility & Sustainability Reporting (BRSR) framework. In response to the worldwide trends, SEBI, has adopted new sustainability reporting criteria as part of its ongoing efforts to improve ESG disclosures. This new, Business Responsibility and Sustainability Report (BRSR), reporting format intends to establish ties between a Company's financial outcomes and its ESG performance. This can help regulators, investors, and other stakeholders get a more accurate picture of a Company's overall stability, growth, sustainability and transparency. It is a comprehensive framework, which calls for more measurable, quantitative metrics to facilitate better benchmarking.

With effect from the Financial Year 2022-2023, ESG Reporting - as per guidelines provided by SEBI, India, i.e. Business Responsibility and Sustainability Reporting (BRSR) is mandated for the top 1000 listed companies (by market capitalization). The existing Business Responsibility Reporting (BRR) which is based on the National Guidelines for Responsible Business Conduct (NGRBCs) is succeeded by the BRSR. SEBI through a notification dated May 05, 2021 has discontinued the requirement of submitting BRR by listed companies after FY 2021-22. As per the notification, TeamLease is required to submit a new report on ESG parameters, namely Business Responsibility and Sustainability Report from FY 22-23 onwards.

At TeamLease, it was a collective decision to adopt the BRSR ahead of schedule from previous year FY22 itself.

At TeamLease, we remain committed towards deepening our engagement with our stakeholders as we strive towards increasing Employment, Employability and E-workforce in the country.

As we all know, ESG- where E represents Environment; S represents Social and G represents Governance – These are the three core pillars to measure the sustainability, societal impact, and corporate governance, plus investment potential in a business/ organization.

## Key Elements of Sustainability and ESG:

Environmental	Social	Governance
• Energy Use	• Gender Equality	• Transparent Governance
• GHG Emissions	• Labour Rights	• Institutional Trust
• Water Use	• Diversity and Inclusion	• Risk Management
• Waste Generated	• Human Rights	• Ethics and Compliance
• Maintaining Biodiversity	• Right to Education	• Board and Executive Diversity

At TeamLease, we are committed to the Company's success with our purpose of helping India prosper.

## Our Approach to ESG

We endeavour to provide a safe and healthy working environment, to use resources effectively and efficiently, and to be accountable and transparent regarding the impact of our activities. We also strive to exceed existing standards and stakeholder expectations, and actively contribute to industry best practices.

As India's leading people supply chain Company, we continue to formalize the employment needs of our clients and variabilize their costs in a dynamic environment. We are embracing our responsibility to help address some of the India's social, economic and environmental challenges. ESG performance is integral to delivery of our purpose, strategy and societal goals.

ESG	Strategy	Guiding Principles
Environmental	Optimize our use of resources and the beneficial social impact associated with our operations.	Respect human rights, promote an ethical, safe, and healthy work environment.
Social	Leverage our diverse team to actively drive our sustainability mission.	Foster an environment of trust and respect, where team members collaborate to drive Employment, Employability and E-workforce and are able to contribute to their full potential.
Governance	Collaborate with our stakeholders on sustainability initiatives. Ensure accountability and build trust through transparency in our business practices and operations.	Proactively assess risk and build resilience through robust governance systems, including appropriate goals and processes.

### ESG Mission

Enabling a better, safer, more secure and sustainable world through the following purpose(s) of TeamLease:

- Putting India to Work
- Making India Employable
- Enabling ease of doing business in India

### Sustainable Development Goals (SDGs)

- Aim to end poverty in all its forms everywhere by creating more job opportunities
- Aim to ensure healthy lives and promote wellbeing for all at all ages
- Aim to ensure inclusive and quality education for all and promote lifelong learning
- Aim to achieve gender equality and empower all women and girls
- Aim to promote sustained economic growth, productive employment and decent work for all
- Aim to reduce inequality within and among countries

### Our ESG Policies:

We work diligently to ensure that we approach our business from an ESG point of view while delivering long-term value for our stakeholders. Our Business Responsibility and Sustainability Policy influences the way we manage our Company and the way we interact with society at large. We have a long-standing commitment to operational sustainability, underscored by a history of continuous performance improvements. Our Policies to ensure smooth contribution to ESG are as below:

- Code of Conduct
- Whistle Blower and Vigil Mechanism Policy
- Anti-Corruption, Anti- Bribery Policy
- Human Rights, Diversity & Inclusion Policy
- Workplace Health & Safety Policy
- CSR Policy
- Business Responsibility & Sustainability Policy

Our ESG strategy is aligned with and incorporated into the Company's long-term business strategy. TeamLease's Board of Directors has ultimate oversight responsibility for ESG matters. The full board focuses on significant ESG matters, with Board Committees undertaking oversight of ESG issues relevant to their responsibilities, and then integrating committee work on these issues in their reports to the full Board.



## CONTENTS:

Our BRSR includes our response to questions on our practices and performance on key principles defined by Regulation 34 (2) (f) of the SEBI LODR Regulations, 2015 covering topics across Environment, Governance, Social and Stakeholders relationships.

At TeamLease, sustainability is viewed as environmental and social responsibility, which allows the Company to deliver on stakeholder expectations. TeamLease continues to communicate the Company's obligations and performance to all its stakeholders through its BRSR. As a responsible corporate citizen, TeamLease continues to actively engage with all its stakeholders to drive their growth for all. The Company believes in accelerating India's transition to a knowledge economy and continues its efforts to create value for India by elevating the quality of life across the entire socio-economic spectrum.

This BRSR illustrates TeamLease's efforts towards creating enduring value for all its stakeholders in a responsible manner.

<b>Section A</b>	General Disclosures
<b>Section B</b>	Management and Process Disclosures
<b>Section C</b>	Principle-Wise Performance Disclosures
Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect and make efforts to protect and restore the environment
Principle 7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
Principle 8	Businesses should promote inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner

## Section A - General Information about the Company

### I. Details:

1	Corporate Identification Number (CIN) of the Company	L74140KA2000PLC118395
2	Name of the Company	TeamLease Services Limited
3	Year of Incorporation	February 02, 2000
4	Registered & Corporate Office Address	315 Work Avenue Campus, Ascent Building, #77, Koramangala Industrial Layout, Jyothi Nivas College Road, Koramangala, Bangalore – 560095, Karnataka, India
5	Website	<a href="https://group.teamlease.com/">https://group.teamlease.com/</a>
6	E-mail Id	<a href="mailto:corporateaffairs@teamlease.com">corporateaffairs@teamlease.com</a>
7	Telephone	+ 91 80 6824 3333
8	Name of Stock Exchange where Shares are listed	BSE Limited and National Stock Exchange of India Limited
9	Financial Year Reported	April 01, 2022 to March 31, 2023
10	Paid up capital	17,09,67,690/-
11	Name and contact details of the person who may be contacted in case of any queries on the BRSR	Ms. Alaka Chanda Company Secretary and Compliance Officer Ph: +91 80 6824 3336/ Fax: +91 80 6824 3001 Email ID: <a href="mailto:alaka.dhawan@teamlease.com">alaka.dhawan@teamlease.com</a>
12	Reporting boundary	Disclosures made in this report are on a consolidated basis and pertain to TeamLease Group.

**II. Sector(s) that the Company is engaged in (industrial activity code-wise):**

National Industrial Classification (NIC)-Ministry of Statistics and Program Implementation.

NIC Code of the Product/Service	Description
78100	Activities of employment placement agencies
78200	Temporary employment agency activities
78300	Human resources provision and management of human resource

**III. Key Services that the Company manufactures/provides (as in Balance Sheet):**

Sl. No.	Services	% Of Turnover
a.	Temporary Staffing	97.81%
b.	Other HR	1.64%
c.	Other Income	0.55%

**IV. Total number of locations where business activity is undertaken by the Company:**

a.	Number of International Locations	None
b.	Number of National Locations	14

**V. Markets served by the Company:** Pan India**VI. Financial Details of the Company:**

₹ in Lakhs

Sl. No.	Particulars	2022-23	
		Standalone	Consolidated
1	Paid-up Capital	1,709.68	1,709.68
2	Total Turnover	6,92,912.32	7,91,394.31
	Revenue from Operations	6,87,617.59	7,86,999.75
	Other Income	5,294.73	4,394.56
3	Profit After Tax	9,719.62	11,154.98

**VII. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

- Average net profit of the Company for last three Financial Years – ₹ 7,361.97 Lakhs.
- Prescribed CSR Expenditure – ₹ 147.24 Lakhs.
- Details of CSR spent during the Financial Year: Kindly refer to **Annexure V** of Directors' Report forming part of this Annual Report.

**Does the company have a responsibility statement of the CSR Committee on the implementation and monitoring of CSR Policy that is enclosed to the Board's Report?**

Yes, a responsibility statement of the CSR Committee on the implementation and monitoring of CSR Policy is enclosed to the Board's Report, replicated below:

Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, it is confirmed that the CSR Policy has implemented and monitored the CSR initiatives of the Company in line with the CSR objectives and CSR Policy of the Company.

**VIII. Employees:****A. Details as on March 31, 2023**

Sl. No.	Particulars	Total Employees	Male		Female	
			No	%	No	%
1	Permanent	2051	1305	63.63%	746	57.16%
2	Other than permanent	208	154	74.04%	54	35.06%
3	Total	2259	1459	64.59%	800	54.83%

TeamLease does not specifically track the number of disabled employees. The Company gives equal opportunities and treats all employees at par with equal respect and dignity.

**B. Participation/inclusion/representation of women**

Particulars	Total	No. and percentage of Female	
		No	%
Board of Directors	17	6	35%
Key Management Personnel (CS and CFO)	2	2	100%

**C. Turnover rate for permanent employees**

Permanent Employees	FY23			FY22			FY21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent	55%	54%	55%	48%	51%	49%	57%	61%	58%

**IX. Holding, subsidiary and associate companies****a. As on March 31, 2023 the Company has 7 direct and indirect subsidiaries.**

Particulars of the subsidiary companies are detailed in **Annexure II** of Board's Report - AOC-1.

**Do the Subsidiary Company/Companies participate in the BRSR Initiatives of the parent company?** If yes, then indicate the number of such subsidiary company(s):

Certain business responsibility initiatives in the area of ethics, transparency and accountability, sustainable use of resources and well-being of employees are being implemented in all the subsidiary companies. The subsidiaries of the Company are separate legal entities and follow BRSR initiatives as per rules and regulations as may be applicable to them.

**b. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BRSR initiatives of the Company?**

The Company does not mandate its suppliers/distributors to participate in the Company's BRSR initiatives. However, they are encouraged to adopt such practices and to follow the concept of being a responsible business.

**X. BRSR Information****1. Details of Director/Directors responsible for BRSR****a) Details of the Director/Director(s) responsible for implementation of the BRSR policy/ policies:**

The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for implementation of BRSR policies. The members of the CSR Committee are as follows:

Sl. No.	Name	DIN	Designation
1	Dr. V. Raghunathan, Chairman	00254091	Independent Director
2	Mrs. Latika Pradhan , Member	07118801	Independent Director
3	Mr. Mekin Maheshwari , Member	03621431	Independent Director

**b) Details of the BRSR head:**

Sl. No.	Name	Details
1	DIN	00254091
2	Name	Dr. V. Raghunathan, Chairman of CSR Committee
3	Designation	Independent Director
4	Telephone number	+91 80 6824 3333
5	Email ID	<a href="mailto:corporateaffairs@teamlease.com">corporateaffairs@teamlease.com</a>

**XI. Transparency and Disclosures Compliances**

- Are there any Complaints/Grievances on any aspect of the National Guidelines on Responsible Business Conduct in the financial year?

Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC) are tabled below:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No)  (If yes, then provide web-link for grievance redress policy)	FY23			FY22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees	Yes	-	-	-	-	-	-
Customers	Yes	-	-	-	-	-	-
Value Chain Partners	Yes	-	-	-	-	-	-
Others	Yes	-	-	-	-	-	-

Some of the policies guiding the Company's conduct with all its stakeholders, including grievance mechanisms are placed on the Company's website. The hyperlink is: <https://group.teamlease.com/investor/policies-and-guidelines/>.

In addition, there are internal policies placed on the intranet of the Company.

- Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Material Topics identified	Indicate whether risk/ opportunity R/O	The rationale for identifying risk/ opportunity	In case of risk, the approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Strong Economic Performance	O	Provides a basis for Maintaining stability and generating positive momentum and long-term value for our stakeholders thus consolidating our leadership position.	N.A.	Positive

Material Topics identified	Indicate whether risk/ opportunity R/O	The rationale for identifying risk/ opportunity	In case of risk, the approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Ensuring Compliance	O	Helps identify and address potential risks, avoid penalties, legal issues, and reputational damage; generating trust amongst stakeholders and thereby, contributing to overall stability.	N.A.	Positive
Customer privacy and data security	R	Breach of customer privacy and data security systems could lead to a loss of reputation, a decline in customer confidence; and imposition of legal and Regulatory fines.	Cyber security framework and information security program, strong governance around information security and data privacy.	Negative
Climate Change Risks	R	Physical risks and transition risks, including policy changes, technological advancements, and market shifts, can impact the value of assets and investments leading to potential financial losses.	Focus on sustainable finance well- diversified exposure.	Negative
Robust corporate governance and ethics	O	Essential in accomplishing the company's goals, mitigating risks, building stakeholder trust, and maintaining business Continuity.	N.A.	Positive
Systematic Risk Management	O	Enhances vulnerability to economic downturns or market crashes, may lead to increased regulatory scrutiny, reputational damage, and a loss of investor confidence.	Multi-layered risk management strategy. Independent risk management function.	Positive
Sustainable & Responsible financing	O	Helps mitigate ESG risks, access new capital, cater to and tap emerging market trends, build reputation, and attract new clients.	N.A.	Positive
High Customer Satisfaction	O	Expands client base, increases client loyalty.	N.A.	Positive
Enhanced Transparency and disclosures	O	Builds investor confidence, ensures compliance with regulatory obligations, and strengthens market positioning and relationships with stakeholders.	N.A.	Positive
Establishing Digital Leadership	O	Optimises internal workflows, improves efficiency, enables agility and adaptability to dynamic markets, provides enhanced customer experience, enables new offerings, and provides a competitive edge.	N.A.	Positive
Positive Employee Practices	O	Boosts efficiency, reduces employee attrition, increases capabilities and creativity within the Bank, promotes diversity and enhances customer experience.	N.A.	Positive
Community-wellbeing	O	Builds positive brand perception, creates a more sustainable and inclusive society, and establishes strategic connections.	N.A.	Positive

## Section B - Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

### I. Principle-wise (as per NVGs) BRSR Policy/Policies

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

<p><b>Principle 1</b></p> <p>Ethics, Transparency and Accountability [P1]</p> <p>Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.</p>	<p><b>Principle 2</b></p> <p>Products Lifecycle Sustainability [P2]</p> <p>Businesses should provide goods and services that are safe and contribute to sustainability throughout their Life Cycle.</p>	<p><b>Principle 3</b></p> <p>Employees' Well-being [P3]</p> <p>Businesses should promote the well-being of all Employees.</p>
<p><b>Principle 4</b></p> <p>Stakeholder Engagement [P4]</p> <p>Businesses should respect the interests of and be responsive towards all Stakeholders, especially those who are disadvantaged, vulnerable and marginalized.</p>	<p><b>Principle 5</b></p> <p>Human Rights [P5]</p> <p>Businesses should respect and promote Human Rights.</p>	<p><b>Principle 6</b></p> <p>Environment [P6]</p> <p>Businesses should respect, protect, and make efforts to restore the Environment.</p>
<p><b>Principle 7</b></p> <p>Policy Advocacy [P7]</p> <p>Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner</p>	<p><b>Principle 8</b></p> <p>Inclusive Growth [P8]</p> <p>Businesses should support inclusive growth and equitable development.</p>	<p><b>Principle 9</b></p> <p>Customer Value [P9]</p> <p>Businesses should engage with and provide value to their customers in a responsible manner.</p>

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for all the nine applicable principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify in 50 words*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board. If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified Committee of the Board/Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Indicate the link for the policy to be viewed Online	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	Note 7	Note 8	Note 9
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
11	Whether the entity has translated the policies into procedures?	Y	Y	Y	Y	Y	Y	Y	Y	Y

\*The policies conform to the principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, National Guidelines on responsible business conduct notified by Ministry of Corporate Affairs, Government of India.

\*\*The Company is working on developing and improving its systems for evaluating the implementation of the policies. The policies are evaluated internally from time to time and updated whenever required.

#### Notes:

Note	Principle	Policy	Website Link
1	1	TeamLease Code of Conduct and Business Ethics	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf</a>
		TeamLease Prevention of Sexual Harassment Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Prevention-of-Sexual-Harassment-Policy-Core-Employees-Version-3.4-8th-Feb-2021.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Prevention-of-Sexual-Harassment-Policy-Core-Employees-Version-3.4-8th-Feb-2021.pdf</a>
		TeamLease Code of Conduct for Prohibition of Insider Trading	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-for-Prohibition-of-Insider-Trading-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-for-Prohibition-of-Insider-Trading-1.pdf</a>
		TeamLease Anti-Bribery and Corruption Policy	<a href="https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Anti_Bribery_and_Corruption_Policy.pdf">https://group.teamlease.com/wp-content/uploads/2020/11/TeamLease_Anti_Bribery_and_Corruption_Policy.pdf</a>
		TeamLease Policy on Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Prohibition-of-Fraudulent-and-Unfair-Trade-Practices-relating-to-Securities-Market-1.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Policy-on-Prohibition-of-Fraudulent-and-Unfair-Trade-Practices-relating-to-Securities-Market-1.pdf</a>
		TeamLease Vigil Mechanism and Whistle-Blower Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>
2	2	TeamLease Code of Conduct and Business Ethics	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf</a>
3	3	TeamLease Prevention of Sexual Harassment Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Prevention-of-Sexual-Harassment-Policy-Core-Employees-Version-3.4-8th-Feb-2021.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Prevention-of-Sexual-Harassment-Policy-Core-Employees-Version-3.4-8th-Feb-2021.pdf</a>
		TeamLease Vigil Mechanism and Whistle-Blower Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>

Note	Principle	Policy	Website Link
4	4	TeamLease Corporate Social Responsibility Policy	<a href="https://group.teamlease.com/investor/teamlease-corporate-social-responsibility-policy/">https://group.teamlease.com/investor/teamlease-corporate-social-responsibility-policy/</a>
		TeamLease Vigil Mechanism and Whistle-Blower Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>
5	5	TeamLease Code of Conduct and Business Ethics	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf</a>
		TeamLease Vigil Mechanism and Whistle-Blower Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>
6	6	TeamLease Code of Conduct and Business Ethics	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf</a>
7	7	Public Policy Advocacy Policy	The Company plays a strong role in public policy advocacy through regular engagement with external stakeholders including industry associates, government bodies and regulatory departments. Morefully described in Principle 7, Leadership Factors
8	8	TeamLease Corporate Social Responsibility Policy	<a href="https://group.teamlease.com/investor/teamlease-corporate-social-responsibility-policy/">https://group.teamlease.com/investor/teamlease-corporate-social-responsibility-policy/</a>
		TeamLease Vigil Mechanism and Whistle-Blower Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>
9	9	TeamLease Code of Conduct and Business Ethics	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Code-of-Conduct-and-Business-Ethics.pdf</a>
		TeamLease Vigil Mechanism and Whistle-Blower Policy	<a href="https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://group.teamlease.com/wp-content/uploads/2021/04/TeamLease-Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>

It has been the Company's practice to upload all policies on the intranet site for information and implementation by the internal stakeholders. However, Code of Conduct and Code of Conduct for Prohibition of Insider Trading being applicable to both internal and external stakeholders are available on the Company's website at <https://group.teamlease.com/investor/policies-and-guidelines/>.

## II. GOVERNANCE, LEADERSHIP AND OVERSIGHT

Corporate Governance is an ethically driven business process that is committed to values, aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting Stakeholders' expectations.

### A. Governance:

#### Corporate Governance of TeamLease is guided by:

- Accountability
- Transparency
- Fairness
- Competent Leadership and Management
- Empowerment

#### We have a transparent corporate structure, with:

- Approval rights of our general meeting of shareholders for any significant change in the identity or nature of our company or business
- Each share of our common stock confers the right to cast one vote at the Annual General Meeting of shareholders
- Our directors are appointed for five-year terms and are elected or re-elected by the shareholders at the Annual General Meeting of shareholders
- We only have outstanding common stock. No priority, preference, or other shares with special voting rights are



issued, and cannot be issued without majority shareholder approval

- Any issuance of common or preference shares, for any reason, is subject to the approval of the Annual General Meeting of shareholders
- We allow special meetings of our shareholders to be called when requested, using the written request of shareholders holding at least 10% of our outstanding voting stock

## B. Leadership:

### Board of Directors

TeamLease Group is committed to effective corporate governance that strengthens the accountability of the Board of Directors (Board) and Management. The Board is collectively responsible for the management, general, and financial affairs of TeamLease, as well as our policy and strategy. The Executive Director of the Board, who is also our Managing Director and Chief Executive Officer, is responsible for day-to-day management and for preparation and execution of Board resolutions, to the extent these tasks are not delegated to a Board committee.

### Board Composition

The number of executive and non-executive directors is determined by the Board based on the recommendation of Nomination and Remuneration Committee. Our directors have a wide variety of relevant skills, professional experience, and backgrounds. Their diverse viewpoints and varying perspectives help us represent the interests of all stakeholders.

### Expertise

The Board, with the support of the Nomination and Remuneration Committee, maintains an appropriate balance with respect to the expertise, experience, and diversity on the Board. Evaluations of Board composition consider a number of matters, including director independence, skill set, experience, expertise, and diversity, to ensure the Board remains effective and well-qualified. During FY 22-23, we inducted one new Director with relevant experience and expertise.

### Diversity

The Board is committed to supporting, valuing, and leveraging diversity in its composition. This includes gender and ethnic/cultural diversity, to ensure a balance in representation.

### Independence of the Board

TeamLease has two Executive Directors, seven Independent Directors and one Non-Executive, Non-Independent Director, as detailed below in point b. The eight non-executive directors (80%), including the Chairman, are a combination of Independent and Non-Independent Directors under the applicable SEBI (LODR) Regulations, 2015. Our Board has an average tenure of approximately 5 years. However, there is no specific tenure for Non-Executive and Non-Independent Directors.

Mr. Narayan Ramachandran is also an Independent Director in TeamLease Digital Private Limited, wholly-owned subsidiary of TeamLease.

### Board Directorships and Board Memberships

**Pursuant to Clause 17A of SEBI LODR, the directors of listed entities shall comply with the following conditions with respect to the maximum number of directorships, including any alternate directorships that can be held by them at any point of time**

- (1) A person shall not be an independent director in more than seven listed entities.
- (2) Notwithstanding the above, any person who is serving as a whole time director / managing director in any listed entity shall serve as an independent director in not more than three listed entities.

**Pursuant to Clause 26 of SEBI LODR, a director shall not be a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he /she is a director which shall be determined as follows:**

- a. the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies, high value debt listed entities, and companies under Section 8 of the Companies Act, 2013 shall be excluded;

- b. for the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone shall be considered

Sl. No.	Name of the Directors	Category	No & Names of other Directorship(s) (in Listed Entities excluding TeamLease)	No & Names of Committee Membership including TeamLease	No & Names of Committee Chairmanship including TeamLease	Clause 17A compliance	Clause 26 compliance
1.	Mr. Narayan Ramachandran	Non-Executive Chairman and Lead Independent Director	-	-	-	Y	Y
2.	Mr. Manish Sabharwal	Executive Vice Chairman	1. Pennar Industries Limited	-	-	Y	Y
3.	Mr. Ashok Reddy	Managing Director & CEO	-	-	-	Y	Y
4.	Mrs. Latika Pradhan	Independent Director	1. Mafatlal Industries Limited	1. Mafatlal Industries Limited- Audit Committee 2. Fulford (India) Limited - Audit Committee 3. Atul Bioscience Limited - Audit Committee	1. TeamLease Services Limited – Audit Committee & Stakeholders' Relationship Committee	Y	Y
5.	Dr. V. Raghunathan	Independent Director	-	1. TeamLease Services Limited - Audit Committee & Stakeholders' Relationship Committee	-	Y	Y
6.	Mr. Zarir Batliwala	Independent Director	-	1. TeamLease Services Limited- Stakeholders' Relationship Committee	-	Y	Y
7.	Mr. Mekin Maheshwari	Independent Director	-	-	-	Y	Y
8.	Mrs. Meenakshi Nevatia	Independent Director	1. Pfizer Limited*	-	-	Y	Y
9.	Mr. Subramaniam Somasundaram	Independent Director	1. United Breweries Limited#	1. TeamLease Services Limited- Audit Committee 2. Hosana Consumer Limited, Stakeholder Relationship Committee	1. API Holding Limited, Audit Committee 2. United Breweries Limited, Audit Committee 3. Honasa Consumer Limited, Audit Committee	Y	Y
10.	Ms. Rituparna Chakraborty	Non-Executive Director®	-	-	-	Y	Y

\*Appointed w.e.f April 03, 2023

#Appointed w.e.f. June 04, 2023

®Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

### Board of Directors Skill & Expertise

Pursuant to Schedule V, Part C of SEBI LODR Regulations, 2015 read with Amendments thereof, below are the list of core skills/expertise/competencies identified by the Board of Directors for the year under review as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:




**Mr. Manish Sabharwal**

Whole Time Director &  
Executive Vice Chairman  
DIN: 00969601

Diversity	Y
Age	53 yrs
Overall Experience as Director	25 yrs
Director in TeamLease since	2000
Current Term	Till March 31, 2027

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	N
Member / Chairman of Corporate Social responsibility Committee	N

To know more- Click here 




**Mr. Ashok Reddy**

Managing Director & CEO  
DIN: 00151814

Diversity	Y
Age	53 yrs
Overall Experience as Director	26 yrs
Managing Director in TeamLease since	2015
Current Term as Managing Director	Till August 31, 2025

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

To know more- Click here 




**Mrs. Latika Pradhan**

Independent Director  
DIN: 07118801

Diversity	Y
Age	68 yrs
Overall Experience as Director	09 yrs
Director in TeamLease since	2015
Current Term	2nd - Till July 07, 2025

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	Chairperson
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	Chairperson
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	Member

To know more- Click here 




**Mr. Narayan Ramachandran**

Non-Executive Chairman and Lead Independent Director  
DIN: 01873080

Diversity	Y
Age	60 yrs
Overall Experience as Director	19 yrs
Director in TeamLease since	2015
Current Term	2nd - Till July 07, 2025

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Member
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	N
Member / Chairman of Corporate Social responsibility Committee	N

To know more- Click here 


**Dr. V. Raghunathan**

Independent Director  
DIN: 00254091

Diversity	Y
Age	68 yrs
Overall Experience as Director	19 yrs
Director in TeamLease since	2015
Current Term	2nd - Till July 07, 2025

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	Member
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	Member
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	Chairman

To know more- Click here 


**Mr. Zarir Batliwala**

Independent Director  
DIN: 01028343

Diversity	Y
Age	73 yrs
Overall Experience as Director	17 yrs
Director in TeamLease since	2019
Current Term	1st - Till March 28, 2024

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Chairman
Member / Chairman of Stakeholders' Relationship Committee	Member
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

To know more- Click here 



**Mr. Mekin Maheshwari**

Independent Director  
DIN: 03621431

Diversity	Y
Age	42 yrs
Overall Experience as Director	12 yrs
Director in TeamLease since	2021
Current Term	1st - Till June 08, 2026

**Skills and Expertise**

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Member
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	Member

To know more- Click here



**Mrs. Meenakshi Nevatia**

Independent Director  
DIN: 08235844

Diversity	Y
Age	52 yrs
Overall Experience as Director	06 yrs
Director in TeamLease since	2021
Current Term	1st - Till July 27, 2026

**Skills and Expertise**

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	Member
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

To know more- Click here




**Mr. Subramaniam Somasundaram**

Independent Director  
DIN: 01494407

Diversity	Y
Age	62 yrs
Overall Experience as Director	16 yrs
Director in TeamLease since	2021
Current Term	1st - Till July 27, 2026

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	Member
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Chairman
Member / Chairman of Corporate Social responsibility Committee	N

To know more- Click here 



**Ms. Rituparna Chakraborty**


Non-Executive Director\*  
DIN: 07332241

Diversity	Y
Age	48 yrs
Overall Experience as Director	06 yrs
Director in TeamLease since	2022

#### Skills and Expertise

Executive Leadership	Y
Industry & Technology Experience	Y
Strategic Planning	Y
Financial Expertise	Y
Manufacturing & Operations	Y
International Experience	Y
Human Capital	Y
Risk Management	Y
IT and Cybersecurity	Y
Board Service and Corporate Governance	Y
ESG Expertise	Y
Mergers and Acquisitions	Y
Global Business	Y
Sales and Marketing	Y
Member / Chairman of Audit Committee	N
Member / Chairman of Nomination & remuneration Committee	N
Member / Chairman of Stakeholders' Relationship Committee	N
Member / Chairman of Risk Management Committee	Member
Member / Chairman of Corporate Social responsibility Committee	N

\*Resigned from the position of Executive Director of the Company w.e.f. the closing of business hours on May 31, 2023, and continuing as a Non-Executive Director w.e.f. June 01, 2023 vide letter dated March 28, 2023.

To know more- Click here 

**Core skills/expertise/competencies of the Board of Directors**

Subject for Review	Review of principles undertaken by and frequency
Diversity	Representation of gender, ethnic, geographic, cultural, or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.
International	Exposure and working in various regions, in the US, Europe and/or Asia, and/or experience with businesses with substantial international operations.
Executive Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth.
Industry & Technology	Understanding of the relevant industry.
Strategic Planning and Growth	Planning knowledge of corporate strategy and strategic planning and other strategic transactions.
Board Service and Corporate Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Financial Expertise, Audit & Accounting	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions. Audit & accounting with corporate finance, including financial experts as named in the company filings.
Operations	Sophisticated, large-scale operations.
Risk Management	Assessing and managing enterprise risks.
Human Capital/ Talent Development	Human resources management and culture development in large international organizations, overseeing succession planning, talent development, and executive compensation programs.
IT and Cybersecurity	Managing information technology and cyber security threats.
Environment, Social and Governance (ESG)	Understanding and addressing strategic environmental, social and governance issues.
Mergers and Acquisitions	Ability to assess 'build or buy' decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plans.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.



### C. Oversight

#### 1. The frequency with which the Board of Directors, Committee of the Board or CEO assess the BRSR performance of the Company

The BRSR performance of the Company is annually assessed. The Directors and Senior Management of the Company monitor various aspects of social, environmental, governance and economic responsibilities of the Company on a continuous basis. The Company's business responsibility performance is reviewed by the Board of Directors on an annual basis. An Independent Director is in charge of overall BRSR of the Company supported by the Management of the Company and its' Executive Directors. The BRSR performance of the Company is assessed by the following committees of the board:

- (i) the Audit Committee;
- (ii) the Corporate Social Responsibility Committee; and
- (iii) the Stakeholders Relationship Committee.

In addition, the Risk Management Committee also assesses risks pertaining to certain principles of BRSR as identified by the Internal Auditors of the Company.

#### 2. Does the Company publish a BRSR? What is the hyperlink for viewing this report? How frequently it is published?

Pursuant to Regulation 34 of SEBI LODR Regulations, 2015 (as amended from time to time), the Company publishes a BRSR as an Annexure to the Annual Report on an annual basis.

BRSR of the Company is available at the website of the Company at <https://group.teamlease.com/investor/teamlease-annual-report/>.

#### 3. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC)

Subject for Review	Review of principles undertaken by and frequency
Performance against policies and follow up action	As a practice, BRSR policies of the Company are reviewed periodically or on a need basis by department heads, business heads and executive directors. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with the extant regulations as applicable.
Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The processes and compliances, however, may be subject to scrutiny by internal auditors and regulatory compliances, as applicable. From a best practices perspective as well as from a risk perspective, policies are periodically evaluated and updated by various department heads, business heads and approved by the management or board. An internal assessment of the workings of the BRSR policies has been done and in due course, the Company shall have an external assurance on the same.

### III. Directors' Statement

TeamLease's key objective is to generate Employment, Employability and E-workforce in the country. The Company's focus on ESG parameters is best reflected through core values that are imbibed in all spheres of activity of the Company. The Company believes in meeting a critical social objective with an endeavour to provide job solutions across all income categories. Given the acute shortage of jobs in India the demand for formalisation of the job market in India is immense. The Company has been built on the founding principles of kindness, fairness, effectiveness and efficiency. The Company believes that sound principles of governance are a necessary tool for creating long-term value for all its stakeholders and to promote sustainability. TeamLease regards respect for human rights as one of its fundamental and core values. TeamLease undertakes its developmental and welfare activities directly. The Company recognises that climate change is not just an environmental issue but also a business risk. The Company is increasing its due diligence on ESG risks in its policies. Employee sensitisation on ESG risks is crucial. The Company discourages wasteful usage of natural resources.

## Section C: Principle-Wise Performance Disclosure

### Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

TeamLease is committed to achieving the highest principles of integrity and ethics. Our Code of Conduct (COC / Code) outlines the Company's expected standards of ethical conduct and behavior. Our core values represent mutual respect, trust and personal growth for all. The Code of Conduct extends to employees at all levels and other individuals working with the Company, its subsidiaries, associates, suppliers, service providers, channel partners and explicitly prohibits bribes, kickbacks, improper payments and direct them to ensure ethical business conduct.

The three pillars supporting the governance structure of the Company are as under:

- a. **Ethics:** In consonance with the Regulation 17 of SEBI LODR Regulations, 2015 (as amended from time-to-time), the Company has adopted a "TeamLease Code of Conduct and Business Ethics" which mandates the Directors, Senior Management and Employees of the Company to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner.
- b. **Transparency:** The Governance structure of the Company is further supported by a Vigil Mechanism Policy which serves as a tool for its directors and employees to report any genuine concerns about unethical behaviour, actual or suspected without fear of reprisal. The mechanism provides an avenue to stakeholders to raise concerns or violations pertaining to activities of the Company.
- c. **Accountability:** In order to instil accountability amongst the employees of the Company and its Group Companies, TeamLease has in place an Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons. The Code serves a threefold objective of:
  - monitoring the trades of designated employees of the Company;
  - obligating the employees to handle price sensitive information of the Company on a need-to-know basis thereby avoiding leakage of information;
  - mandating the employees to restrict unauthorized access to any individual other than the intended recipient of the information.

#### A. Essential Indicators pertaining to Principle 1

##### I. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors/ Key Managerial Personnel (KMP)	During the year, the Board of Directors and KMP(s) of the Company spent approximately 20 hours on various familiarisation programmes comprising matters relating to an array of issues pertaining to the business, regulations, economy and environmental, social and governance parameters. In addition, a monthly chronicle is shared with all the board members apprising them on developments in the Company.		100
Employees other than Board of Directors or KMP(s)	All employees of the Company undergo various training programmes throughout the year. Owing to the post pandemic culture, most trainings happened through blended learning which entailed virtual classroom initiatives, along with e-learning modules. Various trainings were undertaken during the year such as Prohibition of Insider Trading, Prevention of Sexual Harassment at the Workplace, Information and Cyber Security Awareness, Code of Conduct etc. Other trainings included induction programmes for new recruits, leadership training, IT and cyber security amongst several others.		100
Total training person days per employee: 2 person days.			

**II. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings with regulators/ law enforcement agencies/ judicial institutions**

Monetary						
Penalty/Punishment/ Find	NGRBC Principle	Adjudicating Authority	Case Name	CNR No.	Brief of the Judgement/ Award	Has an appeal been preferred?
Penalty	-	-	-	-	-	-
Award	-	-	-	-	-	-
Compounding fee	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

Non- Monetary					
	NGRBC Principle	Adjudicating Authority Supreme Court & Case Type, Case Number & Year; High Court & Bench; District Court & State, District & Court Complex.	CNR No.	Brief of the Judgement/ Award	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**III. Of the instances disclosed in Question II above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed. Nil**

**B. Leadership Indicators pertaining to Principle 1**

**I. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes. the Company has a policy on management of conflict of interest to identify actual or potential conflict of interest of TeamLease with its directors and employees, which may arise during the course of its business activities. The Company has implemented organisational and administrative processes to mitigate and prevent conflicts of interest that may arise. There are appropriate safeguards and systems to prevent or manage conflicts along with escalation mechanisms. The Company has a guidance mechanism in place for directors/senior management to address potential conflict of interests that may arise in recommending/approving proposals for investments/ granting loans. The policy is placed on the Company's website. The hyperlink is <https://group.teamlease.com/investor/policies-and-guidelines/>.

**II. Details of complaints with regard to conflict of interest of Directors/KMPs/employees**

Number of complaints with regard to conflict of interest of Directors/KMPs/employees	Current Financial Year	Previous Financial Year
	FY23	FY22
Directors	-	-
KMP(s)	-	-
Employees	-	-

**III. Does the policy relating to ethics, bribery and corruption cover only the company?**

Yes, the Company has an anti-bribery and anti-corruption policy covering the entire TeamLease Group. The policy has been developed in alignment with TeamLease's code of conduct, various existing policies (including whistle blower policy, policy on management of conflict of interest, amongst others) and rules and regulations on anti-bribery and anti-corruption in India.

The policy reiterates TeamLease's stance of zero tolerance towards bribery and corrupt practices. The policy facilitates ethical decision making and reinforces TeamLease's culture of transparency in all its dealings.

This policy applies to all stakeholders or persons associated with TeamLease and who may be acting on behalf of TeamLease and sets out conduct that must be adhered to at all times.

The policy is placed on the Company's website. The hyperlink is <https://group.teamlease.com/investor/policies-and-guidelines/>.

#### IV. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs /Others?

The policy relating to ethics, transparency and accountability covers the Company and its Group Companies. The Suppliers / Contractors / NGOs dealing with the Company are also encouraged to maintain ethical standards in all their practices. The Company believes in promoting growth without compromising on the ethical values of the organisation. This belief of the Company is echoed in the Policy on Ethics, Transparency and Accountability by avoiding any acts and practices that are abusive, corrupt, or anti-competitive.

#### V. Number of complaints / cases of bribery/corruption received/ registered in the financial year.

Number of complaints / cases of bribery, corruption registered with law enforcement agencies against the company or lodged with the Company internally	Current Financial Year	Previous Financial Year
	FY23	FY22
Directors	–	–
KMP(s)	–	–
Employees	–	–

**The details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest. - Not Applicable**

The Company ensures that it discusses various issues with its regulators where there could be lapses in compliance and ensures that necessary policies, processes, systems and monitoring mechanism are put in place.

#### VII. Does the company have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Company has a board approved Business Continuity Plan (BCP). This BCP identifies core business functions and critical business sites that are covered under the resiliency programme. Most of the business functions are supported through automation with the help of technology. Hence IT resiliency forms a critical component of BCP. Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO) are defined for all critical business processes. The IT Disaster Recovery Plan ensures that the defined RTO and RPO are met. The BCP defines the overall governance and monitoring of the business continuity function, including setting up of Emergency Response Teams (ERT) and Function Recovery Teams (FRT). Business continuity spans people, processes and technology. Requisite training programmes have been conducted for the teams to be prepared to respond in a crisis. Disaster drills and table top exercises are conducted at regular intervals to test whether the set procedures are working as defined within the pre-defined RTO and RPO and people understand and follow it appropriately.

### Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

While evaluating the impact of business operations, TeamLease aims to reduce any fallouts during the lifecycle of its services across the value chain.

#### A. Essential Indicators pertaining to Principle 2

##### I. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or services opportunities

Temporary Staffing, Permanent Recruitment, Regulatory Consulting are our offerings and none pose any environmental, social risk or concern.

##### II. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?  
Not Applicable.
- Reduction during usage by consumers (energy, water) has been achieved since the previous year  
Not Applicable.

**III. Does the company have procedures in place for sustainable sourcing?**

Yes. Given the nature of the business of the Company, at a corporate level, consumption of resources is limited to running the operations. The Company, however, remains cognisant of reducing its resource consumption through ensuring better energy efficiency standards whilst procuring electronic equipment, lighting devices, computers, HVACs, sensors, amongst others. This initiative will bring in energy savings over the medium to long-term. At most of the Company's offices, there are LED light fittings to conserve energy and conscious endeavours have been made to replace electronic equipment with high energy star ratings. Sensors are installed to economise power and water consumption only when these facilities are being used. The major suppliers of hardware are green standard compliant.

**IV. Has the company taken any steps to procure goods and services wherever possible from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The Company endeavours to engage with suppliers who integrate environmental and social considerations into their products and services. At an all-India level, preference is always given to sourcing from local suppliers.

**V. Does the company have a mechanism to recycle products and wherever possible waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Given the nature of the business, the Company has limited scope to use recycled material as processed inputs.

However, the Company has systems in place at an all-India level to manage and dispose dry/wet waste efficiently.

**VI. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Given the nature of business of the Company, the relevance of the above is largely restricted to information technology (IT) capex. In FY23, capex incurred towards IT hardware and software (including capital work in progress), which facilitated the enhanced digital initiatives of the Company was 0.13% of total revenue. Greater adoption of digital platforms not only brings in increased efficiencies of operations but also ensures substantially reduced consumption of paper."

**B. Leadership Indicators pertaining to Principle 2****I. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?**

Not Applicable owing to the nature of the Industry.

**II. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same. Not Applicable owing to the nature of the Industry.****III. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry). Not Applicable owing to the nature of the Industry.****IV. Reclaimed products and their packaging materials (as percentage of products sold) for each product category. Not Applicable owing to the nature of the Industry.****V. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed? Not Applicable owing to the nature of the Industry.****Principle 3 - Businesses should promote the well-being of all employees**

TeamLease believes that its success depends on its ability to develop knowledge, skills and expertise of its employees. This belief translates in ensuring that every business vertical is equipped with right talent, which is both competent and engaged. The Company achieved this objective by undertaking various initiatives for talent development, employee engagement and

communication. We have always been committed to inclusive and merit based policies. We are proud of the fact that the representation of women leaders in our senior team is at 44%. Our policies are for the benefit of all employees. In today's world, the need for flexibility in terms of workplace (Work from home / work from office) is the most commonly mentioned and highly valued benefit and we are trying to create as much flexibility as possible without compromising on cohesion and team work. We have always had a transparent, merit-based and open culture.

All our policies are geared towards equal opportunity. We pride ourselves on our compliance and ethical standards. All of these, put together create a work environment where everyone has a voice, has opportunities to grow and learn and take on higher responsibilities. Examples for this include our outcome-based performance management system, a promotion policy aligned with performance and learning opportunities for all our people.

We have monthly connect sessions with Department and Business Heads. People are encouraged to speak up and voice their thoughts, recommendations and suggestions. HR teams have regular connects with people to ensure that we are able to strengthen good practices and act proactively where gaps need to be addressed. There are CEO connect sessions for new joiners and senior leaders to ensure that transitions are smooth and there is a common language and culture of outcome based performance. We also have a cadence on Monthly, Quarterly and Annual Awards to recognize strong performance and adherence to our Principles. We have several recognition and connect activities to ensure that people have the resources and information they need to succeed and successes are recognized and rewarded.

## RETURNING TO OFFICE

At the start of the pandemic, many team members transitioned to working from home, allowing us to better protect both our team members who were required to come to our offices for essential operations as well as our team members who could perform their job duties remotely. As conditions improved in our communities around the country, we began enacting plans to return all team members to our TeamLease offices. We continue to adjust those plans, along with our Health & Safety protocols, to account for developments such as the emergence of variants. Recognizing that the needs of our team members have shifted over the course of the last two years, we remain committed to flexible work arrangements, and will continue to offer the option to work a combination of at office and remotely if the job allows once the pandemic ends. Hybrid working models give employees the benefit of in-person interactions with their colleagues while also enjoying the conveniences of working remotely.

### A. Essential Indicators pertaining to Principle 3

- I. Please indicate the total number of employees - 2259.
- II. Please indicate the total number of employees hired on temporary/contractual and casual basis - 208.
- III. Please indicate the number of permanent women employees - 746.
- IV. Please indicate the number of permanent employees with disability.

The Company does not specifically track the number of disabled employees. The Company gives equal opportunities and treats all employees at par with equal respect and dignity.

### V. Details of measures for the well-being of employees

Permanent employees											
Category	Total	Health		Accident		Maternity		Paternity		Day Care Facilities	
		NO	%	NO	%	NO	%	NO	%	NO	%
Male	1305	1305	100%	1305	100%	-	-	1305	100%	-	-
Female	746	746	100%	746	100%	746	100%	-	-	746	100%
<b>Total</b>	<b>2051</b>	<b>2051</b>	<b>100%</b>	<b>2051</b>	<b>100%</b>	<b>746</b>	<b>36%</b>	<b>1305</b>	<b>64%</b>	<b>746</b>	<b>36%</b>
Other Than Permanent Employees											
Male	154	154	100%	154	100%	-	-	144	94%	-	-
Female	54	54	100%	54	100%	54	100%	-	-	54	100%
<b>Total</b>	<b>208</b>	<b>208</b>	<b>100%</b>	<b>208</b>	<b>100%</b>	<b>54</b>	<b>24%</b>	<b>144</b>	<b>70%</b>	<b>54</b>	<b>24%</b>

**VI. Details of retirement benefits for the current and previous financial year**

Benefits	FY23		FY22	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.6%	Y	96%	Y
Gratuity	100%	N.A	100%	N.A
Employee State Insurance (ESI)	11%	Y	22%	Y
Others	-	-	-	-

**VII. Accessibility of workplaces: Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Various offices of the Company, including the registered and corporate offices have ramps for easy movement of differently abled people. Most offices are located in commercial premises which are either on the ground floor or have elevators and infrastructure for differently abled individuals. Wheelchair accessible restrooms are available in certain premises of the Company.

**VIII. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company has adopted an Equal Opportunity Policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016 and the rules framed thereunder and provides a framework which is committed towards the empowerment of persons with disabilities. This policy aims to provide practical guidance on the management of disability issues in the workplace in accordance with the provisions of the act and its rules. The Company believes in equal opportunity for all its employees, wherein the Company is committed to providing an inclusive work culture and an environment free from any discrimination. TeamLease values and welcomes diversity and does not treat anybody differently based on their race, sex, religion/beliefs, disability, marital or civil partnership status, age, sexual orientation, gender identity, gender expression, caring responsibilities, or any other class of person protected by laws in the country. At TeamLease, the vision is to be "Disability Confident". TeamLease, as an inclusive employer actively encourages the recruitment, development and retention of people with disability and ensures they have equal opportunities at workplace and strives to provide a safe, accessible and healthy work environment. The policy is on the Company's intranet and is available to internal stakeholders.

**IX. Return to work and retention rates of permanent employees that took parental leave.**

Permanent Employees		
Gender	Return to work rate	Retention rate
Male	100%	100%
Female	95%	95%
<b>Total</b>	<b>98%</b>	<b>98%</b>

**X. Do you have an employee association that is recognized by management?**

The Company does not have any employee associations. The Company, however, recognises the right to freedom of association and does not discourage collective bargaining.

**XI. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief**

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employee	Yes
Other than Permanent Employee	

The Company has always believed in open and transparent communication. Employees are encouraged to share their concerns with their business heads, HR or the members of the senior management. The Company has always followed an open door policy, wherein any employee irrespective of hierarchy has access to the senior management. In addition, the Whistle blower and Vigil Mechanism Policy provides a formal platform to share grievances on various matters. The

details of the grievance mechanism are shared with employees through a specific module. New recruits are also sensitised on the said mechanism and forms part of the employee induction programme. The Company has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company's policy on the same is placed on the Company's website. The ICC comprises majority of women members. Members of the Company's ICC are responsible for conducting inquiries pertaining to such complaints. The Company on a regular basis sensitises its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programmes which are held on a regular basis.

**XII. Please indicate the Number of complaints relating to, discriminatory employment category, child labour, forced labour, involuntary labour, sexual harassment (in the last Financial Year and pending, as on the end of the Financial Year**

Category	At the beginning of the Financial Year	During the Financial Year	At the end of the Financial Year
Discriminatory Employment Category	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL
Forced Labour	NIL	NIL	NIL
Sexual Harassment	0	13	4*

\*The number of cases pending as on March 31, 2023 were attended and resolved within the specified time period provided in Prevention of Sexual Harassment Act.

**XIII. Details of training given to employees**

Benefits	FY23					FY22				
	Total	On health and safety/wellness measures		On skill upgradation		Total	On health and safety/wellness measures		On skill upgradation	
		No	%	No	%		No	%	No	%
Male	2231	869	38.95%	759	34.02%	1954	934	47.80%	273	13.97%
Female	1210	448	37.02%	454	37.52%	1204	647	53.74%	102	8.47%
<b>Total</b>	<b>3441</b>	<b>1317</b>	<b>38.27%</b>	<b>1213</b>	<b>35.25%</b>	<b>3158</b>	<b>1581</b>	<b>50.06%</b>	<b>375</b>	<b>11.87%</b>

**XIV. Details of performance and career development reviews of employees**

Category	FY23			FY22		
	Employees					
	Total	No	%	Total	No	%
Male	2231	1877	84.13%	1954	1698	86.90%
Female	1210	1068	88.26%	1204	1043	86.60%
<b>Total</b>	<b>3441</b>	<b>2945</b>	<b>85.59%</b>	<b>3158</b>	<b>2741</b>	<b>86.80%</b>

All employees of the Company undergo an annual performance appraisal process as determined by the Company. Further, the Nomination and Remuneration Committee and the Board evaluates the performance of the Executive Directors, members of Executive Management (one level below the Board), Senior Management Personnel and the Company Secretary on an annual basis. The underlying philosophy of the performance management system is to have a fair and transparent system of appraisal, which ensures an objective mechanism to measure each employee's performance and potential and implement a reward system which recognises merit. The performance appraisal system has been designed to achieve the following objectives: • Review the previous year's performance with specific reference to achievement of targets and give constructive feedback on performance; • Provide an opportunity for communication and interaction between the appraiser and appraisee regarding the previous year's performance and setting of performance targets for the next appraisal period; and • Reward employees who have performed well during the appraisal period and those who demonstrate the ability to handle higher responsibilities with promotions/increased job responsibilities.

**XV. Health and safety management system**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?**

Owing to the nature of the business, per se there are no occupational health and safety risks due to the nature of the work. The Company has a policy on health and safety for its employees. Periodic internal communication and



alerts are sent out to employees and awareness sessions are conducted on safety related aspects. Employees on a pan-India basis are given periodic training on basic and advanced fire safety, including evacuation drills. TeamLease has tie-ups with vendors to educate and demonstrate the use of fire-fighting equipment. The Company is focused on both, the physical and mental well-being of its employees and has organised various workshops and discussions with well-being experts and medical practitioners. The Company is in the process of putting in place a plan to have designated first-aid marshals at offices, with minimum basic training so as to be aware of procedures to be followed in case of medical emergencies. During the year, there were no accidents of any employee of the Company whilst on duty.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Given the nature of business, this is not directly applicable.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Given the nature of business, this is not directly applicable.

**d. Do the employees have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes. All employees of the Company are covered under the company's health insurance and personal accident policy.

**e. Details of safety related incidents**

Safety Incident/Number	Category	FY23	FY22
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Permanent Employees	–	–
Total recordable work-related injuries		–	–
No. of fatalities (safety incident)		–	–
High consequence work-related injury or ill-health (excluding fatalities)		–	–

**f. Describe the measures taken by the entity to ensure a safe and healthy work place**

The Company emphasises on the importance of maintaining a safe and healthy workplace for all employees and third-party employees who work on its premises. The Company assesses the health, safety and environmental performance across all its offices. Certain employees are given training on fire safety and evacuation drills. Fire drills and audits are conducted in the office premises to ensure maintenance of safety standards. During the year, there were no accidents of any employee of the Company whilst on duty. The Company is in the process of putting in place a plan to have designated first-aid marshals in offices, with minimum basic training so as to be aware of procedures to be followed in case of medical emergencies.

**g. Number of complaints on the following made by employees**

Category	FY23			FY22		
	Filed during the year	Deducted and deposited with the authority (Y/N/N.A.)	Remarks	Filed during the year	Deducted and deposited with the authority (Y/N/N.A.)	Remarks
Working Conditions						NIL
Health & Safety						NIL

**h. Assessments for the year**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety	We have not received any notice from Statutory Authorities
Working Conditions	We have not received any notice from Statutory Authorities

**i. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

Against the backdrop of the pandemic, the Company has been following standard operating procedures so as to comply with state/local level extant regulations and ensure safety and hygiene protocols and necessary social distancing is being followed by employees, customers and other visitors on any of the premises of the Company.

**B. Leadership Indicators pertaining to Principle 3**

**I. Does the entity extend any life insurance or any compensatory package in the event of death of Employees (Y/N)**

Yes. The Company covers the employee's demise under Group Term Life Insurance (GTL). The coverage is dependent on the Grade of the employee. The Full and Final settlement along with the payable dues and accrued/encashable Privilege leaves will be settled. In addition, benefits like Provident Fund, Gratuity, Pension (if applicable), and Employees' Deposit Linked Insurance (EDLI) are settled on priority basis and in line with the applicable Turn-around-time.

**II. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company ensures that statutory dues as applicable to the transactions within the remit of the Company are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

**III. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Question II of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Employees	Total Number of effected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY23	FY22	FY23	FY22

Not applicable. There were no work-related injuries.

**IV. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

Upskilling our employees is a part of the ongoing Learning and Development plan. While there is nothing specific that caters to transition assistance in case of retrenchment, efforts are put in to absorb any redundant employee internally in any suitable profile/open position. It should also be noted that the number of employees who have-been/are due for retirement while being employed with us is a maximum of 1 per year. Since it is an informed transition, the process is initiated 6 months in advance for both parties involved (Employee and the Company).

**V. Details on assessment of value chain partners**

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety Working Conditions	The Company expects all its value chain partners to follow extant regulations, including health and safety practices and working conditions. These parameters are not explicitly captured or measured other than certain cases where there is enhanced environment and social (E&S) due diligence being monitored and health and safety and working conditions form an integral component of these monitorables.

**VI. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No corrective action plan has been necessitated on the above mentioned parameters.

**Principle 4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.**

The key stakeholders identified include: Customers, Employees, Business Partners (Suppliers and Vendors), Community, Investors, Government Bodies, Industry Associations, Non-governmental Organizations (NGOs) and Academic Institutions. Our approach towards responsible and sustainable business practices undergoes a systematic mapping through regular engagement with its internal and external stakeholders. This practice helps the Company to prioritize key sustainability issues in terms of relevance to its business and stakeholders, including society and clients.

## STAKEHOLDER ENGAGEMENT

Stakeholder feedback is an important part of our ESG strategy, helping us evolve our processes and culture, and while guiding services offered.

### INTERNAL STAKEHOLDER ENGAGEMENT

We communicate with our team members through numerous platforms and channels, including town halls, meetings, the internet, internal messages, social media, blog posts, and newsletters that report on TeamLease's sustainability efforts and other key business activities. We conduct confidential team member pulse surveys to gauge our team members' views of the company's vision and strategy, the work environment, work relationships, and job satisfaction.

### EXTERNAL STAKEHOLDER ENGAGEMENT

Throughout the year, we engage formally and informally with our stakeholders to explore ESG focus areas, along with trends and developments relevant to our industry. We endeavour to consider the views of our stakeholders when we make business decisions by acknowledging their viewpoints and demonstrating respect for our shared priorities. We believe this approach reflects our commitment to transparency and accountability, and ultimately contributes to long-term value.

Means of communication with stakeholders • Quarterly Results • News Releases and Presentations • Presentations to Institutional Investors/ Analysts • Website • NSE Electronic Application Processing System (NEAPS) • BSE Corporate Compliance & Listing Centre ('Listing Centre') • SEBI Complaints Redress System (SCORES) • Annual Report.

#### A. Essential Indicators pertaining to Principle 4

##### I. Describe the processes for identifying key stakeholder groups of the entity.

Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. This inter alia includes employees, shareholders and investors, customers, channel partners and key partners, regulators, lenders, research analysts, communities and non-governmental organisations, suppliers amongst others.

##### II. List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Direct & other communication mechanisms	Frequent and need based	Company follows an open door policy
Shareholders/ Investors	No	Email, SMS, newspaper advertisement, notice board, website, Annual General Meetings, intimation to stock exchanges, annual/ quarterly financials and investor meetings/ conferences	Frequent and need based	To stay abreast of developments in the Company and its subsidiary companies
Customers	Yes, if they qualify based on specified criteria such as income, gender etc	Multiple channels - physical and digital	Frequent and need based	Stay in touch with the customer throughout the life cycle of the service and address any issues that the customer may have
Channel Partners and Key partners	No	Multiple channels - physical and digital	Frequent and need based	Helps to increase reach and enhance business
Regulators	No	Email, one-on-one meetings, con- calls, video-conference	Need based	Discussions with regard to various regulations and amendments, inspections, approvals

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Research Analysts	No	Email/ con-calls, meetings, video-conferences	Frequent and need based	Keep abreast of developments of the Company and its Group Companies
Communities	Yes	Multiple channels – physical and digital	Frequent and need based	Support socially high impact projects

## B. Leadership Indicators pertaining to Principle 4

### I. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company has always maintained that a constant and proactive engagement with our key stakeholders enables the Company to better communicate its strategies and performance. A continuous engagement helps align expectations, thereby enabling the Company to better serve its stakeholders. The Board is kept abreast on various developments and feedback on the same is sought from the directors.

### II. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company believes that job opportunities per se fulfils a critical social objective. The Company engages with various stakeholders in helping to expand the job market and enable more Indians to become job owners. In addition, the Company has been engaging with a number of ESG teams of investors/ shareholders and consultants and experts in this field, which helps to better understand expectations of stakeholders and benchmark against best practices. The Company recognises that it is still in a 'learning phase' on various evolving aspects of ESG and hence stakeholder interactions are important.

### III. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company is an equal opportunity employer. It has policies instituted to prevent sexual harassment, aid safety of employees, obtain the voice of employees' opinions and grievances through employee touch base, periodic employee satisfaction surveys and code of conduct.

### IV. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company engages with each of its stakeholders through multiple channels and includes engagement initiatives, feedback process, Code of Conduct briefings and investor meetings.

## Principle 5 - Businesses should respect and promote human rights

Our TeamLease Code of Conduct and Business Ethics and various HR Policies demonstrate our commitment towards protection of Human Rights across value chain and upholding highest level of ethical business practices. We made significant progress on strengthening our culture of diversity and inclusion at TeamLease. That commitment continues to drive our ability to:

- Identify and develop the best talent
- Create an inclusive culture where our workforce can thrive
- Advocate inclusive behaviours
- Integrate diversity and inclusion in our policies and practices

## HUMAN RIGHTS POLICY AT TEAMLEASE IS FOLLOWED THROUGH:

### NO FEES

- Clear policy prohibits charging fees to employees and ensures compliance • If employees are found to have paid fees to gain employment, reimbursement to employees must be completed within 30 days of discovery • Grievance mechanism in place to confidentially report policy violations.

### FAIR TREATMENT

- Employees are ensured of their well-being and health and safety. Employees are not discriminated against, regardless of pandemic circumstances • Employees are given adequate protection from exposure to hazards, including the pandemic illness • Grievance mechanism in place to confidentially report unfair treatment of workers.

### WORKING HOURS AND REST DAYS

- We follow a five day week and the regular work day is 9 hours [inclusive of two 15-minute breaks for tea / coffee and one 30-minute break for lunch]. The weekly-off days would be Saturday and Sunday • However, the weekly-off days and shift timings may vary in accordance with the operational requirements •The General Shift timings are 9.00 am to 6.00 pm •However, the concerned manager can decide appropriate shift timings basis business requirements • The maximum working hours applicable per week are 48 hours • Employees are expected to complete their assigned work within the working hour window and there is no allowance applicable for working overtime • Employees are provided with legally mandated holidays and vacation days.

### YOUNG WORKERS

- The term "child" refers to any person under the age of 15 or under the minimum age for employment in the country, whichever is greater • Comprehensive policy for child labor that clearly states the minimum age for workers • Comprehensive policy to prohibit young workers under the age of 18 from performing work that may jeopardize their health or safety, including night-shift and overtime work • Age-verification process with inspection of validity of at least two identity documents, to be returned to worker • Personal-record systems in place as a means of identification and verification • If workers are discovered to be below the legal age limit, workers will be protected and provided the opportunity for completion of education • Grievance mechanism in place to confidentially report policy violations.

### ACCURATE CONTRACTS

- Contract may not violate relevant laws or place employees at risk • Prior to departure or hiring, employees are provided with an accurate written employment contract with details of working conditions including nature of work, wages, benefits, and duration of contract • Contract written in a language that worker understands prior to employment. If amendments are made prior to employment, contract must provide equal or better terms of employment • Contracts ensure workers are free to leave their employment, upon giving reasonable notice, without penalty per applicable law and regulations • Grievance mechanism in place to confidentially report contract related information.

### FAIR WAGES

- Employees cannot receive less than the legal minimum wage for all regular hours worked. If legally minimum wage is not set, then industry prevailing wage will be the standard • Employees have salary slips in a language they understand, • Salaries are paid monthly • Deductions as a disciplinary measure are prohibited.

We minimize human-rights risks by making continuous improvements to our policies, strategies, collaborative capacity building, self-assessments, and audits within TeamLease and our supply chain in response to our own experiences, shared industry best practices, and emerging issues, trends, and developments.

#### A. Essential Indicators pertaining to Principle 5

##### I. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?

The Company supports and respects the protection of internationally proclaimed human rights, labour standards and environmental protection measures. The Company does not hire child labour, forced labour or involuntary labour and the practice extends to the entire TeamLease Group. The Suppliers / Contractors / NGOs dealing with the Company are always encouraged to maintain ethical standards in all their practices.

##### II. Employees who have been provided training on human rights issues and policy(ies) - Not Applicable

**III. Details of minimum wages paid to employees**

Category	FY23					FY22				
	Equal to minimum wages			More than minimum wages		Equal to minimum wages			More than minimum wages	
	Total	No	%	No	%		No	%	No	%
Permanent	3013	-	-	3013	100%	3158	-	-	3158	100%
Male	1920	-	-	1920	100%	1954	-	-	1954	100%
Female	1093	-	-	1093	100%	1204	-	-	1204	100%
Other than Permanent	428	-	-	428	100%	350	-	-	350	100%
Male	311	-	-	311	100%	206	-	-	206	100%
Female	117	-	-	117	100%	144	-	-	144	100%

**IV. Details of remuneration/salary**

Category	Male		Female	
	Total	Median remuneration/salary of respective category	Total	Median remuneration/salary of respective category
Board	2	150.00 Lakhs	1	207.50 Lakhs
KMP	-	-	2	95.27 Lakhs
Employees other than Board/KMP	1457	5.15 Lakhs	797	4.00 Lakhs

\*Includes only employees who have worked for the entire 12-month period.

Note: Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly, have not been considered in the above information. Perquisite value of stock options is excluded.

**V. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes. The HR Head of the Company oversees the human resources function in the Company. In addition, the director in charge of business responsibility along with the executive directors are responsible for addressing any human rights issues caused or contributed by the business.

**VI. Describe the internal mechanisms in place to redress grievances related to human rights issues**

The Company regards respect for human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. The Company is committed to maintain a safe and harmonious business environment and workplace for everyone, irrespective of the ethnicity, region, sexual orientation, race, caste, gender, religion, disability, work, designation and such other parameters. Company believes that every workplace shall be free from violence, harassment, intimidation and/or any other unsafe or disruptive conditions, either due to external or internal threats. Accordingly, Company has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity. Company also has zero tolerance towards and prohibits all forms of slavery, coerced labour, child labour, human trafficking, violence or physical, sexual, psychological or verbal abuse. As a matter of policy, Company does not hire any employee or engage with any agent or vendor against their free will.

**VII. Number of complaints on the following made by employees**

Category	FY23			FY22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	13	4*	NA	9	0	NA
Discrimination at workplace	NA	NA	NA	NA	NA	NA
Child Labour	NA	NA	NA	NA	NA	NA

Category	FY23			FY22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Forced Labour/ Involuntary Labour	NA	NA	NA	NA	NA	NA
Wages	0	0	-	0	0	-
Other human rights related issues	NA	NA	NA	NA	NA	NA

\*The number of cases pending as on March 31, 2023 were attended and resolved within the specified time period provided in Prevention of Sexual Harrasment Act.

#### VIII. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The Company is committed to providing equal opportunities to all individuals and is intolerant towards discrimination and / or harassment based on race, sex, nationality, ethnicity, origin, religion, age, disability, sexual orientation, gender identification and expression (including transgender identity), political opinion, medical condition, language as protected by applicable laws. The Diversity & Inclusion Policy and the objective of the policy is to ensure that the Company continues to be an employer for all diversity groups - gender identity, disability, caste, creed, colour, religion, marital status, age, sexual orientation and expression, medical condition, language and any other aspects as applicable, to create and foster an open culture of inclusion for all its stakeholders; and to create an environment which has zero tolerance for discrimination. Company also has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the Company's ICC are responsible for conducting inquiries pertaining to such complaints. The Company on a regular basis sensitises its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programme which are held on a regular basis.

#### IX. Do human rights requirements form part of your business agreements and contracts?

Yes, in certain business agreements and contracts where relevant.

#### X. Assessments for the year

Category	% of offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	The Company is in compliance with the laws, as applicable.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

#### XI. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question X above.

No corrective actions pertaining to Question X was necessitated by the Company during the year under review.

#### B. Leadership Indicators pertaining to Principle 5

##### I. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

The Company is of the belief that it has upheld the basic principles of human rights in all its dealings. This is in alignment with its Human Rights Statement. The Company regularly sensitises its employees on the Code of Conduct through various training programmes as well.

##### II. Details of the scope and coverage of any human rights due-diligence conducted

Same as above.

### III. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The registered and corporate office of the Company have ramps for easy movement of differently abled visitors. Most of the offices are located in commercial premises which may be on the ground floor or have elevators and infrastructure for differently abled visitors. Wheelchair accessible restrooms are available in certain offices of the Company.

### IV. Details on assessment of value chain partners

Category	% of offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. No specific assessment in respect of value chain partners has been carried out other than certain covenants where some of these parameters are being monitored closely in certain lending arrangements.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

### V. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question IV above

No corrective actions pertaining to Question IV was necessitated by the Company during the year under review.

## Principle 6 - Business should respect, protect, and make efforts to restore the environment

Along its journey towards path of sustainability, the Company explored and implemented several green solutions. It is also continuously in search of more energy efficient technologies and innovative solutions for a greener future.

We are committed to playing our part in safeguarding the planet for future generations. We understand environmental stewardship to be an integral part of our purpose as an organisation. We dedicate our commitment in the following ways: • Seek to avoid and minimize the adverse impacts of our operations on the environment while promoting opportunities to conserve and enhance resources in the areas of our operations. • Stewardship initiatives aim to produce benefits for the environment and people, build trust, and support our social license to operate. • Environmental focus areas include climate, water, biodiversity, reclamation and waste management.

In our efforts, we continue to focus on areas where we see the biggest reduction potential, based on our industry and footprint. • Providing sustainable offices and taking a responsible approach to business travel. • Reduced water and paper usage in office workspace. • Our ability to impact electricity procurement is limited, especially for branches where we do not rent the entire building, but share it with other tenants. • To limit the use of fossil fuels, we constantly seek to increase the use of alternative, efficient, and natural energy resources (e.g., by replacing traditional lighting with LED lighting in our buildings).

### A. Essential Indicators pertaining to Principle 6

#### I. Details of total energy consumption (in Joules or multiples) and energy intensity

The Company doesn't own premises anywhere and there is no accurate way to report this detail.

#### II. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency

No.

#### III. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable.

#### IV. Provide details of the following disclosures related to water

The Company's usage of water is restricted to human consumption purposes only. Efforts have been made to ensure that water is consumed judiciously in the office premises. In various offices, sensor taps are installed in office washrooms to economise on water consumption. The Company ensures that the domestic waste (sewage) from offices and branches are not let into water bodies.



**V. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No.

**VI. Please provide details of air emissions (other than GHG emissions) by the entity.**

Not applicable.

**VII. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

The Company doesn't own premises anywhere and there is no accurate way to report this detail.

**VIII. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details**

Not Applicable.

**IX. Provide details related to waste management by the entity, Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the Company. The Company has various systems in place at an all-India level to manage e-waste. The Company uses local vendors for disposal of paper for recycling.

**X. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the Company. The Company has various systems in place at an all-India level to manage e-waste. The Company uses local vendors for disposal of paper for recycling.

**XI. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details.**

All the Company's offices are located in premises which have the requisite building permits, including environmental approvals.

**XII. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**

Not Applicable.

**XIII. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.**

Based on the nature of business, the Company is in compliance with applicable environmental norms.

**B. Leadership Indicators pertaining to Principle 6**

**I. Provide break-up of the total energy consumed from renewable and non-renewable sources, Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Given the nature of the business, the only energy consumed is towards functioning of the office infrastructure. The Company doesn't own premises anywhere and there is no accurate way to report this detail.

**II. Does the entity have a business continuity and disaster management plan?**

Yes. The Company has a board approved Business Continuity Plan (BCP). This BCP identifies core business functions and critical business sites that are covered under the resiliency programme. Most of the business functions are supported through automation with the help of technology. Hence IT resiliency forms a critical component of BCP. Recovery Time

Objectives (RTO) and Recovery Point Objectives (RPO) are defined for all critical business processes. The IT Disaster Recovery Plan ensures that the defined RTO and RPO are met. The BCP defines the overall governance and monitoring of the business continuity function, including setting up of Emergency Response Teams (ERT) and Function Recovery Teams (FRT). Business continuity spans people, processes and technology. Requisite training programmes have been conducted for the teams to be prepared to respond in a crisis. Disaster drills and table top exercises are conducted at regular intervals to test whether the set procedures are working as defined within the pre-defined RTO and RPO and people understand and follow it appropriately.

**III. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Given the nature of the business, there has been no adverse impact to the environment.

**Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible and transparent manner**

The Company works closely with all industry associations and trade chambers to ensure its public policy positions complement and advance its sustainability and citizenship objective.

**A. Essential Indicators pertaining to Principle 7**

- I.
  - a. **Number of affiliations with trade and industry chambers/ associations - Indian Staffing Federation**
  - b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/affiliated to: Not Applicable**
- II. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities: Not Applicable**

**B. Leadership Indicators pertaining to Principle 7**

**I. Details of public policy positions advocated by the entity:**

As a pioneering Staffing Company, TeamLease Services Limited engages with various Stakeholders including various government departments to facilitate progressive and pragmatic policies that can address the daunting challenges of the country.

TeamLease Active Advocacy • Actively involved and engaged with Ministry of Labour and Employment (MOLE) for last 8 years to implement 4 labour codes. All the codes are passed by both the Houses of Parliament. • National licensing for contract labour in line with ILO 181 convention designed for private employment. • Active advocacy with MOLE and the Government paved the way for radical amendment and modification on Apprenticeship Act. This has led to employability and in turn employment generation. • Advised MOLE to link stipend pay-out with minimum wages as against ₹ 1024 in the initial Apprenticeship Act. • We came out with seminal study capturing complexity of compliances. In recent speech by PM, he has announced reduction of 15,000 compliances based on our study and advocacy. • Voiced salary restructuring leading more in-hand salary – in turn contributing to formal employment generation.

**Principle 8 - Businesses should support inclusive growth and equitable development**

As India's leading staffing Company service provider, the Company has been taking sustained efforts to ensure value creation and sustainable growth of community. Its sustainability framework is structured to create a positive impacts on its customers, partners, communities and society, helping them grow together and inclusively.

Community Engagement: "Impact through Empowerment" We invest in sustainable activities based on community programmes. We undertake projects that are sustainable and can make an impact in the lives of people for a better tomorrow. • Deliberating contribution to economic research in India.

The Company focusses on responsible business practices with community centric interventions. The thrust areas are sustainable livelihood – especially skill development and employability training and education, all of which constitute the Human Development Index – a quality of life indicator.

**A. Essential Indicators pertaining to Principle 8**

- I. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not applicable.

**II. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.** Not applicable.

**III. Describe the mechanisms to receive and redress grievances of the community.**

The Company has various mechanisms to receive and redress grievances of various stakeholders. Details of such mechanisms and policies is detailed in this report.

**IV. Percentage of input material (inputs to total inputs by value) sourced from suppliers.** Not applicable.

#### **B. Leadership Indicators pertaining to Principle 8**

**I. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above) -** Not Applicable.

**II. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies**

Kindly refer to above point VII which has been elucidated under Section A (General Information about the Company).

- a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No) – No.
- b. From which marginalised /vulnerable groups do you procure? Not Applicable.
- c. What percentage of total procurement (by value) does it constitute.

Whilst the Company has always endeavoured to provide job solutions for all income groups including the economically weaker sections and low income groups, given the nature of the business, purchases from suppliers under the above-mentioned groups are limited. The Company's core objective is to provide Employment Employability and E-workforce through skill development and training which is mainstream to eradicate poverty, promotion of education, employment enhancing vocational skills.

- d. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge : Not applicable.

**III. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge :** Not applicable.

**IV. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.** Not applicable.

**V. Details of beneficiaries of CSR Projects**

Kindly refer to above point VII which has been elucidated under Section A (General Information about the Company).

#### **Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner**

The long-term strategic goal of the Company is to innovate and deliver a wide range of cost effective, secured, timely, and customized services with the best technology. The Company actively seeks customer feedback, acts on it, and improves its customer service and in the process improve its products, services, and processes.

#### **A. Essential Indicators pertaining to Principle 9**

**I. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

A well-established system is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, social media, feedback forms, etc. All complaints are appropriately addressed and all efforts are taken to resolve the same.

**II. Turnover of products and/ services as a percentage of turnover from all products/service that carry information**

100%.

**III. Number of consumer complaints in respect of the following:**

Category	FY23			FY22		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data Privacy	NIL	NA	-	NIL	NA	-
Advertising	NIL	NA	-	NIL	NA	-
Cyber Security	NIL	NA	-	NIL	NA	-
Restrictive Trade Practices	NIL	NA	-	NIL	NA	-
Unfair Trade Practices	NIL	NA	-	NIL	NA	-
Others	NIL	NA	-	NIL	NA	-

**IV. Details of instances of product recalls on account of safety issues- Not Applicable****V. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

TeamLease strictly practices the principles of 'Security by Design' and 'Privacy by Design' and has a well-defined information security and data privacy framework. A comprehensive ISMS (Information Security Management System) has been designed as per ISO27001:2013 and NIST Risk Management Framework and the privacy controls have been designed as per GAPP (Generally Accepted Privacy Principles). This policy is hosted on the intranet of the Company.

VI. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

No penalties/regulatory action has been levied or taken on the above-mentioned parameters.

**B. Leadership Indicators pertaining to Principle 9****I. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)**

Information relating to all the products and services offered by the Company are available on the Company's website, <https://www.teamlease.com/>. In addition, the Company actively uses various social media and digital platforms to disseminate information.

**II. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Given the nature of the business, Not applicable.

**III. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Kindly refer to details on Business Continuity and Disaster Management which has been elucidated under Principle 6. During the year, there were no major disruptions of critical services of the Company.

**IV. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

TeamLease has always believed in being transparent with its customers by providing all the relevant details. The Company strives to ensure customer data privacy and security through robust information security systems. The Company continuously conducts customer satisfaction surveys to seek feedback from its clients at various stage. This feedback is used to improve systems, processes and enable better focus on training and development of staff.

**V. Provide the following information relating to data breaches**

- Number of instances of data breaches along with impact - NIL.
- Percentage of data breaches involving personally identifiable information of customers.

The Company did not witness any instances of data breaches during the year. Internal Auditors have assessed and confirmed that requisite security level checks put in place by the Company are appropriate.

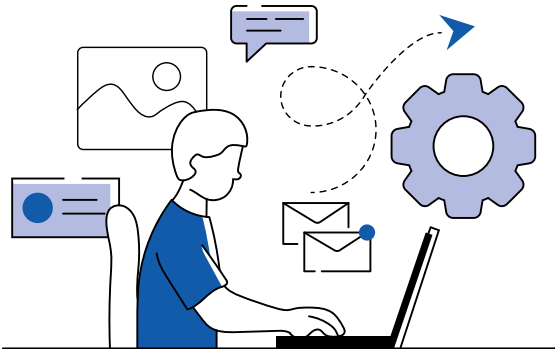
# Management Discussion and Analysis

## Global economic overview

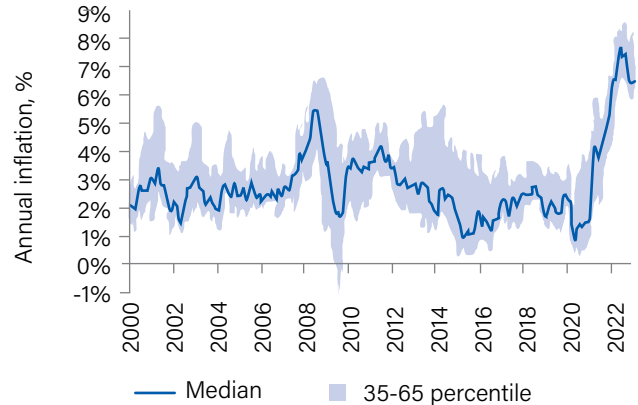
The rising inflationary pressures, relentless rise in interest rates by Central Banks to combat inflation, continuing geopolitical crisis in Europe and other parts of the globe, sudden surge of COVID lockdowns in China and recessionary trends across several countries have disrupted supply chains and impacted economic activity sporadically around the world.

However, the recent reopening of China has signalled a faster recovery. Another silver lining is the fact that global inflation is likely to decline from \*8.7% in 2022 to 7% in 2023 and 4.9% in 2024.

The recent financial sector instability and a stickier inflation have impacted the prospects for a long-term recovery. Due to the continued high levels of debt and rising geopolitical tensions, risks are comparatively weighted to the downside. According to IMF's World Economic Outlook (April 2023), the global economy is expected to grow at 2.8% in CY23.<sup>1</sup>



## CPI inflation among G20 countries (excluding Australia and EU)



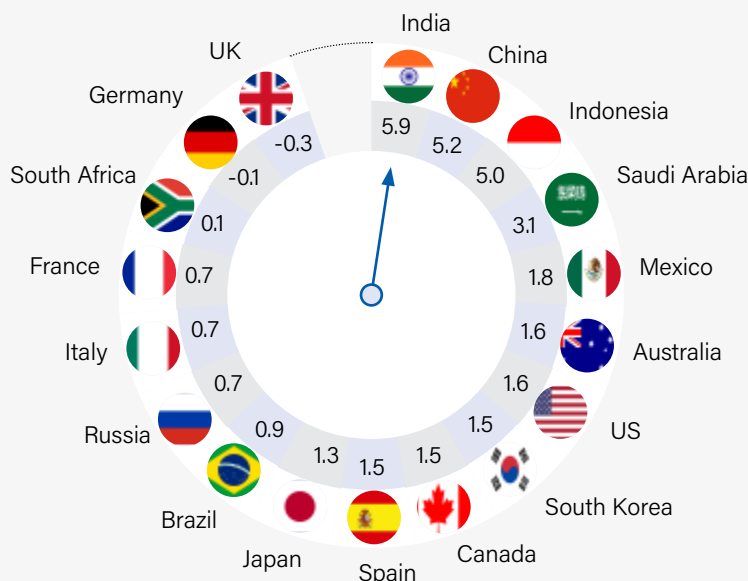
Source: Refinitiv Datastream, KPMG analysis.

Note: The chart excludes Australia and the EU, as EU countries are covered individually.

## Outlook

Geopolitical tensions could further intensify, inflation continues to necessitate tighter monetary policies and China's recovery from Covid-19 disruptions remains fragile. Thus, the outlook remains cautiously optimistic.

On the positive side, strong labour markets and robust wage growth may gradually strengthen consumer demand, while easing supply chain disruptions could help cool inflation and limit the need for further monetary tightening measures.



(Source: IMF World economic outlook, April 2023)

<sup>1</sup><https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

### Indian economic review

A conducive domestic policy environment and the Government's sustained focus on structural reforms have kept India's economic activity robust despite global headwinds. India's economy will stay on course and is projected to grow at 7.2% at FY 2022-23.<sup>2</sup>

India and China are anticipated to generate more than half of the global growth this year, with the rest of Asia contributing an extra quarter, according to the IMF. India's economic recovery is still being supported by favourable policies, which have also increased public investment. Moreover, it is anticipated that monetary and fiscal tightening will be less pronounced than in the rest of the South Asian region.

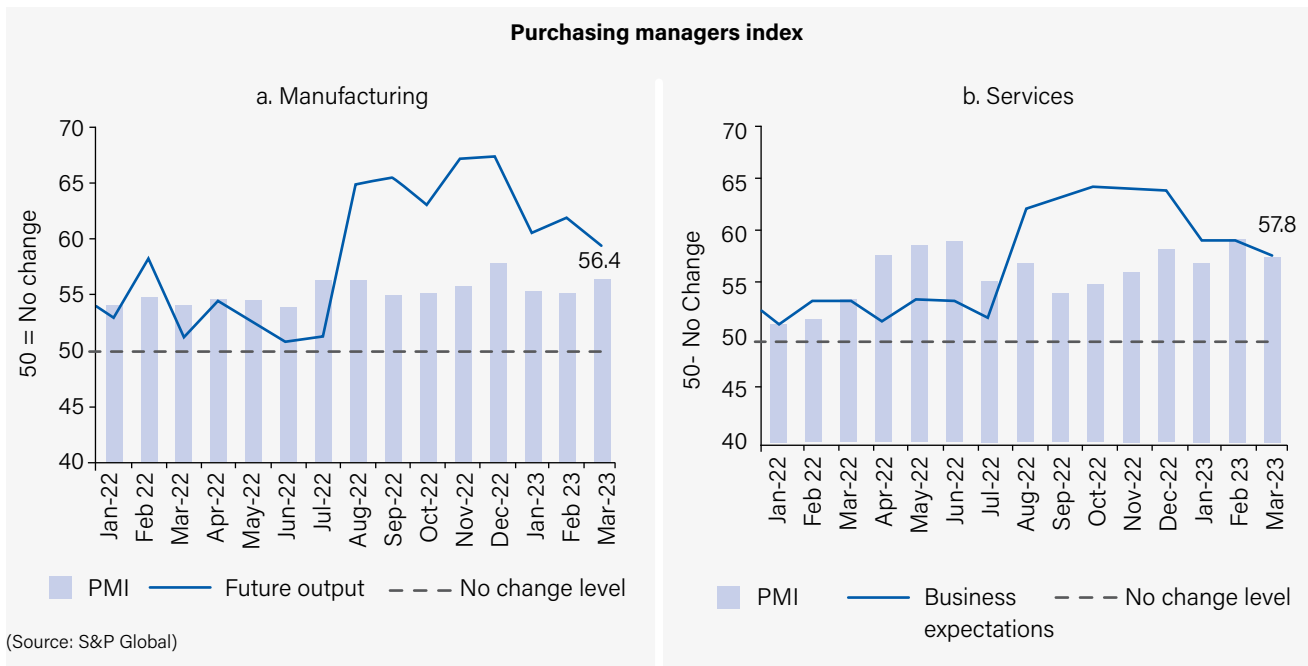
### Outlook

In the coming years, India is anticipated to be the fastest-growing G-20 country. India's leadership of the G20 Summit in 2023 has significantly boosted its international standing.

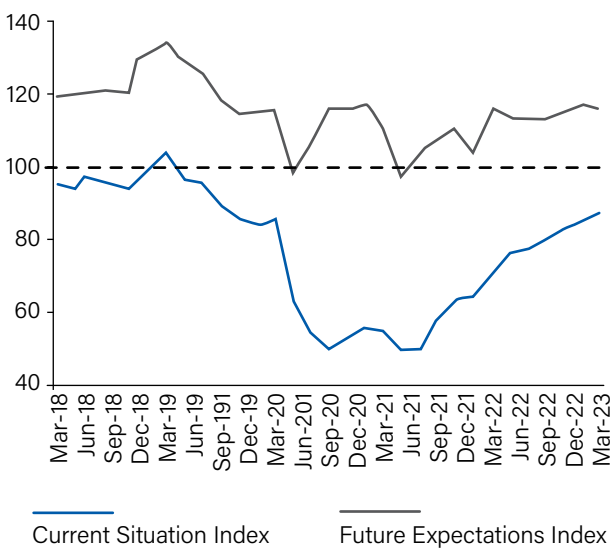
The country's ongoing economic momentum is likely to make it an attractive investment destination.

Stronger prospects for manufacturing, services, agriculture and related industries, improved business and consumer confidence, and accelerated credit expansion are expected to support domestic consumption and investment.

Strong high frequency indicators suggest that India's economy is on a path of growth despite global headwinds.



### Consumer Confidence index-



### Industry overview

#### Global staffing industry

The global employment industry is facing significant challenges due to multiple, overlapping crises in recent years. The COVID-19 pandemic has had a long-term impact on the global workforce, exacerbating existing decent work deficits and creating new ones. The global unemployment rate is expected to remain significantly higher than pre-pandemic levels with youth unemployment also expected to remain elevated. Many workers have been forced into informal employment or have dropped out of the labour force altogether due to the pandemic. Apart from unemployment, the quality of job also remains a concern.

Regional disparities in employment patterns are considerable, with some regions witnessing a resurgence in employment levels while others continue to struggle with high levels of unemployment and underemployment. Employment levels in

<sup>2</sup><https://pib.gov.in/PressReleaseDetail.aspx?PRID=1928682>

<https://rbidocs.rbi.org.in/rdocs/Bulletin/PDFs/1STATEOFTHEECONOMY02FF3FDA87904DE8BDD8150923555E9B.PDF>

Europe and Central Asia are likely to return to pre-pandemic levels. In contrast, employment levels in Latin America and the Caribbean are not likely to recover until at least 2024. The rate of youth unemployment is highest in upper middle-income nations, excluding China, and lowest in low-income countries.

The global labour force participation rate is expected to have declined slightly in 2022, due to a combination of factors, including demographic changes and the impact of the pandemic on women's employment. Women have been disproportionately affected by the pandemic's impact on employment as Women's labour force participation rate is expected to have declined more compared to that of men.

However, due to the growing use of data analytics, machine learning, the Internet of Things (IoT), and Artificial Intelligence (AI) in HR operations, the global staffing market is expected to expand. For improved organisational performance, many HR management service providers are using innovative solutions that integrate the most recent technologies with HR systems. Growth is also anticipated to expand as a result of the integration of predictive analytics into HR operations and IT improvements. Customers also prefer cloud-based solutions because of their usage flexibility, lower maintenance costs, and lack of an installation process or associated expenditures.



**The global unemployment rate was pegged at 5.8% for 2022 with a total employed population of 3359.4 million<sup>3</sup>.**



**The global labour force stood at 3564.7 Million in 2022<sup>4</sup>.**

**72%**

Men

**47%**

Women

**Global labour force participation rate**

## Indian staffing industry

India's unemployment rate rose to a three-month high of 7.8% in March 2023. The unemployment rate had surged to 8.3% in December 2022 but declined slightly to 7.14% in January 2023 before rising again to 7.45% in February 2023. The unemployment rate in urban areas was particularly high at 8.4% in March 2023<sup>5</sup>. Start-ups, technology, and information technology industries optimised costs, which impacted the hiring of new employees. Also, the lack of demand in the leisure travel, entertainment, and hospitality industries seems to be a plausible reason.

While there was a rise in unemployment in India, there are various positive aspects to the country's employment situation. The overall unemployment rate in March 2023 was still lower than the December 2022 rate of 8.30%. Additionally, India's labour market has been steadily improving since the pandemic, with the unemployment rate dropping from a peak in April 2020 to 7.8% in March 2023<sup>6</sup> indicating that the country's economy has been recovering and creating more job opportunities over time.

Moreover, the Indian government has launched several initiatives to boost employment in the country, such as the Skill India campaign, which aims to train people to improve their job prospects. The government has also launched the National Career Service portal, which connects job seekers with employers across various sectors and industries. These initiatives, coupled with the recovery of the Indian economy is anticipated to improve the employment situation in the country in the near-term.

The recruiting and staffing business in India contributes significantly to the national economy. The several initiatives made to mitigate the impact of the COVID-19 on MSMEs, street vendors, and manufacturing units may be attributed to India's steady increase in employment levels over the last year. The government has launched a number of specific initiatives in an attempt to improve employment prospects and job creation.

The government's initiatives, such as the PLI scheme and Make in India, have created momentum for the creation of new job possibilities in all industries. The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) is anticipated to generate new jobs and encourage employers to support formal employment. Other sectors, such as hospitality and tourism, FMCG, healthcare & pharmaceuticals, renewables, automobile companies with an electric vehicle presence, oil & energy, and infrastructure-related sectors such as steel and engineering and chemicals, are anticipated to drive white-collar employment.

<sup>3</sup>[https://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/publication/wcms\\_865332.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/publication/wcms_865332.pdf)

<sup>4</sup>[https://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/publication/wcms\\_865332.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/publication/wcms_865332.pdf)

<sup>5</sup><https://economictimes.indiatimes.com/news/economy/indicators/indias-unemployment-rate-rises-to-3-month-high-of-7-8-pc-in-march-cmie/articleshow/99173434.cms>

<sup>6</sup><https://economictimes.indiatimes.com/news/economy/indicators/indias-unemployment-rate-rises-to-3-month-high-of-7-8-pc-in-march-cmie/articleshow/99173434.cms>



## Delhi, Bengaluru, Mumbai, Hyderabad, and Pune are expected to account for a sizeable share of India’s expanding blue-collar employment by 2023.

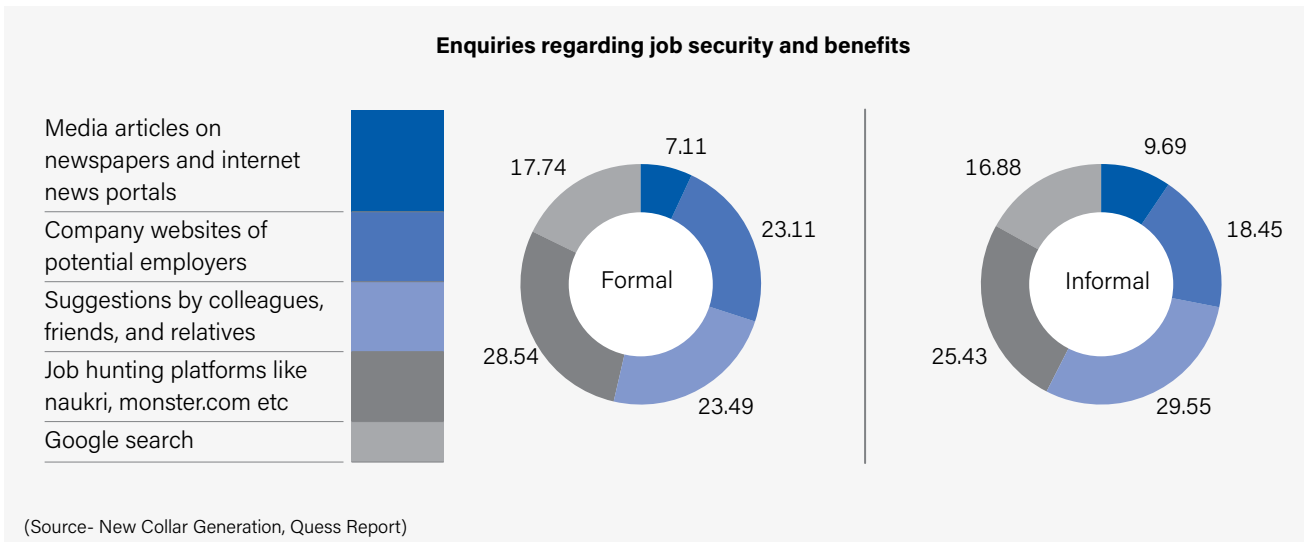
The Union Budget 2023-24 prioritised significant public investments in infrastructure, productivity improvement, energy transition, and climate action and lays out a futuristic plan for women, youth, and marginalised groups. The staffing business will profit from a strong and stable macroeconomic climate focused on sustainable expansion and job creation in the upcoming years.

### Technology driven

Government initiatives like Digital India, Startup India, and Skill India have brought a distinct focus on the unorganised sector and its blue-collar workforce. E-Shram, a portal established to register unorganized workers nationwide, has surpassed 285 Million registrations as of January 29, 2023.

According to a survey conducted by Qness, 84% of the respondents from the informal sector acknowledge that technology has significantly contributed to increasing awareness about the benefits of formal employment. Notably, digital natives, specifically informal employees aged between 18 to 35, exhibit higher confidence in the impact of technology on this awareness, with 45% of those aged 18 to 25 and 42% of those aged 26 to 35 strongly affirming its positive influence. In contrast, 38% of those aged 36 to 45 and 35% of those aged over 45 hold the same belief.

Moreover, a substantial portion of informally employed respondents (70%) has utilised tech portals, such as job hunting platforms, online news portals, and company websites, to seek information about job security and the benefits offered by potential employers.<sup>7</sup>



### Professional employee network

Formal and informal mentoring programs, aimed at fostering professional development among employees, are gaining popularity within technology companies. Notably, the educational background of informal employees differs significantly from that of formal employees, with only 50% of informal workers holding qualifications of SSC + Tech Diploma or lower, compared to 75% of formal employees who possess graduate degrees or higher. Consequently, mentoring initiatives and professional networking opportunities hold particular importance for the growth and advancement of blue-collar workers.<sup>8</sup>

### Employment trends in 2023<sup>9</sup>

- Increased AI and automation usage**

The development of modern artificial intelligence (AI) tools that are accessible to the general public has increased awareness of the significance of artificial intelligence (AI) and its capabilities. AI offers many prospects for growth in addition to automation technology. Companies may need to invest in upskilling and reskilling their staff to deal with these technologies as AI and automation open up new prospects in the workplace.

<sup>7</sup>New Collar Generation, Qness Report

<sup>8</sup>New Collar Generation, Qness Report

<sup>9</sup><https://emeritus.org/blog/the-future-of-work-workplace-trends/>



### ▪ Embracing data analytics

In 2023, as more businesses embrace data analytics for direct sourcing and talent acquisition, human resources departments will experience significant upheaval. HR professionals, for example, can utilise data to determine the causes of employee turnover.

Employers are learning vital details about both overall organisational performance and employee demands, thanks to people analytics or insights gained from data on workforce talent. Businesses would be using cloud computing, collaboration tools, and digitisation to enhance employee satisfaction and HR processes.

### ▪ Hybrid flexibility for frontline workers

As the world enters a more permanent era of hybrid work for desk-based employees, it is time to find equitable flexibility for frontline workers. The top role attractors for this segment include control over the work schedule, paid leave, stability in work schedule, and so on.

### ▪ Support for managers

In 2023, organisations are likely to provide fresh support and training to mitigate the widening managerial skills gap. They would define manager priorities in order to better allocate time and modify their responsibilities as needed.

### ▪ Non-traditional candidate hiring

Organisations will become more comfortable assessing candidates solely on their ability to perform in the role, not their credentials and prior experience.

### ▪ Sustainable performance

In the near term, organisations would implement proactive rest to help employees maintain their emotional resilience and performance, discussion opportunities to work through challenges and difficult topics, and trauma counsellors to provide on-site counselling.

### ▪ DEI efforts

Organisations would bolster diversity, equity and inclusion efforts while addressing employee pushback. They will validate employee concerns, communicate the value of DEI efforts and provide training and support to enable marginalised groups.

## Flexi staffing industry

During FY 2022-23, the flexi staffing industry sustained a substantial growth trend in terms of new employment, achieving a remarkable 14% Year-on-Year expansion. The industry witnessed significant expansion, leading to the addition of approximately 1.77 Lakhs new flexi-jobs by the member companies affiliated with the Indian Staffing Federation (ISF) in the country's official employment sector in the year FY 2022-23.

Flexible staffing gave organisations the ability to modify their workforce in response to demand, making it a desirable alternative for the businesses trying to optimise fixed expenses during a downturn. With widespread layoffs, the practise of contract hiring was on the rise, with many Indian companies following this trend. In a number of industries, including technology, communication, trade, logistics & supply chain, manufacturing, e-commerce, and consumer technology, contract staffing has gained popularity<sup>10</sup>.

### Sectoral drivers

The Indian Flexi Staffing business experienced considerable growth in FY23. Increased demand in a number of industries, including FMCG, e-commerce, manufacturing, retail, logistics, banking, hospitality, tourism, insurance, and infrastructure, is the cause of this expansion. Flexi staffing's expansion is a sign of the rising desire for flexible work arrangements. The states with the highest demand for contract workers were Maharashtra, Tamil Nadu, Karnataka, Andhra Pradesh, Odisha and Rajasthan. Industry wise, the FMCG industry had a larger market than e-commerce, manufacturing, retail, logistics, and healthcare combined.

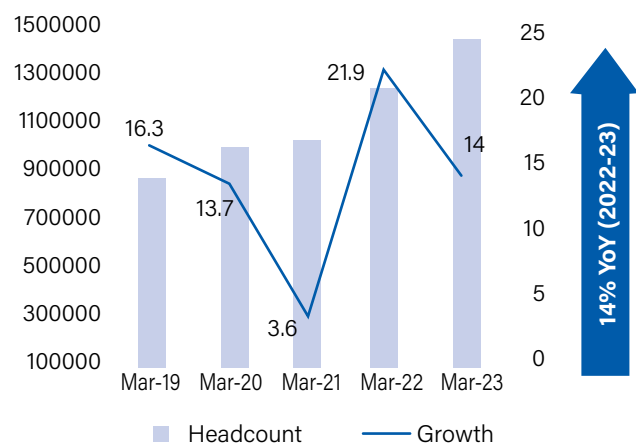
### Women participation

The engagement of women in the workforce has seen improvement due to the hybrid work opportunities provided by flexi staffing companies. Companies are focusing more on employing women for temporary positions in an effort to be more inclusive, giving women additional employment options in formerly male-dominated fields.

### Youth involvement

The staffing industry plays a crucial role in facilitating the transition of freshers and first-time job market entrants from informal to formal employment, offering benefits such as social security, employment mobilization, industry skill matching, wage protection, and on-the-job upskilling and reskilling opportunities. As a result, many job seekers associated with staffing companies are able to secure permanent employment by demonstrating their performance.

### Flexi staffing employment growth



(Source- ISF Annual Report, Flexi Staffing Industry 2023)

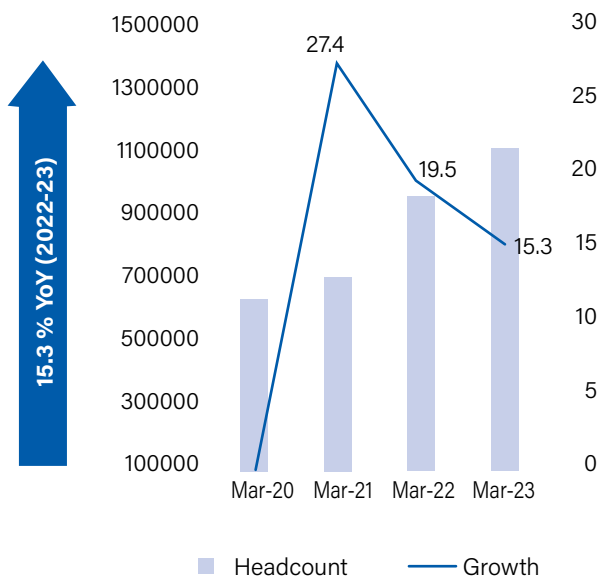
<sup>10</sup><https://www.indianstaffingfederation.org/wp-content/uploads/2022/09/Indian-Staffing-Federation-Staffing-Employment-Trends-Annual-Report-2022.pdf>

### General flexi staffing industry

The general flexi staffing sector serves all industries except IT & ITeS. Despite certain sectors experiencing cautious sentiment, the industry maintained a steady growth rate of 15.3% Year-on-Year during FY 2022-23, with employment demands continuing to rise resiliently.

Member companies of the Indian Staffing Federation (ISF) contributed to the addition of 1.47 Lakhs new employees in various general flexi staffing roles during FY 2022-23. The growth in the industry was primarily driven by demands from sectors such as FMCG, E-commerce, Manufacturing, Healthcare, Retail, Logistics, Banking, and Energy, among others.

#### General flexi staffing employment growth



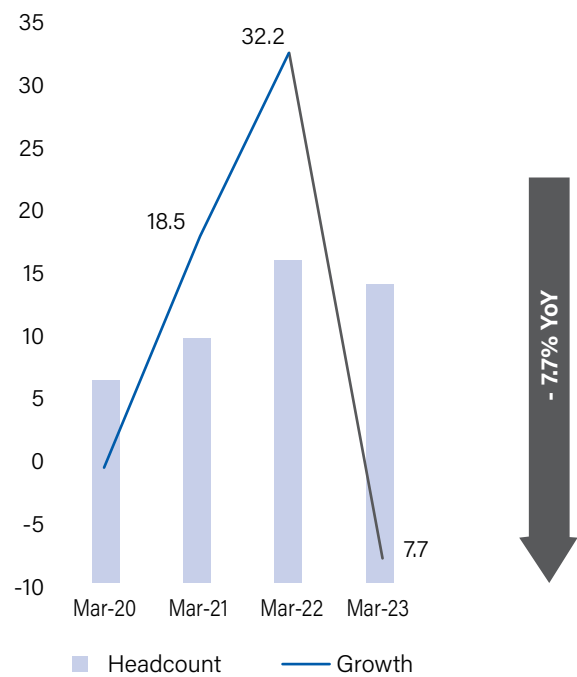
(Source- ISF Annual Report, Flexi Staffing Industry 2023)

### IT flexi staffing industry

The IT Staffing Industry experienced a significant decline of -7.7% year-on-year, with a quarterly degrowth of -6% in Q4 of FY 2022-23. Following Q2 of FY23, the industry gradually witnessed decreasing demand, and Q4 of FY23 saw a more pronounced impact due to geopolitical developments worldwide, including events like the US markets' situation and the Russia-Ukraine war, coupled with the effects of global financial markets. These factors have had a substantial negative impact on the IT industry, leading companies to rationalise their capacities and focus on productivity enhancements to address market pressures.

Despite the challenges, the IT Staffing Industry anticipates potential demand for digital adoption in certain sectors, particularly those showing slow growth, such as government infrastructure projects and emerging industries.

### IT staffing industry new employment growth



(Source- ISF Annual Report, Flexi Staffing Industry 2023)

### Online recruitment industry

The size of the online recruitment market, which was estimated at USD 33224.8 Million in 2022, is anticipated to grow at a CAGR of 8.07% over the course of the forecast year and reach USD 52914.93 Million by 2028<sup>11</sup>.

The digitalisation of all corporate activities, including hiring, is a result of consumer demand. Digital transformation has an impact on how companies interact with their internal and external stakeholders. To reduce or eliminate administrative processes and improve operational performance across departments and hiring teams, digital transformation typically involves investing in software and data technologies, such as online recruitment channels and recruiting solutions.

Digitalisation and the shift to online recruiting provide a number of benefits, including improved production and efficiency. In some aspects, traditional employment procedures are sped up by online recruiting. Businesses can automate administrative duties like organising interviews and keeping track of candidate papers. The fourth industrial revolution and digital transformation have positively affected the online recruitment market, creating new job opportunities and shaping the future of work. An increasing number of companies are using AI in their employment procedures. Global virtual recruitment is being improved by a number of technologies, including application tracking software, interviewing software, and candidate relationship management software.

Online recruiters utilise application tracking system (ATS) solutions to quickly screen candidates since ATS solutions store all necessary candidate data in a single area. Online hiring tools are advantageous to more than just recruiters.

<sup>11</sup><https://www.precisionreports.co/global-online-recruitment-industry-research-report-2023-competitive-landscape-market-22358211>

Candidates can apply seamlessly, thanks to the auto-filling application forms and one-click apply buttons. Other elements influencing digitalisation include access to a wide pool of applicants and improved candidate analysis.

These considerations are driving businesses all over the world to digitise the hiring process, which is boosting the growth of the online recruiting market.

### EdTech and employability industry

In 2022, India's E-learning market had a value of US\$6.4 Billion. Looking ahead, it is anticipated that the market will grow at a CAGR of 13.7% from 2023 to 2028, reaching US\$ 14.1 billion<sup>12</sup>. The interactive environment of the e-learning system promotes a healthy exchange of knowledge among the participants. It is also utilised to give education at any time or location. E-learning keeps up with the ever-changing requirements for high-quality education and is a more cost-effective option than traditional brick-and-mortar teaching methods.

### Key trends and drivers

The sector has been positively impacted by factors such as government policies, increased internet penetration, and a spike in EdTech start-ups. A number of Indian universities are working with foreign ones to deliver online courses, and foreign businesses are collaborating with local players to localise their products, both of which have a positive impact on the market's expansion.

The classroom learning experience is also being transformed by key technology trends, including blended learning, bite-sized or nano learning, gamification, online assessment and personalised learning.

- Blended learning is a popular tech-supported learning experience within physical classrooms, where teachers use tech tools for assisted learning
- Nano learning or bite-sized learning breaks down longer chapters into smaller narratives with inter-related facts, helping children understand a concept better
- Gamification is gaining popularity across classrooms for its engaging and immersive learning experience, leveraging AR/VR and robotics
- Online assessment has been a steadily growing trend that has been helping teachers and students create a seamless, authentic, and easy assessment system while offering valuable data-driven insights
- Personalised learning allows for a customised learning system that shifts the group-centric learning to individual student-centric approach, enabling students to engage proactively with teachers and enjoy learning at their own pace.

### Government initiatives

Given the digital divide in India, the government of India is making revolutionary efforts to digitise education, encourage digital learning, and provide equitable access to education. The Government of India's successful initiatives to launch distance education programmes to facilitate simple access to education are key factors driving the Indian e-learning sector. It has built internet infrastructure and utilised integrated e-learning technologies in the educational system through its National Education Policy (NEP), 2020. To further digital education in India, it has also launched a number of projects, including the National Programme on Technology Enhanced Learning (NPTEL), Digital Infrastructure for Knowledge Sharing (DIKSHA), and Study Webs of Active-Learning for Young Aspiring Minds (SWAYAM).

### RegTech industry

The global RegTech market is expected to grow at a CAGR of 17.55% between 2023 and 2029. It is projected to increase from USD 6.5 Billion in 2022 to more than USD 28.83 Billion by 2029. RegTech is a segment of the financial technology industry that leverages emerging technologies such as cloud computing, big data, machine learning, and natural language processing to address regulatory challenges in the financial sector. However, businesses outside of the financial sector are also adopting RegTech due to the wide range of solutions that it offers, thereby addressing unmet demands in various industries.

RegTech solutions aim to simplify and expedite regulatory and compliance obligations, thereby enhancing transparency, consistency, and standardisation of regulatory procedures at a lower cost. Fintech solutions are being implemented in various business processes in rapidly growing economies like China, Japan, Singapore, and India to provide efficient solutions.

Several financial institutions are exploring blockchain technology as a means of speeding up transactions, reducing error rates, and eliminating reconciliation. Blockchain is particularly suitable for the payments industry, where it can reduce settlement cycles from several days to real-time, thereby enhancing transaction operations, boosting companies' capabilities for anti-money laundering (AML), know-your-customer (KYC), and regulatory compliance data, and facilitating faster transactions and settlements. This helps financial institutions and their clients transact seamlessly while eliminating intermediary fees to streamline the process. Hence, banks save time and money on labour-intensive operations with their clients and currency transactions.

RegTech solutions can also aid financial institutions in automating anti-money laundering activities, streamlining and automating KYC data collection methods, detecting and analysing important regulations and associated changes over time.

<sup>12</sup><https://www.imarcgroup.com/india-e-learning-market>

<sup>13</sup><https://exactitudeconsultancy.com/reports/4330/regtech-market/>

These solutions can be found in various application areas, including risk and compliance management, identity management, regulatory reporting, fraud management and regulatory intelligence, helping organisations meet real-time regulations and compliance needs, enhance customer experience, manage risks, and provide appropriate recommendations. Third-party RegTech services can also help companies save money on regulatory compliance.

Cloud computing services convert fixed costs into variable prices, allowing users to pay based on their usage patterns. Customers may pick from a variety of cloud-based solutions to match their demands. These solutions enable businesses to adapt to changing contexts easily, as customers can start or stop services depending on their current needs.

The adoption of cloud-based solutions has risen in recent years, as they offer advantages such as reduced physical infrastructure, low maintenance costs and 24/7 data accessibility from anywhere. SaaS has emerged as the preferred practice for companies seeking cost-effective functionality, thanks to advances in cloud technology.

### Company overview

With over 3,600 clients in various industries, TeamLease Services is a leading provider of human capital management

services in India. With 22 years of expertise, TeamLease has hired more than 19 Lakhs people to satisfy the demands of its customers. The Company administers India's first vocational university and offers the fastest-growing PPP degree apprenticeship programme. It is one of India's fastest-growing employers. The Company provides large, medium, and small clients with 3E (Employment, Employability and Ease of doing business) solutions. It is one of the largest private-sector employers in India with a network of more than 2.8 Lakhs associates and trainees. Through its TL Skill University and TL Edtech, TeamLease is committed to enhancing employability and has trained over 5 Lakhs students.

General staffing, IT staffing, telecom staffing, hiring, compliance and payroll services, degree apprenticeships, learning services, and skill universities are just a few of the services offered by TeamLease.



**In 2022, TeamLease became India's largest IT Staffing Company in terms of headcount.**

### Opportunities and threats

	Opportunities		Threats
	Growing demand for human capital management solutions in India, particularly in the IT and telecom industries.		Intense competition in the human capital management industry, which may limit the Company's market share and profitability.
	Expansion of the Company's services, such as the Degree Apprenticeship programme, to provide more value-added services to clients.		Changes in government regulations and policies that may impact the Company's operations.
	Increasing focus on employability and ease-of-doing business, presenting an opportunity for TeamLease to leverage its expertise in these areas.		Increased focus on automation and artificial intelligence, which may result in a decline in demand for human capital management solutions.
	Expansion into new geographic markets such as Southeast Asia, where the demand for its services may be high.		Economic slowdowns or downturns that may result in reduced demand for the Company's services.
	With the rise of remote work and the shift to digital processes, there is an increasing demand for digital hiring solutions.		Difficulties in retaining and attracting quality employees, particularly in niche areas such as IT staffing
	The rise of gig economy has led to a growing demand for flexible and temporary workforce solutions, providing a significant opportunity for the Company.		Growing gig economy and changing attitudes towards work, leading to a reduction in demand for permanent staffing solutions.

## Financial Highlights

Key Financial Ratios	FY 2022-23	FY 2021-22
Revenue	7,86,999.75	6,47,982.30
EBITDA	12,226.57	14,236.94
PAT	11,154.98	3,945.46
EPS	65.12	22.48
Debtor's Turnover	20.99	20.02
Current Ratio	1.45	1.43
Operating Profit Margin	1.55%	2.20%
Net Profit Margin	1.42%	0.61%
Return on Net Worth	13.81%	5.69%

## Risk management

Risk	Description	Mitigation
<b>Compliance and legal risk</b>	The legal framework governing the HR solutions market is designed to benefit the government, workers, private employment agencies, and their respective clients. Stringent labour laws and regulations in India can pose a challenge for the Company.	The Company complies with all applicable laws and regulations and is accountable to all of its constituents for meeting its obligations. It endeavours to uphold ethics and responsibility while ensuring that all of its actions are completely transparent and up-to-date with changing regulations to ensure compliance and minimise legal risks.
<b>Technological risk</b>	The rapid advancements in technology and the increasing dependence of companies on digital solutions for HR management may pose a threat to the Company	The Company continuously invests in research and development to stay ahead of the curve and offer innovative solutions that meet the evolving needs of clients. Additionally, it also considers partnering with technology companies to offer integrated solutions and expand their offerings.
<b>Talent risk</b>	Finding and retaining workers and associates with the education and experience necessary to satisfy a range of client requirements is essential for the Company's success.	The Company uses both traditional and online recruitment methods to identify the best talent. To ensure career advancement, the Company also offers training and upskilling programmes.
<b>Macro-economic risk</b>	Instability in macroeconomic scenario and economic downturns caused by geopolitical unrest effects job creation and talent mobility, raising expenses and reducing customer demand.	In order to effectively manage the business, the Company adopts a flexible approach to changing business dynamics and exerts significant effort to maintain positive relationships with clients and candidates.
<b>Credit risk</b>	Customer payment delays may lead to increased working capital costs and interest costs.	The Company follows strict credit monitoring and billing procedures. Expected credit loss is taken into account when reporting and monitoring the collection status on a regular basis.
<b>Competition risk</b>	The Company faces intense competition from both local and international human capital management companies.	The Company has partnered with multiple state governments and corporations to benefit from various schemes and stays ahead of the competition.

## Cautionary statement

According to the applicable securities laws and regulations, any statements in this report that refer to the company's goals, estimates, forecasts, projections, or outlooks are forward-looking statements. Actual outcomes could differ from these predictions, expectations, and others, whether explicitly stated or implicit. The assumptions and upcoming events upon which the statements are predicated are outside of the Company's immediate control. The Company disclaims any obligation to publicly edit, change, or revise any of the statements in light of new information, events, or developments.

# STANDALONE ACCOUNTS



# Independent Auditor's Report

To the Members of TeamLease Services Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of TeamLease Services Limited ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

#### Key audit matters

##### A. Revenue recognition and recoverability of trade receivables

The Company's revenue for the financial year ended March 31, 2023 is ₹ 6,87,617.59 Lakhs, majority of which are from General Staffing and allied services. The Company has various streams of revenue with multiple types of customer contracts characterized by a larger volume of transactions.

Trade Receivables of ₹ 25,077.25 Lakhs represent significant portion of total assets as at March 31, 2023. The Company has adopted a provisioning policy in respect of trade receivables based on historical trends and available industry information.

Due to multiple types of revenue contracts with large volume of transactions and significant judgment required by the management to estimate provision for trade receivables, this matter is considered as a key audit matter.

#### How our audit addressed the key audit matter

We understood, evaluated and tested the operating effectiveness of the internal controls over revenues and trade receivables processes.

We selected samples from various types of customer contracts and tested the occurrence, completeness and measurement of those transactions by inspecting the underlying documents.

We performed audit procedures on existence of trade receivables, which included obtaining and comparing balance confirmations with books, testing of invoices and subsequent collections for audit samples selected.

We evaluated the assumptions used to calculate the provision for trade receivables through analysis of ageing, historical collection and bad debts write-off trends, specific individual circumstances of the customers.

Key audit matters	How our audit addressed the key audit matter
<p>Refer Note 28 and Note 16 to the standalone financial statements for the Company's disclosures on revenues and trade receivables respectively.</p>	<p>We assessed the disclosures in the standalone financial statements for compliance with the disclosures requirements.</p>
<p><b>B. Investment / Loans and advances to group companies</b></p>	
<p>As at March 31, 2023, the Company has non-current investments in subsidiaries of ₹ 33,724.65 Lakhs which are carried at cost. In accordance with Ind AS, these investments are tested for impairment using discounted cash flow models i.e., the recoverable value of each investment is compared to the respective carrying values as at the balance sheet date. Deficit, if any, between the recoverable value and the carrying value results in an impairment provision.</p>	<p>We assessed and tested the operating effectiveness of the internal controls over preparation of annual budgets and future forecasts for various business reporting units including impairment assessment for investments and loans.</p>
<p>The key inputs and assumptions used in the aforesaid model are following:</p>	<p>We compared the future operating cash flow forecasts considered for impairment assessment with the business plan and budgets duly approved by the Board of Directors of the Company.</p>
<ul style="list-style-type: none"> <li>• Revenue Growth Rate</li> <li>• Operating Margins</li> <li>• Long term Growth Rate</li> <li>• Discount Rate</li> </ul>	<p>We involved our valuation specialists to perform an evaluation of the Company's valuation model and the underlying key assumptions, including long-term growth and discount rates.</p>
<p>Further, the Company has granted interest bearing long-term loans to group companies. Management assesses the recoverability of such loans after taking into account the future cash flow surpluses expected to be generated by the respective borrower entities.</p>	<p>We evaluated sensitivity of the valuation to changes in key assumptions and compared the assumptions to corroborating information including industry reports and competitor's information, historic performance of the Company, economic developments and industry outlook.</p>
<p>Due to the significant carrying values of these investments and loans to group companies; and significant management judgments and estimates involved in performing assessment of impairment and recoverability of loans, this matter is considered as a key audit matter.</p>	<p>We obtained and read the audited financial statements of the subsidiaries to understand the net worth, cash flows and other financial information.</p>
<p>Refer to Note 8 and Note 10 to the standalone financial statements.</p>	<p>We assessed the disclosures in the standalone financial statements for compliance with the disclosure requirements.</p>

## Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board Report, Corporate Governance Report, Business Responsibility and Sustainability Report and Report on Management Discussion and Analysis included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are 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 these standalone financial statements.

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 standalone financial statements, 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 management.
- Conclude on the appropriateness of management's 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 statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 46 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief except as disclosed in Note 52 (iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. No dividend has been declared or paid during the year by the Company.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 23056102BGUJ0Q6569

Place of Signature: Bengaluru

Date: May 17, 2023

## Annexure 1

### referred to in paragraph 1 for "Report on Other Legal and Regulatory Requirements" on the Standalone Financial statements of TeamLease Services Limited.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

- (d) The Company has not revalued its property, plant and equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 23 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five Crores in aggregate from banks or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans, advances in the nature of loans and stood guarantee to companies, firms, Limited Liability Partnerships or any other parties as follows:

(₹ In Lakhs)

Particulars	Loans	Guarantees
Aggregate amount granted during the year		
Subsidiaries	4,779	1,450
Other related parties	-	-
Balance outstanding as at balance sheet date in respect of above		
Subsidiaries	1,020	2,650
Other related parties	-	2,450

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.
- (c) The Company has granted loans and / or advance in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) The Company has not advanced loans to Directors / to a company in which the Director is interested to which provisions of section 185 of the Act apply and hence not

commented upon. Further, according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans and advances given, investments made, guarantees and securities given, to the extent applicable, have been complied with by the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

- (vii) (a) Undisputed statutory dues including goods and service tax, employees' state insurance, income tax, service tax, duty of customs, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in remittance of provident fund in many cases and labour welfare fund dues in few cases. According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of income-tax, service tax and professional tax have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	445.35#	April 2006 to December 2008	Hon'able High Court of Kolkata
Finance Act, 1994	Service Tax	463.03	October 2010 to July 2017	The Commissioner of Service Tax, Bengaluru
Income Tax Act, 1961	Income Tax	29.65	Assessment Year 2013-14	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	60.42	Assessment Year 2017-18	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	48.85*	Assessment Year 2018-19	The Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	-**	Assessment Year 2019-20	The Commissioner of Income Tax (Appeals)
Maharashtra State Tax on Profession, Trades, Calling and Employment Act 1975	Professional Tax	50.08***	Assessment Year 2018-19	Assistant commissioner Profession Tax, Mumbai

# Net of amount paid ₹ 442.46 Lakhs

\* net of amount paid ₹ 12.21 Lakhs

\*\* net of amount paid ₹ 0.64 Lakhs

\*\*\* net of amount paid ₹ 16.70 Lakhs

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loan outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer

/ debt instruments, hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

- (b) The Company has not made any preferential allotment or private placement of shares/ fully or partly convertible debentures during the year under audit and hence, the requirements to report on clause 3(x)(b) of the Order are not applicable to the Company.
- (xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as part of the Group, hence, the requirement to report on

clause 3(xvi)(d) of the Order is not applicable to the Company.

- (xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 50 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- (xxi) The requirement to report on clause 3(xxi) of the Order is not applicable in respect of Standalone Financial Statements.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 23056102BGUOQ6569

Place of Signature: Bengaluru

Date: May 17, 2023

## Annexure 2

### to the Independent Auditor's Report of even date on the Standalone Financial Statements of TeamLease Services Limited

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of TeamLease Services Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an

audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

#### Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per **Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 23056102BGUOQ6569

Place of Signature: Bengaluru

Date: May 17, 2023

## Standalone Balance Sheet

as at 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	827.77	869.43
Right of use assets	5	6,907.99	2,483.93
Other intangible assets	6	1,122.76	424.42
Intangible assets under development	7	1,480.14	1,628.28
<b>Financial assets</b>			
(i) Investments	8	33,724.65	32,404.65
(ii) Loans	10	1,000.00	1,743.00
(iii) Others	12	11,211.83	12,385.04
Deferred tax assets (net)	13	653.31	691.51
Income tax assets (net)	14	19,398.30	11,318.51
Other non-current assets	15	16.70	-
<b>Total non-current assets</b>		<b>76,343.45</b>	<b>63,948.77</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	9	19,087.59	5,034.65
(ii) Loans	10	20.00	-
(iii) (a) Trade receivables	16	25,077.25	24,204.18
(iii) (b) Unbilled revenue	11	9,806.52	10,512.89
(iv) Cash and cash equivalents	17	12,504.05	15,382.64
(v) Bank balances other than cash and cash equivalents	17	4,848.02	8,709.34
(vi) Others	12	8,980.41	7,134.35
Other current assets	18	2,610.74	2,690.41
<b>Total current assets</b>		<b>82,934.58</b>	<b>73,668.46</b>
<b>Total assets</b>		<b>159,278.03</b>	<b>137,617.23</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	19	1,709.68	1,709.68
Other equity	20	76,037.97	66,141.89
<b>Total equity</b>		<b>77,747.65</b>	<b>67,851.57</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	24	5,478.42	1,909.01
(ii) Other financial liabilities	26	314.80	133.97
Employee defined benefit liabilities	21	10,847.91	10,587.70
Other non-current liabilities	22	421.90	421.90
<b>Total non-current liabilities</b>		<b>17,063.03</b>	<b>13,052.58</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	23	1,295.64	2,516.84
(ii) Lease liabilities	24	1,791.57	904.14
(iii) Trade payables	25		
(a) Total outstanding dues of micro enterprises and small enterprises		57.72	74.37
(b) Total outstanding dues other than micro enterprises and small enterprises		2,561.24	1,930.49
(iv) Other financial liabilities	26	27,529.08	23,302.55
Employee defined benefit liabilities	21	7,216.06	6,168.19
Other current liabilities	27	24,016.04	21,816.50
<b>Total current liabilities</b>		<b>64,467.35</b>	<b>56,713.08</b>
<b>Total liabilities</b>		<b>81,530.38</b>	<b>69,765.66</b>
<b>Total equity and liabilities</b>		<b>159,278.03</b>	<b>137,617.23</b>
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814  
**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801  
**Alaka Chanda**  
Company Secretary  
F10911



## Standalone Statement of Profit and Loss

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>Income</b>			
Revenue from operations	28	687,617.59	564,033.82
Other income	29	5,294.73	3,250.96
<b>Total income</b>		<b>692,912.32</b>	<b>567,284.78</b>
<b>Expenses</b>			
Employee benefits expense	30	671,781.51	548,599.31
Finance costs	31	475.90	357.76
Depreciation and amortization expense	32	2,346.70	1,821.17
Other expenses	33	8,157.52	6,882.22
<b>Total expenses</b>		<b>682,761.63</b>	<b>557,660.46</b>
<b>Profit before exceptional items and tax</b>		<b>10,150.69</b>	<b>9,624.32</b>
Exceptional items	34	(232.83)	(7,192.93)
<b>Profit before tax</b>		<b>9,917.86</b>	<b>2,431.39</b>
<b>Tax expense:</b>			
- Current tax	14	165.86	80.03
- Deferred tax	13	32.38	101.73
<b>Income tax expense</b>		<b>198.24</b>	<b>181.76</b>
<b>Profit for the year</b>		<b>9,719.62</b>	<b>2,249.63</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods:</b>			
Remeasurement gains on defined benefit obligations	36	23.13	5.96
Income tax effect	13	(5.82)	(1.50)
<b>Other comprehensive income for the year, net of tax</b>		<b>17.31</b>	<b>4.46</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>9,736.93</b>	<b>2,254.09</b>
<b>Earnings per equity share:</b>			
Basic and diluted (amount in ₹)	35	56.85	13.16
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.  
As per our report of even date.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814

**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801

**Alaka Chanda**  
Company Secretary  
F10911

## Standalone Statement of Cash Flows

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>Operating activities</b>		
<b>Profit before tax</b>	9,917.86	2,431.39
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortization expense	2,346.70	1,821.17
Finance costs	475.90	357.76
Interest income	(2,101.56)	(1,877.49)
Loss on disposal of property, plant and equipment (net)	20.15	-
Fair value adjustments (net)	(27.36)	(10.53)
Liabilities/ provisions no longer required written back	(2,020.75)	(901.12)
Bad debts written off	144.92	128.34
Sundry balances written off	-	19.85
Reversal of provision for expected credit loss	(26.92)	(224.64)
Reversal of provision for doubtful advances/receivables (net)	(210.66)	-
Share-based payment expenses (net)	64.33	104.62
Gain on sale of current investments (net)	(624.06)	(305.99)
Fair value gains on current investments (net)	(87.59)	(34.65)
Fair value gain on assets held for sale (net)	-	(27.69)
Exceptional items (net)	232.83	7,192.93
<b>Working capital adjustments</b>		
(Increase)/decrease in trade receivables	(991.07)	(2,513.65)
(Increase)/decrease in other assets	62.58	(1,183.74)
(Increase)/decrease in unbilled revenue and other financial assets	(1,315.80)	(4,770.86)
Increase/(decrease) in trade payables and other financial liabilities	5,124.77	2,102.48
Increase/(decrease) in other liabilities (including for PF Trust)	4,202.94	(4,241.39)
Increase/(decrease) in net employee defined benefit liabilities	1,331.21	3,149.84
	<b>16,518.42</b>	<b>1,216.63</b>
Income tax (payments)/refunds	(8,245.65)	(4,923.86)
<b>Net cash flows from/(used in) operating activities</b>	<b>8,272.77</b>	<b>(3,707.23)</b>
<b>Investing activities</b>		
Purchase of property, plant and equipment	(434.05)	(477.22)
Purchase of intangible assets (including intangibles under development)	(1,066.03)	(428.35)
Proceeds from sale of property, plant and equipment	1.31	0.80
Sale/(purchase) of current investments	(13,341.29)	1,317.71
Share application money pending allotment	-	(1,320.00)
Loans and advances given to subsidiaries	(4,779.00)	(3,325.50)
Loans and advances repaid by subsidiaries	4,522.00	3,455.86
Investment in subsidiaries etc	-	(1,248.98)
Maturity of/(Investments in) fixed deposits (net)	4,073.68	(6,179.84)
Interest received	2,095.55	1,858.75
Recovery from PF Trust	922.25	-
Sale of investments in subsidiary	-	473.24
<b>Net cash flows (used in)/from investing activities</b>	<b>(8,005.58)</b>	<b>(5,873.53)</b>

## Standalone Statement of Cash Flows

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>Financing activities</b>			
Proceeds from issue on exercise of stock options		0.36	0.36
Repayment of principal portion of lease liabilities		(1,353.35)	(1,091.13)
Finance costs		(475.90)	(357.76)
Buy back expenses		(95.69)	-
<b>Net cash flows (used in)/from financing activities</b>		<b>(1,924.58)</b>	<b>(1,448.53)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,657.39)</b>	<b>(11,029.29)</b>
Cash and cash equivalents at the beginning of the year		12,865.80	23,895.09
<b>Cash and cash equivalents at the end of the year</b>	17	<b>11,208.41</b>	<b>12,865.80</b>
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the standalone financial statements.  
As per our report of even date.

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

ICAI Firm Registration Number: 101049W/E300004

Chartered Accountants

**Per Navin Agrawal**

Partner

Membership Number: 056102

Place: Bangalore

Date: 17 May 2023

For and on behalf of the Board of Directors

**TeamLease Services Limited**

**Ashok Reddy**

Managing Director

DIN: 00151814

**Ramani Dathi**

Chief Financial Officer

Place: Bangalore

Date: 17 May 2023

**Latika Pradhan**

Director

DIN: 07118801

**Alaka Chanda**

Company Secretary

F10911

## Standalone Statement of Changes in Equity

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

### a. Equity share capital:

#### Issued, subscribed and fully paid share capital

	Numbers	Amount (in ₹ Lakhs)
<b>Equity shares of ₹ 10 each:</b>		
<b>At 1 April 2021</b>	17,096,769	1,709.68
Additions during the year	-	-
<b>At 31 March 2022</b>	<b>17,096,769</b>	<b>1,709.68</b>
Additions during the year	-	-
<b>At 31 March 2023</b>	<b>17,096,769</b>	1,709.68

### b. Other equity

Particulars	Attributable to equity shareholders of the Company			Total other equity
	Reserves and surplus			
	Securities premium	Share based payment reserves	Retained earnings	Total
<b>As at 1 April 2021</b>	<b>24,655.01</b>	<b>178.84</b>	<b>38,895.12</b>	<b>63,728.97</b>
Net Profit for the year	-	-	2,249.63	2,249.63
Net Other comprehensive income	-	-	4.46	4.46
<b>Total comprehensive income</b>	<b>24,655.01</b>	<b>178.84</b>	<b>41,149.21</b>	<b>65,983.06</b>
Share based payment expense	-	104.62	-	104.62
Share based payment cost receivable from Subsidiaries	-	54.21	-	54.21
Exercise of stock options	109.28	(109.28)	-	-
<b>As at 31 March 2022</b>	<b>24,764.29</b>	<b>228.39</b>	<b>41,149.21</b>	<b>66,141.89</b>
<b>As at 1 April 2022</b>	<b>24,764.29</b>	<b>228.39</b>	<b>41,149.21</b>	<b>66,141.89</b>
Net Profit for the year	-	-	9,719.62	9,719.62
Net Other comprehensive income	-	-	17.31	17.31
<b>Total comprehensive income</b>	<b>24,764.29</b>	<b>228.39</b>	<b>50,886.14</b>	<b>75,878.82</b>
Share based payment expense	-	64.33	-	64.33
Share based payment cost receivable from Subsidiaries	-	94.82	-	94.82
Exercise of stock options	109.31	(109.31)	-	-
<b>As at 31 March 2023</b>	<b>24,873.60</b>	<b>278.23</b>	<b>50,886.14</b>	<b>76,037.97</b>

Summary of significant accounting policies

3

The accompanying notes are an integral part of the standalone financial statements.  
As per our report of even date.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814  
**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801  
**Alaka Chanda**  
Company Secretary  
F10911

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 1 Corporate information

TeamLease Services Limited (the "Company") is a HR Services Company incorporated on 2 February 2000 under the provisions of the Companies Act applicable in India having its registered office located at 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560095. The Company provides to its clients a gamut of HR services that include Staffing Services, Temporary Recruitment, Permanent Recruitment, Payroll Process Outsourcing, Regulatory Compliance Services, Vocational Training / Education and Assessments.

The Company was converted into a Public Limited company and obtained a fresh certificate of incorporation dated 15 May 2015. The equity shares of the Company got listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") w.e.f. 12 February 2016.

The standalone financial statements are approved by the board of directors and authorized for issue in accordance with a resolution of the directors on 17 May 2023.

### 2 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instrument) and share-based payments, which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions. Accounting policies are consistently applied.

The standalone financial statements are presented in Indian Rupees and all values are rounded to nearest Lakhs except when otherwise stated.

### 3 Summary of significant accounting policies

#### 3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period."

All other assets are classified as non current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

The operating cycle is the time between the recognition of assets and their realisation in cash and cash equivalents. The Company has considered twelve months as its operating cycle.

#### 3.2 Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates, i.e., the "functional currency". The financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the Company.

##### ii) Transactions and balances

Foreign currency transactions are initially recorded by the Company at their respective functional currency spot rate at the date the transaction first qualifies for recognition.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

- 1) Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
- 2) Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are translated using the exchange rates at the date of the initial transactions. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when fair value was determined.
- 3) Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss in the period in which they arise.

### 3.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

Revenues in excess of invoicing are classified as Contract Assets (unbilled revenue), while invoicing in excess of revenues are classified as Contract Liability (unearned revenue).

The specific recognition criteria described below must also be met before revenue is recognised."

#### Manpower services

Revenue from manpower services is accounted on accrual basis on performance of the services agreed, as per contracts with customers.

#### Recruitment and other services

Revenue from recruitment services, skills and development, regulatory services and payroll is recognized on accrual basis on performance of the services, as per contracts with customers.

#### Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest

rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit or loss.

#### Dividends

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when Shareholders/ Board of Directors approve the dividend.

### 3.4 Taxes

#### Income tax

Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable profits will be available to utilise the same, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries,

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

associates, and interest in joint venture deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised."

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

### 3.5 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### The Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right of use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the

underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the asset. The right-of-use assets are also subject to impairment. Refer to accounting policies in section 3.8 impairment of non-financial assets.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies recognition

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 3.6 Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. All repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part thereof initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### Depreciation methods, estimated useful lives

Depreciation is calculated using the straight-line method over the estimated useful lives of the plant and equipment as given under Part C of Schedule II of the Act as follows:

Asset	Useful life in Years
Office equipment	5
Computers	3
Furniture and fixtures	5-10
Vehicles	6

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is lower.

### 3.7 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each

reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

#### Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortization expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

#### Amortization methods, estimated useful lives

Amortization is calculated using the straight-line method over the estimated useful lives of the Intangibles as follows:



## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Intangible assets	Useful life in Years	Internally generated or acquired
Softwares	3 years	Acquired/Internally generated

### 3.8 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that any property, plant & equipment, right of use assets and intangible assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### 3.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee

contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Investment in equity instruments issued by subsidiaries, associate and joint venture are measured at cost less impairment. Investment in preference shares/debentures of the subsidiaries, associate and joint venture are treated as equity instruments if the same are convertible into equity shares. Investment in preference shares/debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

#### Effective interest method

The effective interest method (EIR) is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### Subsequent measurement

##### (i) Financial assets

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost through effective interest method if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

#### Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Financial assets at fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss."

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets. The Company follows 'simplified approach' for recognition of provision for ECL on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes provision for ECL based on lifetime ECLs at each reporting date, right from its initial recognition. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through profit or loss."

### Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss."

### Derecognition of financial assets

A financial asset is derecognised only when the rights to receive cash flows from the asset have expired or the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred

substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset."

## (ii) Financial Liabilities

### Financial liabilities at amortised cost

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost through effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short term maturity of these instruments."

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/loss are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified,

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### (iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

### (iv) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

#### Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### 3.10 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss."

### 3.11 Treasury shares

The Company has created an Employee Benefit Trust ('EBT') for providing share-based payment to its employees. The promoters/ directors of the Company, in prior years had contributed certain equity shares free of cost to EBT, which are issued to employees in accordance with the Company's Employee stock option plan.

The Company treats EBT as its extension and shares held by EBT are treated as treasury shares carried at nil value. Share options exercised during the reporting period are adjusted against treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in reserve."

### 3.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts."

### 3.13 Employee benefits

#### (a) Defined benefit plan

##### Gratuity obligations

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, done on projected unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in other comprehensive income and is

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

transferred to retained earnings in the statement of changes in equity in the balance sheet. Such accumulated re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of :

- a) The date of the plan amendment or curtailment, and
- b) The date that the Company recognises related restructuring costs."

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income."

### Compensated absences

The employees of the Company are entitled to be compensated for unavailed leave as per the policy of the Company, the liability in respect of which is provided, based on an actuarial valuation (using the projected unit credit method) at the end of each year. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits and those expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. Actuarial gains/ losses are recognised in the Statement of Profit and Loss in the year in which they arise.

### (b) Defined contribution plan

#### Contribution to Government Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per applicable regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

### (c) Share-based payments

Employees of the Company receive remuneration in the form of employee option plan / stock

appreciation rights plan of the Company (equity settled instruments) for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity over the period that the employees unconditionally becomes entitled to the award. The equity instruments generally vest in a graded manner over the vesting period i.e. the period over which all the specified vesting conditions are to be satisfied. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity. The stock option compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

### 3.14 Provisions and contingent liability

#### Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements."

### 3.15 Cash dividend distribution to equity holders

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### 3.16 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit/loss for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### 3.17 Operating segment

"The Board of Directors have been identified as the Chief Operating Decision Maker (CODM) as defined by IND-AS 108, Operating Segment. CODM evaluates the performance of the Company and allocated resources based on the analysis of various performance indicators of the Company. The operating segment comprises of the following:

- a) Staffing and Allied Services - Comprises of Staffing, Temporary Recruitment and Payroll & NETAP.
- b) Other HR Services - Comprises of Regulatory Compliance & Training etc. "

### 3.18 Significant accounting judgments, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected/updated in the assumptions when they eventually occur.

### Defined benefit plans

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rate of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

### Taxes

Deferred tax assets are recognised on deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### Impairment of non-current assets

Determining whether long-term investments and loans

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

are impaired requires an estimation of the value in use of the individual investments in subsidiaries, associate and joint venture or the relevant cash generating units. The value in use calculation is based on Discounted Cash Flow ('DCF') model. Further, the cash flow projections are based on estimates and assumptions relating to operational performance, growth rate, operating margins of the CGU, etc.

### Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations and current economic trends. If the financial condition of a customer deteriorates or there is an overall deterioration in the credit risk macro environment, additional allowances may be required in future.

### 3.19 Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

#### (i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

#### (ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their

'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107."

#### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The Company is currently assessing the impact of the aforesaid amendments. The amendments to Ind AS 12 are applicable for annual periods beginning on and after April 01, 2023.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 4: Property, plant and equipment

	Office equipment	Computers	Furniture & fixtures	Vehicles	Leasehold Improvements	Total
<b>Gross block</b>						
<b>As at 1 April 2021</b>	433.34	535.43	141.45	31.21	498.61	1,640.04
Additions	59.99	257.13	0.04	-	159.96	477.12
Disposals	-	(4.47)	-	-	-	(4.47)
<b>As at 31 March 2022</b>	<b>493.33</b>	<b>788.09</b>	<b>141.49</b>	<b>31.21</b>	<b>658.57</b>	<b>2,112.69</b>
Additions	78.35	299.83	29.40	-	26.47	434.05
Disposals	(31.14)	(15.16)	(29.78)	-	(79.77)	(155.85)
<b>As at 31 March 2023</b>	<b>540.54</b>	<b>1,072.76</b>	<b>141.11</b>	<b>31.21</b>	<b>605.27</b>	<b>2,390.89</b>
<b>Accumulated depreciation</b>						
<b>As at 1 April 2021</b>	246.91	307.41	63.60	7.95	198.97	824.84
Charge during the year	75.99	165.05	26.67	5.05	149.33	422.09
Disposals	-	(3.67)	-	-	-	(3.67)
<b>As at 31 March 2022</b>	<b>322.90</b>	<b>468.79</b>	<b>90.27</b>	<b>13.00</b>	<b>348.30</b>	<b>1,243.26</b>
Charge during the year	81.44	221.97	13.72	5.05	132.07	454.25
Disposals	(24.73)	(11.56)	(23.04)	-	(75.06)	(134.39)
<b>As at 31 March 2023</b>	<b>379.61</b>	<b>679.20</b>	<b>80.95</b>	<b>18.05</b>	<b>405.31</b>	<b>1,563.12</b>
<b>Net block</b>						
<b>As at 31 March 2022</b>	<b>170.43</b>	<b>319.30</b>	<b>51.22</b>	<b>18.21</b>	<b>310.27</b>	<b>869.43</b>
<b>As at 31 March 2023</b>	<b>160.93</b>	<b>393.56</b>	<b>60.16</b>	<b>13.16</b>	<b>199.96</b>	<b>827.77</b>

### Note 5: Right of use assets

	Buildings
<b>Gross block</b>	
<b>As at 1 April 2021</b>	5,392.72
Additions	3,034.17
Disposals	(1,958.57)
<b>As at 31 March 2022</b>	<b>6,468.32</b>
Additions	6,075.16
Disposals	(173.40)
<b>As at 31 March 2023</b>	<b>12,370.08</b>
<b>Accumulated depreciation</b>	
<b>As at 1 April 2021</b>	3,540.37
Charge during the year	1,294.73
Disposals	(850.71)
<b>As at 31 March 2022</b>	<b>3,984.39</b>
Charge during the year	1,559.13
Disposals	(81.43)
<b>As at 31 March 2023</b>	<b>5,462.09</b>
<b>Net block</b>	
<b>As at 31 March 2022</b>	<b>2,483.93</b>
<b>As at 31 March 2023</b>	<b>6,907.99</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 6: Intangible assets

	Softwares
<b>Gross block</b>	
<b>As at 1 April 2021</b>	1,025.31
Additions	406.82
Disposals	-
<b>As at 31 March 2022</b>	<b>1,432.13</b>
Additions	1,031.66
Disposals	-
<b>As at 31 March 2023</b>	<b>2,463.79</b>
<b>Accumulated depreciation</b>	903.36
<b>As at 1 April 2021</b>	
Charge during the year	104.35
Disposals	-
<b>As at 31 March 2022</b>	<b>1,007.71</b>
Charge during the year	333.32
Disposals	-
<b>As at 31 March 2023</b>	<b>1,341.03</b>
<b>Net block</b>	
<b>As at 31 March 2022</b>	<b>424.42</b>
<b>As at 31 March 2023</b>	<b>1,122.76</b>

### Note 7: Intangible assets under development

As at 31 March 2023

#### Intangible assets under development (IADU)

	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	815.76	99.08	151.06	414.24	1,480.14
<b>Total</b>	<b>815.76</b>	<b>99.08</b>	<b>151.06</b>	<b>414.24</b>	<b>1,480.14</b>

As at 31 March 2022

#### Intangible assets under development (IADU)

	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	533.97	305.24	582.15	206.92	1,628.28
<b>Total</b>	<b>533.97</b>	<b>305.24</b>	<b>582.15</b>	<b>206.92</b>	<b>1,628.28</b>

The Company does not have any assets whose completion is overdue or has exceeded its cost compared to its approved budgets.



## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 8: Investments

	31 March 2023	31 March 2022
Non current, Unquoted (at cost, less impairment)		
<b>(A) Investment in Equity Shares</b>		
<b>Subsidiaries</b>		
TeamLease Education Foundation (TLEF)		
10,000 (31 March 2022: 10,000) equity shares of ₹ 10 each, fully paid	1.00	1.00
TeamLease Digital Private Limited (TDPL)		
4,735,000 (31 March 2022: 4,735,000) equity shares of ₹ 50 each, fully paid	2,363.50	2,363.50
TeamLease HRTech Private Limited (HRTech)		
11,111 (31 March 2022: 11,111) equity shares of ₹ 10 each, fully paid	1,934.65	1,934.65
I.M.S.I Staffing Private Limited (IMSI)		
5,318,000 (31 March 2022: 5,318,000) equity shares of ₹ 10 each, fully paid	6,455.55	6,455.55
TeamLease Edtech Limited (TLEL)		
861,984 (31 March 2022: 861,984) equity shares of ₹10 each, fully paid	2,542.94	2,542.94
TeamLease Regtech Private Limited (TRPL)		
1,27,918 equity share (31 March 2022: 1,27,918) of Re. 1 each (Refer note 1 below)	1,999.82	1,999.82
<b>(B) Investment in Debentures of Subsidiary</b>		
TeamLease Digital Private Limited		
8.37% Compulsorily Convertible Debentures (CCD's) of ₹ 10 Lakhs each, fully paid (31 March 2022: 7.30%) (Refer note 2 below)		
Series A to Series M	18,400.00	18,400.00
1,840 (31 March 2022: 1,840)		
Series N	1,320.00	-
132 (31 March 2022: Nil)		
Less: Provision for impairment in HR Tech (Refer note 3 below)	(1,292.81)	(1,292.81)
	<b>33,724.65</b>	<b>32,404.65</b>
Aggregate value of unquoted investments	35,017.46	33,697.46
Aggregate amount of provision for diminution	(1,292.81)	(1,292.81)

#### Notes:

- During the previous year ended 31 March 2022, the Company entered into a definitive agreement and acquired additional equity stake of 14.96% in TRPL at an agreed consideration of ₹ 538.46 Lakhs, thereby increasing the total stake in TRPL to 59.71% on fully diluted basis. Accordingly, TRPL has been accounted as a subsidiary with effect from 3 April 2021. The Company further subscribed to 16,146 equity shares via rights issue for total value of ₹ 310.52 Lakhs, thereby increasing the total stake in TRPL to 61.50%. On 7 February 2022, 307,018 CCCPS of TRPL has been converted into 56,000 equity shares of ₹ 1 each at a premium of ₹ 1,301.59 per share.
- The CCD's are convertible into equity shares on or before 10 years from the date of allotment (ranging between FY 2016-17 to 2022-23), at the fair value as at the conversion date.
- Based on impairment analysis, the Company had provided for impairment of ₹ 1,292.81 Lakhs in respect of Investments in HRTech as at 31 March 2022, which has been disclosed as an 'exceptional item' for the year ended 31 March 2022. HRTech has accumulated losses of ₹ 823.72 Lakhs (31 March 2022: ₹ 1,051.46 Lakhs) as at 31 March 2023.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 9: Current investments (at fair value through profit and loss)

	31 March 2023	31 March 2022
<b>Investment in mutual funds (Quoted)</b>		
UTI Liquid Fund	2,020.01	-
54,752 Units of ₹ 3,689.41 each (31 March 2022: Nil)		
Tata Liquid Fund	3,521.64	-
99,162 Units of ₹ 3,551.41 each (31 March 2022: Nil)		
DSP Liquid Fund	2,515.01	-
78,174 Units of ₹ 3,217.19 each (31 March 2022: Nil)		
ICICI Prudential Fund	2,513.21	-
7,55,299 Units of ₹ 332.74 each (31 March 2022: Nil)		
Kotak Liquid Fund	3,014.73	-
66,281 Units of ₹ 4548.41 each (31 March 2022: Nil)		
Sundaram Liquid Fund	3,001.69	-
1,51,000 Units of ₹ 1987.87 each (31 March 2022: Nil)		
HSBC Liquid Fund	2,501.30	-
1,11,559 Units of ₹ 2242.13 each (31 March 2022: Nil)		
Axis Arbitrage Fund	-	505.50
Nil (31 March 2022: 3,122,970 Units of ₹ 16.19 each)		
Kotak Money Market Fund	-	2,523.94
Nil (31 March 2022: 70,100 Units of ₹ 3,600.50 each)		
IDFC Overnight fund	-	2,005.21
Nil (31 March 2022: 177,523 Units of ₹ 1,129.56 each)		
	<b>19,087.59</b>	<b>5,034.65</b>
Aggregate amount of quoted investment and market value thereof	19,087.59	5,034.65

### Note 10: Loans

	31 March 2023	31 March 2022
<b>Non-current</b>		
(Unsecured)		
Loans to related parties (Refer note 43)	1,000.00	1,743.00
	<b>1,000.00</b>	<b>1,743.00</b>
(Unsecured, credit impaired)		
Loans to related parties (Refer note 43)	980.00	-
Less: Impairment of loan (Refer Note below)	(980.00)	-
	-	-
	<b>1,000.00</b>	<b>1,743.00</b>
<b>Current</b>		
(Unsecured)		
Loans to related parties (Refer note 43)	20.00	-
	<b>20.00</b>	-

**Note:** On Dec 23, 2022, Department of Higher Education vide notification number F.No.36-27/2018.NVEQF has discontinued National Employability Enhancement Mission Scheme, which will have adverse impact on continuation of business activities of TeamLease Skills University (TLSU), since TLSU will not be eligible to take fresh enrolments of apprentices under the said Scheme, leading to uncertainty around recovery of loans from TLSU in foreseeable future.

Out of loan given to TLEF, ₹ 1,580 Lakhs was utilised by TLEF for granting loan to TLSU in current year. As at year end, the balance outstanding from TLSU was ₹ 980 Lakhs. Accordingly, management has impaired above outstanding loan from TLEF that has been utilised by TLEF for granting loan to TLSU.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 11: Unbilled revenue

	31 March 2023	31 March 2022
<b>Current</b>		
(Unsecured, Considered good)		
Unbilled revenue	9,806.52	10,512.89
	<b>9,806.52</b>	<b>10,512.89</b>

\*includes ₹ 148.46 Lakhs (31 March 2022: ₹ 184.44 Lakhs) from related parties.

### Note 12: Other financial assets

	31 March 2023	31 March 2022
<b>Non-current</b>		
(Unsecured, Considered good)		
Reimbursement right for gratuity	9,343.79	9,205.98
Reimbursement right for compensated absences	959.05	871.79
Security/other deposits	759.96	552.69
Other advances etc*	149.03	204.21
Fixed deposits with banks (maturity of more than 12 months) (Refer note 17)	-	212.36
Interest accrued on fixed deposits	-	18.01
Debenture application money (pending allotment)	-	1,320.00
	<b>11,211.83</b>	<b>12,385.04</b>
(Credit Impaired)		
Deposits	80.52	118.36
Less: Provision	(80.52)	(118.36)
	-	-
	<b>11,211.83</b>	<b>12,385.04</b>

\* includes ₹ 149.03 Lakhs (31 March 2022: 54.21 Lakhs) due from related parties.

	31 March 2023	31 March 2022
<b>Current</b>		
(Unsecured, Considered good)		
Interest accrued on fixed deposits	91.18	73.84
Interest accrued on loans (Refer Note 43)	6.68	-
Reimbursement right for gratuity	5,213.73	4,421.84
Reimbursement right for compensated absences	1,718.87	1,503.01
Security/other deposits	219.25	424.68
Receivables from related parties (Refer Note 43)	367.14	249.32
Other receivables	1,345.21	-
Other assets	18.35	461.66
	<b>8,980.41</b>	<b>7,134.35</b>
(Credit impaired)		
Other receivables	257.91	-
Deposits	19.23	19.36
Less: Provision	(277.14)	(19.36)
	-	-
	<b>8,980.41</b>	<b>7,134.35</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 13: Deferred tax assets (net)

	31 March 2023	31 March 2022
Deferred tax assets/(liabilities)	653.31	691.51
	<b>653.31</b>	<b>691.51</b>

Particulars	Provision for expected credit loss	Depreciation on property, plant and equipment and intangible assets	Provision for leave encashment and gratuity	Others	Total
<b>1 April 2021</b>	322.72	186.38	177.75	107.89	794.74
<b>Credit/ charge:</b>					
Profit and loss	(117.02)	(7.70)	13.35	9.64	(101.73)
Other comprehensive income	-	-	(1.50)	-	(1.50)
<b>31 March 2022</b>	<b>205.70</b>	<b>178.68</b>	<b>189.60</b>	<b>117.53</b>	<b>691.51</b>
<b>Credit/ charge:</b>					
Profit and loss	(100.24)	5.75	24.76	37.35	(32.38)
Other comprehensive income	-	-	(5.82)	-	(5.82)
<b>31 March 2023</b>	<b>105.46</b>	<b>184.43</b>	<b>208.54</b>	<b>154.88</b>	<b>653.31</b>

### Note 14: Income tax assets (net)

	31 March 2023	31 March 2022
Advance income tax (net of provision for taxation)	19,398.30	11,318.51
	<b>19,398.30</b>	<b>11,318.51</b>

\* Includes ₹ 12.21 Lakhs (March 31, 2022: ₹ 12.21 Lakhs) paid under protest.

#### Income tax expense/ (credit) in the statement of profit and loss consists of:

	31 March 2023	31 March 2022
Current income tax charge	165.86	80.03
Deferred tax charge (net)	32.38	101.73
<b>Income tax reported in the statement of profit or loss</b>	<b>198.24</b>	<b>181.76</b>

#### Income tax recognised in other comprehensive income

	31 March 2023	31 March 2022
Deferred tax charge	5.82	1.50
<b>Income tax expense charged to OCI</b>	<b>5.82</b>	<b>1.50</b>

#### Reconciliation of effective tax rate:

	31 March 2023	31 March 2022
Profit before exceptional items and tax	10,150.69	9,624.32
Tax using the Company's domestic tax rate @ 25.168%	2,554.73	2,422.25
<b>Tax effect of:</b>		
Non-deductible tax expense	373.26	395.42
PF trust contribution	232.11	(1,382.60)

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
80JJAA deduction	(2,918.48)	(1,247.97)
Others	(43.38)	(5.34)
<b>Income tax expense</b>	<b>198.24</b>	<b>181.76</b>

### Note 1

As per amendment in the Finance Act, 2016, deduction under Section 80JJAA of the Income tax Act, 1961, was extended across to all the sectors. As per the provisions of Section 80JJAA, an assessee will be allowed a deduction of an amount equal to thirty per cent of additional wages paid to the new regular workmen employed by the assessee in the previous year for three assessment years including the assessment year relevant to the previous year in which such employment is provided subject to fulfilment of the other conditions mentioned in the Section 80JJAA. The Company has started availing such deduction from financial year 2016-17 onwards. Also refer note 46 in respect of certain tax litigations.

### Note 15: Other non-current assets

	31 March 2023	31 March 2022
(Unsecured, Considered good)		
Balances with statutory/ government authorities*	16.70	-
	<b>16.70</b>	<b>-</b>
(Credit impaired)		
Balances with statutory/ government authorities	29.66	29.66
Less: Provision	(29.66)	(29.66)
	<b>16.70</b>	<b>-</b>

\* Paid under protest towards Professional tax.

### Note 16: Trade receivables

	31 March 2023	31 March 2022
(Unsecured, considered good)		
Trade receivables from related parties (Refer note 43)	971.53	2,881.08
Trade receivables - others	24,105.72	21,323.10
(Unsecured, credit impaired)		
Trade receivables - others	161.10	817.25
	<b>25,238.35</b>	<b>25,021.43</b>
Allowance for expected credit loss	(161.10)	(817.25)
	<b>(161.10)</b>	<b>(817.25)</b>
	<b>25,077.25</b>	<b>24,204.18</b>

### Trade receivables ageing schedule

#### As at 31 March 2023

	Current not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	8,641.27	16,435.98	-	-	-	-	25,077.25
Undisputed Trade receivable – credit impaired	-	-	31.69	72.70	14.96	41.75	161.10
<b>Total</b>	<b>8,641.27</b>	<b>16,435.98</b>	<b>31.69</b>	<b>72.70</b>	<b>14.96</b>	<b>41.75</b>	<b>25,238.35</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### As at 31 March 2022

	Current not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	9,362.11	14,842.07	-	-	-	-	24,204.18
Undisputed Trade receivable – credit impaired	-	-	60.57	312.07	368.12	76.49	817.25
<b>Total</b>	<b>9,362.11</b>	<b>14,842.07</b>	<b>60.57</b>	<b>312.07</b>	<b>368.12</b>	<b>76.49</b>	<b>25,021.43</b>

- a) No receivable is due from directors or other officers of the Company either severally or jointly with any other person. For trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member, refer note 43.
- b) Trade receivables are non-interest bearing and with credit period upto 90 days (31 March 2022: 60 days).
- c) There are no disputed trade receivables.

### Note 17: Cash and cash equivalents and bank balances

	31 March 2023	31 March 2022
Balances with banks:		
- On current accounts	12,504.05	15,349.48
- Deposits with original maturity of less than 3 months	-	33.16
	<b>12,504.05</b>	<b>15,382.64</b>
<b>Other bank balances</b>		
Deposits with remaining maturity of less than 12 months	4,848.02	8,709.34
Deposits with remaining maturity of more than 12 months	-	212.36
	<b>4,848.02</b>	<b>8,921.70</b>
Less: Amounts disclosed under other financial assets (Refer note 12)	-	(212.36)
	<b>4,848.02</b>	<b>8,709.34</b>
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Balances with banks:		
- On current accounts	12,504.05	15,349.48
- Deposits with original maturity of less than 3 months	-	33.16
	12,504.05	15,382.64
Less: Bank overdraft (Refer note 23)	(1,295.64)	(2,516.84)
	<b>11,208.41</b>	<b>12,865.80</b>

Fixed deposits of ₹ 966.93 Lakhs as at 31 March 2023 (31 March 2022: ₹ 2,929.86 Lakhs) is under lien with various banks for loans taken/ guarantees issued to third parties.

### Note 18: Other current assets

	31 March 2023	31 March 2022
(Unsecured, Considered good)		
Prepaid expenses	1,131.15	1,275.07
Advances to suppliers/others	1,431.00	1,372.52
Loans and advances to employees	48.59	42.82
	<b>2,610.74</b>	<b>2,690.41</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 19: Equity share capital

	31 March 2023	31 March 2022
<b>Equity share capital</b>		
<b>(i) Authorised equity share capital</b>		
23,300,000 (31 March 2022: 23,300,000) equity shares of ₹ 10 each.	2,330.00	2,330.00
<b>(ii) Authorised 12% Cumulative Convertible Redeemable Preference Shares (CCPS)</b>		
170,000 (31 March 2022: 170,000) CCPS of ₹ 100 each	170.00	170.00
<b>(iii) Issued, subscribed and fully paid-up shares</b>		
17,096,769 (31 March 2022: 17,096,769) equity shares of ₹ 10 each.	1,709.68	1,709.68
<b>Total issued, subscribed and fully paid-up shares</b>	<b>1,709.68</b>	<b>1,709.68</b>

#### (iv) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

- (v) The Company has sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated February 03, 2023 for buyback of 327,869 equity shares at a price of 3,050 per equity share for an aggregate consideration of ₹ 100 Crores, which was duly passed and the results of which were announced on March 16, 2023. The offer size of the buyback was 14.79% and 14.50% of the aggregate fully paid-up equity share capital and free reserves, respectively as per audited standalone financial statements and audited consolidated financial statements of the Company as at March 31, 2022. The buyback offer period is open from May 12, 2023 to May 25, 2023.

#### (vi) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	31 March 2023		31 March 2022	
	Numbers	% holding	Numbers	% holding
Equity shares of ₹ 10 each fully paid				
HR Offshoring Ventures Pte Limited	4,058,876	23.74	4,058,876	23.74
NED Consultants LLP	1,196,997	7.00	1,196,997	7.00
Franklin India Balanced Advantage fund	956,325	5.59	-	-

- (vii) There are no shares reserved for issue under options, except held by TeamLease Employee Stock Option Plan Trust. Also refer note 37.

#### (viii) Details of shares held by promoters

##### As at 31 March 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HR Offshoring Ventures Pte Limited	4,058,876	-	4,058,876	23.74%	-
NED Consultants LLP	1,196,997	-	1,196,997	7.00%	-
Hansini Management Consultants Private Limited	131,442	-	131,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	0.00%	-
<b>Total</b>	<b>5,387,615</b>	<b>-</b>	<b>5,387,615</b>	<b>31.51%</b>	<b>-</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HR Offshoring Ventures Pte Limited	4,315,328	(256,452)	4,058,876	23.74%	-5.94%
NED Consultants LLP	1,367,965	(170,968)	1,196,997	7.00%	-12.50%
Hansini Management Consultants Private Limited	131,442	-	131,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	-	-
<b>Total</b>	<b>5,815,035</b>	<b>(427,420)</b>	<b>5,387,615</b>	<b>31.51%</b>	<b>-7.35%</b>

### Note 20: Other equity

	31 March 2023	31 March 2022
Securities premium	24,873.60	24,764.29
Retained earnings	50,886.14	41,149.21
Share based payment reserves	278.23	228.39
	<b>76,037.97</b>	<b>66,141.89</b>

### Nature and purpose of other reserves

#### (i) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of Section 52 of Companies Act, 2013.

#### (ii) Share based payment reserves

This reserve relates to stock options and stock appreciation rights granted by the Company to employees under TeamLease Employee Stock Option Plan and Employee Stock Appreciation Rights Plan 2019 respectively.

### Note 21: Employee defined benefit liabilities

	31 March 2023	31 March 2022
<b>Non-current</b>		
Employee benefits - Gratuity (Refer note 36)	9,642.11	9,485.38
Employee benefits - Compensated absences	1,205.80	1,102.32
	<b>10,847.91</b>	<b>10,587.70</b>
<b>Current</b>		
Employee benefits - Gratuity (Refer note 36)	5,354.26	4,538.92
Employee benefits - Compensated absences	1,861.80	1,629.27
	<b>7,216.06</b>	<b>6,168.19</b>

### Note 22: Other non-current liabilities

	31 March 2023	31 March 2022
Disputed tax liabilities (Refer note 46)	421.90	421.90
	<b>421.90</b>	<b>421.90</b>



## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 23: Borrowings

	31 March 2023	31 March 2022
<b>Current</b>		
Secured		
Bank overdraft*	1,295.64	2,516.84
	<b>1,295.64</b>	<b>2,516.84</b>

\* The overdraft facilities from bank are secured by lien on fixed deposits, book debts, floating charge on current assets and property, plant and equipment and carries interest ranging between 7.20% to 9.50% (31 March 2022: 7.20% to 7.90%) per annum. The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account.

### Note 24: Lease Liabilities

	31 March 2023	31 March 2022
<b>Non-Current</b>		
Lease liabilities	5,478.42	1,909.01
	<b>5,478.42</b>	<b>1,909.01</b>

	31 March 2023	31 March 2022
<b>Current</b>		
Lease liabilities	1,791.57	904.14
	<b>1,791.57</b>	<b>904.14</b>

The following is the movement in lease liabilities

Particulars	31 March 2023	31 March 2022
Balances as at beginning of the year	2,813.15	2,104.85
Add: Additions during the year	5,919.12	3,011.92
Less: Deletions during the year	(108.93)	(1,212.49)
Add: Finance cost incurred during the year	430.07	319.81
Less: Payments (including finance cost)	(1,783.42)	(1,410.94)
<b>Balance as at year end</b>	<b>7,269.99</b>	<b>2,813.15</b>

The weighted average discount rate used for recognition of lease liabilities is 7.30% - 8.37% p.a. (31 March,2022: 7.30% p.a.)

### Note 25: Trade payables

	31 March 2023	31 March 2022
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises ("MSME") (Refer note 45)	57.72	74.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,561.24	1,930.49
	<b>2,618.96</b>	<b>2,004.86</b>

Refer note 43 for details of trade payables to related parties.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Trade payables ageing schedule

As at 31 March 2023

	Unbilled dues	Outstanding for following periods from due date of payment					Total
		Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.61	41.64	15.34	0.13	-	-	57.72
(ii) Others	1,117.13	461.66	795.39	136.77	7.85	42.44	2,561.24
	<b>1,117.74</b>	<b>503.30</b>	<b>810.73</b>	<b>136.90</b>	<b>7.85</b>	<b>42.44</b>	<b>2,618.96</b>

As at 31 March 2022

	Unbilled dues	Outstanding for following periods from due date of payment					Total
		Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	61.64	12.73	-	-	-	74.37
(ii) Others	970.29	376.21	507.24	15.29	51.51	9.95	1,930.49
	<b>970.29</b>	<b>437.85</b>	<b>519.97</b>	<b>15.29</b>	<b>51.51</b>	<b>9.95</b>	<b>2,004.86</b>

Notes:

- Trade payables are non-interest bearing and are normally settled within 30 days terms.
- There are no disputed trade payables.

### Note 26: Other financial liabilities

	31 March 2023	31 March 2022
<b>Non-Current</b>		
Long-term incentive payable	314.80	133.97
	<b>314.80</b>	<b>133.97</b>

	31 March 2023	31 March 2022
<b>Current</b>		
Employees benefits payable	27,528.97	23,068.75
Creditors for capital goods	0.11	182.65
Other liabilities	-	51.15
	<b>27,529.08</b>	<b>23,302.55</b>

### Note 27: Other current liabilities

	31 March 2023	31 March 2022
GST Payable	11,015.53	8,380.51
Other Statutory dues payable	8,516.59	7,155.15
Advance from customers	360.06	1,626.40
Other liabilities	4,123.86	4,654.44
	<b>24,016.04</b>	<b>21,816.50</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 28: Revenue from operations

	31 March 2023	31 March 2022
Sale of services	682,420.16	558,619.97
Skills and development etc.	-	906.70
Income from regulatory and other HR services	3,055.18	2,154.27
Payroll income	2,142.25	2,352.88
	<b>687,617.59</b>	<b>564,033.82</b>

### Other disclosures

#### Disaggregated revenue information

The disaggregation of Company's revenue from contracts with customers, which is in agreement with the amounts disclosed in the segment information and the contracted price are provided in note 42.

Contract balances	31 March 2023	31 March 2022
Contract assets - Trade receivables	25,077.25	24,204.18
Contract assets - Unbilled revenue	9,806.52	10,512.89
Contract liabilities - Advance from customers	360.06	1,626.40

Set out below is the amount of revenue recognised from:

	31 March 2023	31 March 2022
Amounts included in contract liabilities at the beginning of the year	131.04	971.48

### Note 29: Other income

	31 March 2023	31 March 2022
Interest income on:		
Loans to related parties/ Investment in CCD's (Refer note 43)	1,842.64	1,451.71
Deposits with banks	258.92	425.15
Income tax refunds	-	0.63
Others	27.75	20.80
Liabilities/ provisions no longer required written back	2,020.75	901.12
Net gain on sale of current investments	624.06	305.99
Net fair value gains on current investments	87.59	34.65
Profit on disposal of property, plant and equipment (net)	-	-
Income from Skills business and development	328.36	-
Net fair value gain on assets held for sale (IIJT Education)	-	61.46
Miscellaneous income	104.66	49.45
	<b>5,294.73</b>	<b>3,250.96</b>

### Note 30: Employee benefits expense

	31 March 2023	31 March 2022
Salaries, wages and bonus	6,18,539.12	5,04,545.51
Share based payment expense (net)	64.33	104.62
Gratuity expense	140.36	135.92
Compensated absences	181.40	155.39
Contribution to provident fund and other funds	47,690.66	38,833.08
Staff welfare expenses	5,165.64	4,824.79
	<b>6,71,781.51</b>	<b>5,48,599.31</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 31: Finance costs

	31 March 2023	31 March 2022
Interest on bank overdraft	20.93	6.35
Interest on short term borrowings	-	0.01
Interest on lease liabilities	430.07	319.81
Interest on financial liabilities and others	24.90	31.59
	<b>475.90</b>	<b>357.76</b>

### Note 32: Depreciation and amortization expense

	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	454.25	422.09
Amortization of other intangible assets	333.32	104.35
Depreciation of right-of-use assets	1,559.13	1,294.73
	<b>2,346.70</b>	<b>1,821.17</b>

### Note 33: Other expenses

	31 March 2023	31 March 2022
Training expenses (skill development etc.)	1,125.77	1,028.77
Rent	756.14	861.57
Rates and taxes	174.72	194.01
Electricity	281.07	251.16
Traveling and conveyance	511.43	316.67
Repairs and maintenance		
- Leasehold premises	1.41	8.36
- Others	1,747.08	1,224.93
Printing and stationery	-	355.16
Legal and professional charges	1,875.89	1,507.54
Auditors' remuneration (Refer note below)	93.24	86.37
Insurance	18.07	54.82
Sundry balances written off	-	19.85
Bad debts written off	264.47	368.61
Less: Provision for expected credit loss utilised	(119.55)	(240.27)
Reversal of provision for expected credit loss	(26.92)	(224.64)
Balances written off (IIJT Education)	-	33.77
Loss on disposal of property, plant and equipment (net)	20.15	-
Reversal of provision for doubtful advances/ receivables (net)	(210.66)	-
Corporate Social Responsibility expenditure (Refer note 48)	147.24	187.94
Foreign exchange loss (net)	24.66	31.44
Miscellaneous expenses	979.14	816.16
	<b>8,157.52</b>	<b>6,882.22</b>

#### Note: Payment to auditors

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
<b>As auditor</b>		
Statutory audit fee	50.00	50.00
Tax audit fee/ other services	7.00	5.00
Limited review	35.00	30.00
Reimbursement of expenses	1.24	1.37
	<b>93.24</b>	<b>86.37</b>

### Note 34: Exceptional items

	31 March 2023	31 March 2022
(Recovery) / contribution to PF Trust (Refer note 49)	(922.25)	5,719.87
TDS balances written off	-	180.25
Buyback expenses	175.08	-
Loan written off (Refer note 10 & 43)	980.00	-
Provision for impairment of investments in HR Tech	-	1,292.81
	<b>232.83</b>	<b>7,192.93</b>

### Note 35: Earnings per share

The following reflects the income and share data used in the basic and diluted EPS computation:

	31 March 2023	31 March 2022
Profit attributable to equity shareholders (₹ in Lakhs)	9,719.62	2,249.63
Nominal value of each equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the year	17,096,769	17,096,769
EPS - basic and diluted (₹)	<b>56.85</b>	<b>13.16</b>

### Note 36: Employee benefit obligation

#### Gratuity (Associate)

The Company has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 5 years of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement. The Company has recognised gratuity liability and reimbursement rights in respect of associate employees in accordance with IND AS 19.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

#### Net defined benefit liability/ (assets)

	31 March 2023	31 March 2022
Present value of unfunded obligation	14,557.52	13,627.82
Fair value of plan assets	-	-
<b>Net liability</b>	<b>14,557.52</b>	<b>13,627.82</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Current	5,213.73	4,421.84
Non-current	9,343.79	9,205.98

### Net benefit expense

	31 March 2023	31 March 2022
Current service cost	6,886.44	6,847.58
Net actuarial (gain)/ loss recognised in the year	(4,159.98)	(2,701.34)
Interest cost on defined benefit obligation	639.11	424.44
<b>Net benefit expense (Refer note below)</b>	<b>3,365.57</b>	<b>4,570.68</b>

The above employee benefits expense towards gratuity and related reimbursement right for associate employees is netted off in the Statement of Profit and Loss.

### Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	31 March 2023	31 March 2022
Defined benefit obligation at beginning of the year	13,627.82	10,916.40
Current service cost	6,886.44	6,847.58
Interest cost on defined benefit obligation	639.11	424.44
Benefits paid	(2,435.87)	(1,859.26)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	4.11	141.23
Actuarial (gain) / loss arising from changes in financial assumptions	(710.40)	(57.23)
Actuarial (gain) / loss arising from changes in experience adjustments	(3,453.69)	(2,785.34)
<b>Defined benefit obligation at end of the year</b>	<b>14,557.52</b>	<b>13,627.82</b>

### The principal assumptions used in determining gratuity obligations are shown below:

	31 March 2023	31 March 2022
Discount rate	7.07%	5.15%
Salary escalation rate	3.00%	7.00%
Attrition rate	42.00%	43.00%
Retirement age	58	58
Mortality tables	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table

**Note:** The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in employment market.

### Sensitivity analysis

Sensitivity analysis for significant assumptions on defined benefit obligation:

Particulars	31 March 2023		31 March 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	14,272.18	14,856.10	13,333.76	13,936.52
Salary escalation rate	14,793.28	14,328.25	13,863.38	13,398.97
Attrition rate	14,481.83	14,634.39	13,502.87	13,756.47

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### The following payments are expected contributions to the defined benefit plan in future years

	31 March 2023	31 March 2022
Year 1	3,661.12	3,225.22
Year 2	2,490.24	2,456.04
Year 3	1,803.98	1,721.98
Year 4	1,298.42	1,232.38
Year 5	768.82	745.85
Next 5 years	1,029.47	1,045.41

The weighted average duration of defined benefit obligation at the end of the reporting period is 2 years (31 March 2022: 2 years)

### Gratuity (Core employees)

The Company has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 5 years of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

### Net defined benefit liability/ (assets)

	31 March 2023	31 March 2022
Present value of funded obligation	438.85	396.48
Fair value of plan assets	-	-
<b>Net liability</b>	<b>438.85</b>	<b>396.48</b>
Current	140.53	117.08
Non-current	298.32	279.40

### Net benefit cost recognised in statement of profit and loss

	31 March 2023	31 March 2022
Current service cost	120.04	118.42
Interest cost on defined benefit obligation	20.32	17.50
<b>Net benefit expense</b>	<b>140.36</b>	<b>135.92</b>

### Remeasurement (gains)/loss in other comprehensive income

Particulars	31 March 2023	31 March 2022
Due to change in demographic assumptions	(0.96)	9.01
Due to change in financial assumptions	(5.56)	(9.36)
Due to change in experience adjustments	(16.61)	(5.61)
<b>Actuarial loss recognised in OCI</b>	<b>(23.13)</b>	<b>(5.96)</b>

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2023	31 March 2022
Defined benefit obligation at beginning of the year	396.48	374.92

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Current service cost	120.04	118.42
Interest cost on defined benefit obligation	20.32	17.50
Benefits paid	(74.86)	(74.31)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	(0.96)	9.01
Actuarial (gain) / loss arising from changes in financial assumptions	(5.56)	(9.36)
Actuarial (gain) / loss arising from changes in experience adjustments	(16.61)	(5.61)
Transfer out	-	(34.09)
<b>Defined benefit obligation at end of the year</b>	<b>438.85</b>	<b>396.48</b>

The principal assumptions used in determining gratuity benefit obligation are shown below:

	31 March 2023	31 March 2022
Discount rate	7.11%	5.66%
Salary escalation rate	8.00%	7.00%
Attrition rate	37.00%	36.00%
Retirement age	60	60
Mortality tables	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table

Note: The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in employment market.

### Sensitivity analysis

Sensitivity analysis for significant assumptions on defined benefit obligation:

Particulars	31 March 2023		31 March 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	429.12	449.09	387.07	406.41
Salary escalation rate	446.22	431.71	403.71	389.46
Attrition rate	437.10	440.64	394.52	398.48

The following payments are expected contributions to the defined benefit plan in future years

Particulars	31 March 2023	31 March 2022
Year 1	108.36	93.00
Year 2	76.73	72.80
Year 3	56.00	51.69
Year 4	41.88	36.64
Year 5	27.88	25.01
Next 5 years	46.72	43.16

The weighted average duration of defined benefit obligation at the end of the reporting period is 3 years (31 March 2022: 3 years).



## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 37: Share based payments

#### Employee Share Option Scheme (ESOP)

TeamLease Services Limited has granted stock options to employees of the Company under 'TeamLease Services Limited ESOP Plan' 2015. The options issued under the plan has term of 3-4 years and vest based on the terms of individual grants. When exercisable, each option is convertible into one equity share. The exercise price of option is ₹ 10. The stock options are restricted for sale, pledge or transfer.

Tranche I and II - Total number of options granted were 126,640, out of which 110,522 options were exercised and 16,118 options were expired in earlier years.

#### A. Details of TeamLease Employee Stock Option Plan

Name of the Scheme - TeamLease Employee Stock Option Plan - 2015	Tranche - III*
Date of grant	1 July 2019
Number granted	18,155
Exercise price (₹)	₹ 10
Vesting period	1-3 years
Vesting conditions	34% on expiry of 12 months from grant date
	33% on expiry of 21 months from grant date
	33% on expiry of 33 months from grant date

\* Approved by Board of Directors and Nomination and Remuneration Committee, during financial year 2019-20.

#### B. Movement in options granted to employees

	Number of Options	
	31 March 2023	31 March 2022
Outstanding at beginning	3,634	7,268
Granted	-	-
Forfeited	-	-
Expired	-	-
Exercised	3,634	3,634
Outstanding at end of the year	-	3,634
Exercisable at end of the year	-	3,634

#### Fair value of options granted

The fair value of stock options granted is estimated using Black-Scholes valuation model, which incorporates various assumptions including expected life, volatility, risk free rate, interest rates and dividend yield. As no stock options were granted for the year ended 31 March 2023 and 31 March 2022, valuation assumptions are not disclosed.

The weighted average remaining contractual life for the share options outstanding as at 31 March 2023 was Nil (31 March 2022: Nil).

The weighted average exercise price of the outstanding option is ₹ Nil (31 March 2022: ₹ 10).

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Stock Option Compensation expense is Nil (31 March 2022: ₹ 39.75 Lakhs) for the year.

### Note 38: Employee Stock Appreciation Rights Plan 2019 (ESAR 2019)

On recommendation of the Nomination and Remuneration Committee, the Board of Directors and Shareholders approved the ESAR 2019 plan at its meeting held on 9 June 2021, 3 September 2021, 17 May 2022 and 21 September 2022 respectively. The ESAR 2019 plan provides stock options appreciation rights to eligible employees of the Company and its subsidiaries.

#### A. Details of ESAR 2019 plan

Particulars	Tranche-I	Tranche-II	Tranche-III
Date of grant	9 June 2021 3 September 2021	1 July 2022	21 September 2022
Number granted	49,000	32,750	12,000
Exercise price (₹)	3,620	3,300	3,224
Vesting period	5 years	5 years	5 years

#### B. Movement in the stock options appreciation rights granted to employees - Tranche I

Particulars	Number of Stock Appreciation Rights		Weighted average Exercise price (₹)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Outstanding at beginning of the year	45,000	-	3,620	-
Granted	-	49,000	-	3,620
Forfeited	21,000	4,000	3,620	3,620
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	24,000	45,000	3,620	3,620
Exercisable at end of the year	-	-	-	-

#### C. Movement in the stock options appreciation rights granted to employees - Tranche II and III

Particulars	Tranche II		Tranche III	
	Number of Stock Appreciation Rights	Weighted average Exercise price (₹)	Number of Stock Appreciation Rights	Weighted average Exercise price (₹)
	31 March 2023		31 March 2023	
Outstanding at beginning of the year	-	-	-	-
Granted	32,750	3,300	12,000	3,224
Forfeited	6,750	3,300	12,000	3,224
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	26,000	3,300	-	-
Exercisable at end of the year	-	-	-	-

#### D. Fair value of stock options appreciation rights granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Variables	31 March 2023		31 March 2022
	Tranche III	Tranche II	Tranche I
Weighted average share price on date of grant	3,224	3,300	3,604
Exercise price (₹)	3,224	3,300	3,620
Expected volatility	39.61%	38.43%	39.23%

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Life of rights granted in years	5 years	5 years	5 years
Risk free interest rate	7.42%	7.31%	6.79%
Expected dividend yield (%)	-	-	-
Fair value of option (₹)	1,506	1,385	1,495
Weighted average remaining contractual life	-	4.25 years	3.25 years
Weighted average exercise price of stock options appreciation rights outstanding	-	3,300	3,620

Stock options appreciation rights expense is ₹ 64.33 Lakhs (31 March 2022: ₹ 64.87 Lakhs) for the year.

### Note 39: Fair value measurements

#### Financial assets measured at fair value through profit/ loss:

Particulars	31 March 2023	31 March 2022
Financial Assets		
Investment in mutual funds (Quoted price in active markets Level 1)	19,087.59	5,034.65

There are no transfers between levels during the year.

Management has assessed that the fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, investments, loans, trade receivables, unbilled revenue, trade payables, borrowings, lease liabilities, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and these are measured at amortised cost.

The fair value of the financial assets and liabilities is included in the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### Note 40: Financial risk management objectives and policies

The Company has exposure to the following risks arising from financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk.

#### Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal auditors. Internal Audit function includes regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

Financial instruments affected by market risks include trade receivable, trade payable and borrowings.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (i) Foreign Currency Risk

Foreign currency risks is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company does not have significant foreign currency exposure and hence is not exposed to any significant foreign currency risks.

### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company does not have significant debt obligation with floating interest rates, hence is not exposed to any significant interest rate risks.

### (b) Credit risk

Credit risk is the risk that counterparty will not meet its contractual obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables, investments and other financial instruments.

#### Trade receivables

With respect to trade receivables/unbilled revenue, the Company has framed the policies to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company follows 'simplified approach' for recognition of provision for ECL on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes provision for ECL based on lifetime ECLs at each reporting date, right from its initial recognition.

Management does not expect any significant loss from non-performance by counterparties on credit granted during the financial year that has not been provided for.

The following table summarises the changes in the loss allowance measured using ECL:

Particulars	31 March 2023	31 March 2022
Opening balance	817.25	1,282.16
Amount reclassified/adjusted*	(509.68)	-
Amount (reversed)/provided during the year	(26.92)	(224.64)
Amount adjusted for bad debts	(119.55)	(240.27)
Closing provision	161.10	817.25

\* Considering Skills and development business is on sunset mode and no longer part of main line of business, as approved by the Board the related receivables are reclassified under other financial assets.

#### Financial instruments

Credit risk from balances with the banks and financial institutions and current investments are managed by the Company's treasury team based on the Company's policy. Investment of surplus fund is made only with approved counterparties.

Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### (c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank borrowings. The summary of the maturity profile of the Company's financial liabilities is as below:

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Particulars	Maturity period	31 March 2023	31 March 2022
<b>Financial liabilities - Current</b>			
Borrowings	Within 1 year	1,295.64	2,516.84
Trade payables	Within 1 year	2,618.96	2,004.86
Lease liabilities	Within 1 year	1,791.57	904.14
Other financial liabilities	Within 1 year	27,529.08	23,302.55
		<b>33,235.25</b>	<b>28,728.39</b>
<b>Financial liabilities - Non current</b>			
Lease liabilities	1 - 5 years	5,474.54	1,887.80
Lease liabilities	Above 5 years	3.88	21.21
Other financial liabilities	1 - 5 years	314.80	133.97
		<b>5,793.22</b>	<b>2,042.98</b>

### Note 41: Capital management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future development of its business. The Company is focused on keeping strong capital base to ensure independence and sustained growth in business.

The Company is predominantly equity financed. To maintain and adjust capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company has very minimal amount of borrowings. The existing surplus funds along with the cash generated by the Company, are sufficient to meet its current/non-current obligation and working capital requirement.

### Note 42: Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors of the Company is identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segment. The CODM evaluates the Company's performance and allocate resources based on analysis of various performance indicators of the Company.

The reportable business segments are in line with the segment wise information which is being presented to the CODM and for which discrete financial information is available.

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably and accordingly such items are separately disclosed as 'unallocated'.

#### (i) Reportable segments:

Reportable operating segments of the Company are as follows:

- Staffing and Allied Services - Comprises of Staffing, Temporary Recruitment and Payroll & NETAP.
- Other HR Services - Comprises of Regulatory Compliance and Training etc.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### (ii) Segment results:

Particulars	General staffing and allied services		Other HR services		Unallocated		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Revenue:</b>								
External revenue	684,562.41	560,972.85	3,055.18	3,060.97	-	-	687,617.59	564,033.82
<b>Total segment revenue</b>	<b>684,562.41</b>	<b>560,972.85</b>	<b>3,055.18</b>	<b>3,060.97</b>	<b>-</b>	<b>-</b>	<b>687,617.59</b>	<b>564,033.82</b>
<b>Segment results</b>	<b>11,107.21</b>	<b>9,895.35</b>	<b>(413.17)</b>	<b>(408.60)</b>	<b>(67.45)</b>	<b>495.33</b>	<b>10,626.59</b>	<b>9,982.08</b>
Exceptional item	-	-	-	-	(232.83)	(7,192.93)	(232.83)	(7,192.93)
Finance cost	-	-	-	-	(475.90)	(357.76)	(475.90)	(357.76)
<b>Profit before tax</b>	<b>11,107.21</b>	<b>9,895.35</b>	<b>(413.17)</b>	<b>(408.60)</b>	<b>(776.18)</b>	<b>(7,055.36)</b>	<b>9,917.86</b>	<b>2,431.39</b>
Tax expense	-	-	-	-	198.24	181.76	198.24	181.76
<b>Profit after tax</b>	<b>11,107.21</b>	<b>9,895.35</b>	<b>(413.17)</b>	<b>(408.60)</b>	<b>(974.42)</b>	<b>(7,237.12)</b>	<b>9,719.62</b>	<b>2,249.63</b>
<b>Other information</b>								
Capital expenditure	-	-	-	-	1,500.08	905.57	1,500.08	905.57
Depreciation and amortization	754.25	438.26	32.63	34.75	1,559.82	1,348.16	2,346.70	1,821.17
Non cash expenditure other than depreciation	-	-	-	-	1,031.06	1,501.23	1,031.06	1,501.23

Other Information:	31 March 2023		31 March 2022	
	Assets	Liabilities	Assets	Liabilities
General staffing and allied services	73,413.01	64,982.71	61,265.76	54,929.48
Other HR services	3,064.19	641.22	4,187.09	2,521.82
Unallocated	82,800.83	15,906.45	72,164.38	12,314.36
<b>Total</b>	<b>159,278.03</b>	<b>81,530.38</b>	<b>137,617.23</b>	<b>69,765.66</b>

### Reconciliation to amounts reflected in the financial statements

#### Reconciliation of assets

Particulars	31 March 2023	31 March 2022
<b>Segment assets</b>	<b>76,477.20</b>	<b>65,452.85</b>
Investments	52,812.24	37,439.30
Loans	1,020.00	1,743.00
Deferred tax assets (net)	653.31	691.50
Income tax assets (net)	19,398.30	11,318.51
Cash and cash equivalents	1,461.90	9,275.43
Bank balances other than cash and cash equivalents	4,848.02	8,709.34
Others	2,607.06	2,987.30
<b>Total assets</b>	<b>159,278.03</b>	<b>137,617.23</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Reconciliation of liabilities

Particulars	31 March 2023	31 March 2022
<b>Segment liabilities</b>	65,623.93	57,451.30
Net employee defined benefit liabilities	207.90	177.41
Borrowings	1,295.64	2,516.84
Trade payables	1,492.26	546.21
Other financial liabilities	375.43	354.45
Other liabilities	12,535.22	8,719.45
<b>Total liabilities</b>	<b>81,530.38</b>	<b>69,765.66</b>

### Revenue from external customers

Geographical Segment	31 March 2023	31 March 2022
India	685,156.48	562,038.27
Outside India	2,461.11	1,995.55
<b>Total</b>	<b>687,617.59</b>	<b>564,033.82</b>

The revenue information above is based on the locations of the customers.

### Non-current assets:

Particulars	31 March 2023	31 March 2022
India	29,753.66	16,724.57
Outside India	-	-
<b>Total</b>	<b>29,753.66</b>	<b>16,724.57</b>

Non-current assets excludes financial instruments and deferred tax assets.

### Note 43: Related party disclosures

#### (i) List of related parties and relationships:

Description of relationship	Names of the related parties
a) <u>Subsidiary companies</u>	IIJT Education Private Limited ('IIJT') (till 2 December 2021)
	TeamLease Education Foundation ('TLEF')
	TeamLease Digital Private Limited ('TDPL')
	Keystone Business Solutions Private Limited ('KBSPL')
	TeamLease HRTech Private Limited ('HRTech')
	I.M.S.I Staffing Private Limited ('IMSI')
	TeamLease Edtech Limited ('TLEL')
	TeamLease Regtech Private Limited ('TRPL') (w.e.f. 03 April 2021)
b) <u>Joint Control</u>	TeamLease Regtech Private Limited ('TRPL') (till 2 April 2021)

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

c) Key management personnel and their relatives	Mr. Manish Sabharwal - Executive Vice Chairman	
	Mr. Ashok Reddy - Managing Director and Chief Executive officer	
	Mrs. Ramani Dathi - Chief Financial Officer (w.e.f. 28 July 2021) (Deputy CFO w.e.f. 24 March 2021)	
	Mrs. Alaka Chanda - Company Secretary	
	Mrs. Latika Pradhan - Independent Director	
	Mr. Narayan Ramachandran - Independent Director and Non Executive Chairman	
	Mr. Raghunathan V - Independent Director	
	Mr. Zarir Batliwala - Independent Director	
	Mr. Mekin Maheshwari - Independent Director (w.e.f. 09 June 2021)	
	Mr. S. Subramaniam - Independent Director (w.e.f. 28 July 2021)	
	Mrs. Meenakshi Nevatia - Independent Director (w.e.f. 28 July 2021)	
	Mrs. Rituparna Chakraborty - Executive Director (w.e.f. 18 May 2022)	
	d) Enterprises under significant influence (where transactions have taken place)	TeamLease Skills University ('TLSU')
		Innoviti Payment Solutions Pvt Ltd ('INNOVITI') (w.e.f. 28 July 2021)
Stryker India Private Limited ('STRYKER') (w.e.f. 28 July 2021)		
Honasa Consumer Private Limited		
Neev Trust		
NED Ventures LLP		

### (ii) Transactions with related parties

	31 March 2023	31 March 2022
<b>Interest income from</b>		
TeamLease Education Foundation	111.81	39.94
TeamLease Digital Private Limited - on loan and CCD's	1,646.02	1,331.31
TeamLease HRTech Private Limited	84.81	79.03
IJIT Education Private Limited	-	1.43
	<b>1,842.64</b>	<b>1,451.71</b>
<b>Revenue from operations</b>		
TeamLease Education Foundation	884.95	629.40
TeamLease Digital Private Limited	17.55	4.08
TeamLease Edtech Limited	1.84	10.24
TeamLease Regtech Private Limited	2.00	1.01
TeamLease Skills University	975.86	1,365.63
Innoviti Payment Solutions Pvt Ltd	-	14.50
Stryker India Private Limited	211.02	162.14
Honasa Consumer Private Limited	25.74	-
Neev Trust	1.06	-
NED Ventures LLP	23.18	-
	<b>2,143.20</b>	<b>2,187.00</b>
<b>Consultancy/services charges paid</b>		
TeamLease Digital Private Limited	1,050.03	730.98
TeamLease HRTech Private Limited	94.90	83.06
IJIT Education Private Limited	-	12.00
I.M.S.I Staffing Private Limited	1.10	-
TeamLease Edtech Limited	180.60	106.58



## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
TeamLease Regtech Private Limited	210.23	142.20
TeamLease Education Foundation	186.72	103.44
TeamLease Skills University	41.70	140.89
	<b>1,765.28</b>	<b>1,319.15</b>
<b>Intangible assets under development</b>		
TeamLease Digital Private Limited	182.03	62.87
TeamLease Regtech Private Limited	-	17.00
	<b>182.03</b>	<b>79.87</b>
<b>Expenses incurred by the Company on behalf of others - Cross charged</b>		
TeamLease Digital Private Limited	483.02	205.04
TeamLease HRTech Private Limited	45.46	97.52
TeamLease Edtech Limited	153.29	101.11
I.M.S.I Staffing Private Limited	6.75	29.94
TeamLease Education Foundation	61.44	20.04
TeamLease Regtech Private Limited	29.97	48.28
TeamLease Skills University	2.16	71.91
	<b>782.09</b>	<b>573.84</b>
<b>Other Income</b>		
TeamLease Digital Private Limited	6.00	-
TeamLease Education Foundation	7.15	-
TeamLease Edtech Limited	5.00	-
TeamLease Skills University	12.25	-
	<b>30.40</b>	<b>-</b>
<b>Loans and advances written off</b>		
TeamLease Education Foundation	980.00	-
IJIT Education Private Limited	-	33.77
	<b>980.00</b>	<b>33.77</b>
<b>Loans and advances given to</b>		
TeamLease Education Foundation	4,730.00	1,526.00
IJIT Education Private Limited	-	32.00
TeamLease HRTech Private Limited	49.00	347.50
TeamLease Digital Private Limited	-	1,420.00
	<b>4,779.00</b>	<b>3,325.50</b>
<b>Loans and advances repaid by</b>		
IJIT Education Private Limited	-	30.23
TeamLease Education Foundation	4,280.00	1,443.50
TeamLease Digital Private Limited	-	1,840.36
TeamLease HRTech Private Limited	242.00	140.00
	<b>4,522.00</b>	<b>3,454.09</b>
<b>CCCPS converted into equity shares</b>		
TeamLease Regtech Private Limited	-	705.66
	<b>-</b>	<b>705.66</b>
<b>Investments in equity shares</b>		

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
TeamLease Regtech Private Limited	-	848.98
	-	<b>848.98</b>
<b>Investment impaired</b>		
TeamLease HRTech Private Limited	-	1,292.81
	-	<b>1,292.81</b>
<b>Debenture application money pending allotment</b>		
TeamLease Digital Private Limited	-	1,320.00
	-	<b>1,320.00</b>
<b>Subscription to CCD</b>		
TeamLease Digital Private Limited	1,320.00	1,460.00
	<b>1,320.00</b>	<b>1,460.00</b>
<b>Guarantee given / renewed on behalf of</b>		
TeamLease Edtech Limited	1,000.00	1,000.00
TeamLease Skills University	-	450.00
TeamLease Education Foundation	450.00	-
	<b>1,450.00</b>	<b>1,450.00</b>
<b>Managerial remuneration (Refer note)</b>		
Ashok Reddy	165.41	155.92
Manish Sabharwal	129.61	120.00
Ramani Dathi	200.94	141.03
Alaka Chanda	53.61	40.87
Rituparna Chakraborty	152.42	-
	<b>701.99</b>	<b>457.82</b>
<b>Director Sitting fees</b>		
Latika Pradhan	14.00	14.60
Narayan Ramachandran	10.00	13.00
Raghunathan V	14.00	14.60
Zarir Batliwala	13.20	13.00
Mekin Maheshwari	12.20	8.00
Meenakshi Nevatia	12.40	6.20
S. Subramaniam	12.40	7.00
	<b>88.20</b>	<b>76.40</b>

**Note:**

- As the liability for gratuity and leave encashment is provided on actuarial valuation basis for the Company as a whole, the amount pertaining to key management personnel is not included.
- Includes charge of ₹ 84.64 Lakhs (net) [31 March 2022: ₹63.56 Lakhs (net)] for share based compensation and long term incentive.

**(iii) Outstanding balances as at year ended**

	31 March 2023	31 March 2022
<b>Loans</b>		
TeamLease Education Foundation	20.00	550.00
TeamLease HRTech Private Limited	1,000.00	1,193.00
	<b>1,020.00</b>	<b>1,743.00</b>
<b>Debenture application money pending allotment</b>		

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
TeamLease Digital Private Limited	-	1,320.00
	-	<b>1,320.00</b>
<b>Trade receivables</b>		
TeamLease Education Foundation	800.38	424.28
TeamLease Digital Private Limited	4.88	-
TeamLease Regtech Private Limited	2.16	-
TeamLease Skills University	148.98	2,439.42
Innoviti Payment Solutions Pvt Ltd	0.07	0.07
Stryker India Private Limited	15.06	17.31
	<b>971.53</b>	<b>2,881.08</b>
<b>Other receivables</b>		
TeamLease Education Foundation	94.87	25.17
TeamLease Digital Private Limited	311.55	94.68
TeamLease HRTech Private Limited	25.56	56.01
I.M.S.I Staffing Private Limited	6.02	7.16
TeamLease Edtech Limited	59.75	63.97
TeamLease Regtech Private Limited	11.55	12.94
TeamLease Skills University	13.55	43.60
	<b>522.85</b>	<b>303.53</b>
<b>Unbilled revenue</b>		
TeamLease Education Foundation	67.37	111.14
TeamLease Digital Private Limited	2.00	0.12
TeamLease Regtech Private Limited	-	1.20
TeamLease Skills University	79.09	71.98
	<b>148.46</b>	<b>184.44</b>
<b>Other Liabilities</b>		
NED Ventures LLP	0.03	-
	<b>0.03</b>	-
<b>Investments in equity shares</b>		
TeamLease Education Foundation	1.00	1.00
TeamLease Digital Private Limited	2,363.50	2,363.50
I.M.S.I Staffing Private Limited	6,455.55	6,455.55
TeamLease HRTech Private Limited (net of provision)	641.84	641.84
TeamLease Edtech Limited	2,542.94	2,542.94
TeamLease Regtech Private Limited	1,999.82	1,999.82
	<b>14,004.65</b>	<b>14,004.65</b>
<b>Investments in CCDs</b>		
TeamLease Digital Private Limited	19,720.00	18,400.00
	<b>19,720.00</b>	<b>18,400.00</b>
<b>Trade payables</b>		
TeamLease Digital Private Limited	694.32	248.11
TeamLease HRTech Private Limited	12.59	0.35
I.M.S.I Staffing Private Limited	1.10	-
TeamLease Edtech Limited	47.50	39.03
TeamLease Regtech Private Limited	8.00	12.25

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(All amounts in ₹ lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
TeamLease Skills University	0.68	14.00
TeamLease Education Foundation	41.67	-
	<b>805.86</b>	<b>313.74</b>
<b>Other financial liability</b>		
TeamLease Digital Private Limited	-	2.88
TeamLease Regtech Private Limited	-	6.00
TeamLease Edtech Limited	-	51.15
	<b>-</b>	<b>60.03</b>
<b>Guarantee given on behalf of</b>		
TeamLease Digital Private Limited	1,200.00	1,200.00
TeamLease Edtech Limited	1,000.00	1,000.00
TeamLease Skills University	2,450.00	2,450.00
TeamLease Education Foundation	450.00	-
	<b>5,100.00</b>	<b>4,650.00</b>

**Note 44:** Disclosures pursuant to Securities (Listing Obligation and Disclosure Requirements) Regulations, 2015, as regards the loans granted to subsidiaries and other companies in which the directors are interested:

**(i) Loans and advances in the nature of loans to subsidiaries**

	31 March 2023	31 March 2022
<b>Balance as at the year end</b>		
TeamLease Education Foundation	20.00	550.00
TeamLease HRTech Private Limited	1,000.00	1,193.00
<b>Total</b>	<b>1,020.00</b>	<b>1,743.00</b>
<b>Maximum amount outstanding at any time during the year</b>		
TeamLease Education Foundation	2,450.00	950.00
TeamLease HRTech Private Limited	1,193.00	1,193.00
TeamLease Digital Private Limited *	-	500.00
IJIT Education Private Limited *	-	44.00
<b>Total</b>	<b>3,643.00</b>	<b>2,687.00</b>

\* The loan had been fully repaid during the year ended 31 March 2022, hence year end balance is Nil.

**(ii) Loans and advances in the nature of loans to firms/companies in which directors are interested:**

There are no outstanding dues from directors or other officers of the Company.

Note: None of the loanees have made any investments in the shares of the Company.

**Note 45: Details of dues to micro enterprises and small enterprises as defined under the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006**

	31 March 2023	31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
-Principal amount due to micro and small enterprises	55.81	71.84
-Interest due on above	1.91	2.53
<b>Total</b>	<b>57.72</b>	<b>74.37</b>

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	1.87	2.45
The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.91	2.53
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	1.91	2.53

### Note 46: Contingent liabilities

	31 March 2023	31 March 2022
(a) Service tax matters*	463.03	463.03
(b) Disputed bonus liability**	3,349.33	3,349.33
(c) Income tax matters***	151.77	151.77
(d) Professional tax matters	66.78	66.78
(e) Corporate guarantee given for credit facility taken by related parties	5,100.00	4,650.00

\* In addition to aforesaid service tax matters in dispute, the Company has filed writ petition with the Hon'ble High Court of Kolkata for service tax demands pertaining to the period April 2006 to December 2008 aggregating to ₹ 887.81 Lakhs (including penalty etc.) against which the Company has already settled ₹ 442.46 Lakhs and balance is largely provided for as a matter of abundant caution (Refer note 22).

\*\* Bonus liability pursuant to the amendment of Payment of Bonus Act, 1965, for financial year 2014-15 is considered as contingent liability, based on expert legal opinion obtained by the Company and stay orders from various High Courts across the country. As per the contractual agreement with the customers, ₹ 3,332.97 Lakhs in respect of associate employees is recoverable from the customers in case such liability arises.

\*\*\*The Company is claiming deduction under Section 80JJAA of the Income Tax Act, 1961 ("Act") with respect to eligible expenditure incurred for net additional associate employees hired in each year with effect from financial year 2016-17 till date. The Company's claim for the financial years 2016-17 and 2017-18 was allowed in tax assessments completed earlier under Section 143(3) of the Act. Subsequently, the Income Tax authorities have disallowed deduction u/s 80JJAA for financial year 2018-19 (AY 2019-20) and issued notice for reassessment u/s 148 of the Act for financial year 2017-18 (AY 2018-19). The Company has filed appeal before National Faceless Appeal Centre under Section 246(1)(a) of the Act for AY 2019-20 and a writ petition before the Hon'ble Karnataka High Court for AY 2018-19, challenging the stand taken by tax authorities. The Company believes that deduction under Section 80JJAA has been claimed in accordance with the provisions of the Act, and as advised by the legal experts, is reasonably confident of favourable outcome in the matter. Accordingly, no provision is considered necessary by the management in the said matter.

Further, the Company has received various show cause notices from GST authorities for various years on account of mismatches / pending reconciliations, etc. that are pending final assessment.

### Note 47: Commitments

#### Capital commitments

	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for:	9.93	10.37

### Note 48: CSR

Consequent to the requirements of Section 135 and Schedule VII of the Companies Act, 2013, the Company is required to contribute 2% of its average net profits during the immediately three preceding financial years in pursuance of its Corporate Social Responsibility Policy.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
a) Gross amount required to be spent by the Company during the year	147.24	187.94
b) Amount approved by the Board to be spent during the year	147.24	187.94
c) Amount spent on purposes other than construction/ acquisition of any asset	147.24	187.94

	31 March 2023	31 March 2022
i) Contribution to Public Trust, Charitable Trust, etc.	147.24	187.94
ii) Unspent amount in relation to Ongoing projects	-	-

e) Details of other than ongoing project as per Section 135(5) of the Act

Particulars	Opening Balance	Amount deposited in specified funds of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
31 March 2023	-	-	147.24	147.24	-
31 March 2022	-	-	187.94	187.94	-

### Note 49: PF Trust Investments

Till February 2022, the Company had its own Provident Fund Trust i.e. "TeamLease Services Ltd. Employees Provident Fund Trust" ("PF Trust") through which it managed provident fund liability for its employees. Accordingly, the PF Trust was considered as a defined benefit plan. The Company was responsible for meeting the shortfall in the value of the assets of the PF Trust, if any, in meeting its obligations, to settle PF dues of the employees. The PF Trust had made investments of ₹ 17,373.78 Lakhs in two non-banking financial companies ('NBFCs') which had maturities between FY 2020-21 to FY 2026-27, which were undergoing insolvency proceedings.

During the year ended 31 March 2022, investment in one of the NBFC was realised through NCLAT proceedings and PF Trust recovered ₹ 5,458 Lakhs resulting into a realised loss of ₹ 5,894 Lakhs on such investment. Basis such recoveries, on prudent basis, the management also estimated additional loss of ₹ 1,606 Lakhs on realisation of the investments in other NBFC. Accordingly, the Company recorded a provision of ₹ 7,500 Lakhs to meet the anticipated shortfall in the PF Trust during quarter ended 30 September 2021.

The Company filed an application with Employee Provident Fund Organisation (EPFO) for surrender of the PF Trust exemption granted under para 27 read with section 17(2) of the Employees Provident Fund Act. The said exemption was granted w.e.f. 1 March, 2022 and PF contribution for the month of March 2022 was remitted to EPFO by the Company.

The Company disposed all its investments in PF Trust during March 2022 (except for investment in IL&FS) and deposited the realised funds with EPFO amounting to ₹ 154,535 Lakhs (including ₹ 5,719.87 Lakhs contributed by TeamLease) to settle the cumulative obligations of the PF Trust.

Accordingly, the Company reversed provision of ₹ 1,780.13 Lakhs based on settlement of the aforesaid matter and ₹ 5,719.87 Lakhs (net) was disclosed as an exceptional item in the Standalone financial statements during the year ended 31 March 2022.

During the year, PF Trust has further recovered ₹ 922.25 Lakhs against IL&FS investments, which has been paid to the Company and hence accounted for as exceptional income in the Standalone financial statements.

### Note 50: Financial Ratios (as applicable)

Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% change	Reason for variance
Current Ratio	Current assets	Current liabilities	1.29	1.30	-0.77%	
Return on Equity Ratio	Profit for the year	Average shareholder's equity	13.35%	3.38%	294.97%	Lower profit in previous year due to one time exceptional item.

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Ratio	Numerator	Denominator	31 March 2023	31 March 2022	% change	Reason for variance
Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (including unbilled revenue)	19.76	17.24	14.62%	
Trade Payable Turnover Ratio	Other expenses	Average trade payables	3.55	3.20	10.94%	
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – current liabilities	37.23	33.27	11.90%	
Net Profit Ratio	Profit for the year	Revenue from operations	1.41%	0.40%	252.50%	Lower profit in previous year due to one time exceptional item.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Shareholder's equity + total debt	13.44%	14.19%	-5.29%	
Return on Investment	Interest (finance income) + net fair value gains on current investments + net gain on sale of current investment	Investment = Non-current investment + current investment + non-current loans + current loans	5.27%	4.56%	15.57%	

Note: There are no long-term debts, hence Debt- Equity Ratio and Debt Service Coverage Ratio are not furnished.

### Note 51: Disclosure for struck off companies

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year ended 31 March 2023	Transactions during the year ended 31 March 2022	Receivables/ (payables) as at 31 March 2023 (net)	Receivables/ (payables) as at 31 March 2022 (net)	Relationship with the struck-off Company
Indus Infotech Pvt Ltd	Income from regulatory services	1.96	0.96	1.32	0.40	Customer
Galaxe E Solutions India Pvt Ltd	Income from regulatory services	4.90	3.54	0.31	0.42	Customer
Tractors India Ltd	Sale of services	-	-	-	1.50	Customer
Perfekt Labs Pvt Ltd	Consultancy activities	-	-	(0.12)	(0.12)	Vendor
A2R Skills Pvt Ltd	Training Exp	75.78	18.48	(3.36)	(10.89)	Vendor
Protishruti Marketing Pvt Ltd	Advertisement expenses	-	-	(2.78)	(2.78)	Vendor

## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year ended 31 March 2023	Transactions during the year ended 31 March 2022	Receivables/ (payables) as at 31 March 2023 (net)	Receivables/ (payables) as at 31 March 2022 (net)	Relationship with the struck-off Company
Executive Access (India) Pvt. Ltd.	Advertisement expenses	-	26.44	-	-	Vendor

Note: The above transactions are in normal course of business.

### Note 52: Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) Except as detailed in note 10 and note 43 in respect of loans of ₹ 1,580 Lakhs given to TLEF and simultaneously lent to TLSU, a related party during the year, the Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The Company is maintaining its books of account in electronic mode and these books of account are accessible in India at all times and the back-up of books of account has been kept in servers physically located in India on a daily basis from the applicability date of the Companies (Accounts) Rules, 2014, as amended i.e. 5 August, 2022 onwards.



## Notes to the standalone financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 53: The Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

### Note 54: Previous year

Previous year's figures have been reclassified, wherever necessary, to conform to the current year's classification.

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

**Per Navin Agrawal**

Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors  
**TeamLease Services Limited**

**Ashok Reddy**

Managing Director  
DIN: 00151814

**Ramani Dathi**

Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**

Director  
DIN: 07118801

**Alaka Chanda**

Company Secretary  
F10911

# CONSOLIDATED ACCOUNTS



# Independent Auditor's Report

## To the Members of TeamLease Services Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of TeamLease Services Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our

responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue recognition and recoverability of trade receivables</b></p> <p>The Group's consolidated revenues for the Financial Year 2022-2023 amounts to ₹ 786,999.75 Lakhs, mainly from General staffing and allied services.</p> <p>The Group has various streams of revenue with multiple types of customer contracts characterized by large volume of transactions.</p> <p>The Group has adopted a provision policy in respect of overdue trade receivables based on the past collection trends and available industry information.</p>	<p>We understood, evaluated and tested the operating effectiveness of internal controls over revenue and trade receivables processes.</p> <p>We selected samples from various types of customer contracts and tested the occurrence, completeness and measurement of those transactions by inspecting the underlying documents.</p> <p>We performed audit procedures on existence of trade receivables, which included obtaining and comparing balance confirmations with books, testing of invoices and subsequent receipts for audit samples.</p>

**Key audit matters**

Due to the multiple types of revenue contracts with various streams, significance of carrying values of trade receivables and the judgement involved for doubtful debts provision, this matter is considered significant. Refer to Note 29 and Note 17 to the consolidated financial statements for the group's disclosure on revenue and trade receivables respectively.

**Impairment of Goodwill**

Goodwill in consolidated financial statement is ₹ 17,326.66 Lakhs as at March 31, 2023.

In determining the fair value/value in use of business reporting units, the Group has applied judgment in estimating future revenues, operating profit margins, long-term growth rate and discount rates.

The carrying value of goodwill is tested annually for impairment. The Group performed its annual impairment test of goodwill and determined that there was no impairment.

Key assumptions concerning the impairment test are disclosed in Note 6 to the consolidated financial statements.

Due to the significance of the carrying value of goodwill and judgment involved in performing impairment test, this matter was considered significant to our audit.

**How our audit addressed the key audit matter**

We evaluated the assumptions used to calculate the provision for trade receivables through analysis of ageing, historical collection and bad debts write-off, specific individual circumstances of the customers etc.

We assessed the disclosures in the consolidated financial statements for compliance with the disclosure requirements.

We assessed and tested the operating effectiveness of the internal controls over preparation of annual budgets and future forecasts for various business reporting units.

We compared the future operating cash flow forecasts with the business plan and budgets duly approved by the Board.

We involved valuation specialists to assist in examining the Group's valuation model and analyzing the underlying key assumptions, including long-term growth rates and discount rates.

We evaluated the sensitivity in the valuation, resulting from changes to key assumptions and compared the assumptions to corroborating information including industry reports and competitor's information, historic performance, local economic developments and industry outlook.

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report, Corporate Governance Report, Business Responsibility and Sustainability Report and Report on Management Discussion and Analysis included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and

consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated financial statements 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 these consolidated financial statements.

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 consolidated financial statements, 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 Holding 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 management.
- Conclude on the appropriateness of management's 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 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 consolidated financial statements 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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 consolidated financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of five subsidiaries, whose financial statements include total assets of ₹ 10,880 Lakhs as at March 31, 2023, and total revenues of ₹ 17,080.81 Lakhs and net cash outflows of ₹ 482.98 Lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section

143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, 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.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, there are no qualification or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 45 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries, incorporated in India during the year ended March 31, 2023.
  - iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, except as disclosed in Note 52 (iv) to the consolidated financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or

- in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances
- performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company and its subsidiaries incorporated in India.
- vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company and its subsidiaries, incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per **Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 23056102BGUUOR4079

Place of Signature: Bengaluru

Date: May 17, 2023

## Annexure 1

### to the Independent Auditor's Report of even date on the Consolidated Financial Statements of TeamLease Services Limited

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of TeamLease Services Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



### **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Group, has maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to five subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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per **Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 23056102BGUUOR4079

Place of Signature: Bengaluru

Date: May 17, 2023

## Consolidated Balance Sheet

as at 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,078.09	1,137.91
Right of use assets	5	7,701.83	2,876.37
Goodwill on consolidation (Net)	6	17,326.66	17,326.66
Other intangible assets	6	4,226.36	4,876.53
Intangible assets under development	7	1,691.06	1,782.80
<b>Financial assets</b>			
(i) Investments	8	300.00	300.00
(ii) Loan	9	-	-
(iii) Others	12	11,319.51	11,116.76
Deferred tax assets (net)	13	675.15	258.62
Income tax assets (net)	15	22,381.39	15,454.39
Other non-current assets	16	275.14	52.37
<b>Total non-current assets</b>		<b>66,975.19</b>	<b>55,182.41</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Investments	10	19,087.59	5,034.65
(ii) (a) Trade receivables	17	38,027.30	36,965.40
(ii) (b) Unbilled revenue	11	15,586.59	17,070.50
(iii) Cash and cash equivalents	18	14,945.04	17,654.79
(iv) Bank balances other than cash and cash equivalents	18	9,849.49	11,645.89
(v) Others	12	8,905.96	6,793.64
Income tax assets (net)	15	-	31.52
Other current assets	19	3,401.29	3,661.88
<b>Total current assets</b>		<b>109,803.26</b>	<b>98,858.27</b>
<b>Total assets</b>		<b>176,778.45</b>	<b>154,040.68</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	20	1,709.68	1,709.68
Other equity			
(i) Owners of the parent company	21	79,052.79	67,611.24
(ii) Non-controlling interest	21	1,285.63	1,259.04
<b>Total equity</b>		<b>82,048.10</b>	<b>70,579.96</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	26	6,054.16	2,178.21
(ii) Other financial liabilities	27	592.72	185.38
Deferred tax liabilities (net)	14	378.63	285.10
Employee defined benefit liabilities	22	11,622.44	11,182.45
Other non-current liabilities	23	421.90	421.90
<b>Total non-current liabilities</b>		<b>19,069.85</b>	<b>14,253.04</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	24	1,934.30	2,766.84
(ii) Lease liabilities	26	2,023.54	1,038.22
(iii) Trade payables	25		
(a) Total outstanding dues of micro enterprises and small enterprises		93.63	264.62
(b) Total outstanding dues other than micro enterprises and small enterprises		4,385.35	3,927.24
(iv) Other financial liabilities	27	33,011.24	30,241.42
Employee defined benefit liabilities	22	7,408.46	6,337.97
Other current liabilities	28	26,803.98	24,631.37
<b>Total current liabilities</b>		<b>75,660.50</b>	<b>69,207.68</b>
<b>Total liabilities</b>		<b>94,730.35</b>	<b>83,460.72</b>
<b>Total equity and liabilities</b>		<b>176,778.45</b>	<b>154,040.68</b>
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors of  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814  
**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801  
**Alaka Chanda**  
Company Secretary  
F10911

## Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>Income</b>			
Revenue from operations	29	786,999.75	647,982.31
Other income	30	4,394.56	1,972.63
<b>Total income</b>		<b>791,394.31</b>	<b>649,954.94</b>
<b>Expenses</b>			
Employee benefits expense	31	756,980.73	618,073.22
Finance costs	32	569.14	396.59
Depreciation and amortization expense	33	4,315.74	4,078.66
Other expenses	34	17,792.45	15,672.15
<b>Total expenses</b>		<b>779,658.06</b>	<b>638,220.62</b>
<b>Profit before exceptional items and tax</b>		<b>11,736.25</b>	<b>11,734.32</b>
Exceptional items	35	(232.83)	(7,177.87)
<b>Profit before tax</b>		<b>11,503.42</b>	<b>4,556.45</b>
<b>Tax expense:</b>	15		
Current tax		640.85	333.86
Tax provision for earlier years		70.32	(4.68)
<b>Deferred tax</b>	13 & 14		
Deferred tax charge		(362.73)	281.81
<b>Income tax expense</b>		<b>348.44</b>	<b>610.99</b>
<b>Net profit for the year</b>		<b>11,154.98</b>	<b>3,945.46</b>
<b>Net profit for the year</b>		<b>11,154.98</b>	<b>3,945.46</b>
Attributable to:			
Owners of the parent company		11,134.14	3,842.83
Non-controlling interest		20.84	102.63
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent periods:</b>			
Remeasurement gains/(losses) on defined benefit plans		166.60	(18.97)
Income tax effect		(39.73)	6.35
<b>Other comprehensive income/(loss), net of tax</b>		<b>126.87</b>	<b>(12.62)</b>
Attributable to:			
Owners of the parent company		121.12	(3.70)
Non-controlling interest		5.75	(8.92)
<b>Total comprehensive income for the year, net of tax</b>		<b>11,281.85</b>	<b>3,932.84</b>
Attributable to:			
Owners of the parent company		11,255.26	3,839.13
Non-controlling interest		26.59	93.71
<b>Earnings per equity share:</b>			
Basic and diluted (amount in ₹)	36	65.12	22.48
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements.  
As per our report of even date.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors of  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814

**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801

**Alaka Chanda**  
Company Secretary  
F10911

## Consolidated Statement of Cash Flows

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>Operating activities</b>			
<b>Profit before tax</b>		11,503.42	4,556.45
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
Depreciation and amortisation expense		4,315.74	4,078.66
Finance costs		569.14	396.59
Interest income		(1,085.58)	(579.14)
Loss on disposal of property, plant and equipment (net)		20.15	4.86
Fair value adjustments (net)		(33.39)	(14.32)
Liabilities/provisions no longer required written back		(2,094.58)	(981.66)
Bad debts written off (net)		380.29	349.44
Provision for expected credit loss/(reversal)		149.54	(270.00)
Reversal of provision for doubtful advances/receivables (net)		(111.95)	-
Share-based payment expenses (net)		186.29	279.23
Sundry balances written off		44.53	61.58
Gain on sale of current investments (net)		(624.06)	(305.99)
Fair value gains on current investments (net)		(88.25)	(36.73)
Fair value gain on assets held for sale (net)		-	(6.15)
Exceptional items (net)		232.83	7,177.87
<b>Working capital adjustments</b>			
(Increase) / decrease in trade receivables		(1,591.72)	(9,182.80)
(Increase) / decrease in other assets		7.44	(1,683.13)
(Increase) / decrease in unbilled revenue and other financial assets		(1,032.20)	(7,419.29)
Increase / (decrease) in trade payables and other financial liabilities		3,567.42	7,905.24
Increase/(decrease) in other liabilities (including for PF Trust)		4,238.39	(2,477.33)
Increase / (decrease) in net employee defined benefit liabilities		1,677.08	3,466.06
		<b>20,230.53</b>	<b>5,319.44</b>
Income tax (payments)/refunds		(7,606.66)	(5,934.19)
<b>Net cash flows from/(used in) operating activities</b>		<b>12,623.87</b>	<b>(614.75)</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment		(603.10)	(583.13)
Purchase of intangible assets (including intangibles under development)		(1,354.55)	(756.58)
Proceeds from sale of property, plant and equipment		1.31	1.56
Acquisition of business (net of cash and cash equivalents acquired)		-	(971.77)
(Purchase)/sale of current investments		(13,340.64)	1,401.84
Loans and advances (given to)/ repaid by related parties		(980.00)	-
Non-current investments		-	(300.00)
Maturity of / (investments in) fixed deposits (net)		1,996.27	(8,655.19)
Interest received		1,043.24	557.81
Recovery from PF Trust		922.25	-
Sale of investments in Subsidiary		-	455.22
<b>Net cash flows (used in)/from investing activities</b>		<b>(12,315.22)</b>	<b>(8,850.24)</b>

## Consolidated Statement of Cash Flows

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>Financing activities</b>			
Proceeds from issue on exercise of stock options		0.36	0.36
Proceeds from issue of shares by subsidiary		-	89.49
(Repayment of)/ Proceeds from borrowings (net)		(250.00)	250.00
Repayment of principal portion of lease liabilities		(1,521.39)	(1,250.70)
Finance costs		(569.14)	(396.59)
Buy back expenses		(95.69)	-
<b>Net cash flows (used in)/from financial activities</b>		<b>(2,435.86)</b>	<b>(1,307.44)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(2,127.21)</b>	<b>(10,772.43)</b>
Cash and cash equivalents at the beginning of the year		15,137.95	25,910.38
<b>Cash and cash equivalents at the end of the year</b>	18	<b>13,010.74</b>	<b>15,137.95</b>
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements.  
As per our report of even date.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors of  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814

**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801

**Alaka Chanda**  
Company Secretary  
F10911

## Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

### a. Equity share capital:

#### Issued, subscribed and fully paid share capital

	Numbers	Amount (in ₹ Lakhs)
<b>Equity shares of ₹ 10 each:</b>		
<b>At 1 April 2021</b>	17,096,769	1,709.68
Additions during the year	-	-
<b>At 31 March 2022</b>	<b>17,096,769</b>	<b>1,709.68</b>
Additions during the year	-	-
<b>At 31 March 2023</b>	<b>17,096,769</b>	<b>1,709.68</b>

### b. Other equity

Particulars	Attributable to equity shareholders of the Company				Non-controlling interest	Total other equity
	Reserves and surplus					
	Securities premium	Share based payment reserves	Retained earnings	Total		
<b>As at 1 April 2021</b>	<b>24,655.01</b>	<b>187.90</b>	<b>38,649.98</b>	<b>63,492.89</b>	<b>400.32</b>	<b>63,893.21</b>
Acquisition of additional stake in subsidiary (Note 49)	-	-	-	-	674.44	674.44
Acquisition of Non-controlling Interests	-	-	-	-	90.57	90.57
Net Profit for the year	-	-	3,842.83	3,842.83	102.63	3,945.46
Other comprehensive income	-	-	(3.70)	(3.70)	(8.92)	(12.62)
<b>Total comprehensive income</b>	<b>24,655.01</b>	<b>187.90</b>	<b>42,489.11</b>	<b>67,332.02</b>	<b>1,259.04</b>	<b>68,591.06</b>
Stock option compensation expense	-	279.22	-	279.22	-	279.22
Exercise / lapse of stock options	109.28	(109.28)	-	-	-	-
<b>As at 31 March 2022</b>	<b>24,764.29</b>	<b>357.84</b>	<b>42,489.11</b>	<b>67,611.24</b>	<b>1,259.04</b>	<b>68,870.28</b>
<b>As at 1 April 2022</b>	<b>24,764.29</b>	<b>357.84</b>	<b>42,489.11</b>	<b>67,611.24</b>	<b>1,259.04</b>	<b>68,870.28</b>
Net Profit for the year	-	-	11,134.14	11,134.14	20.84	11,154.98
Other comprehensive income	-	-	121.12	121.12	5.75	126.87
<b>Total comprehensive income</b>	<b>24,764.29</b>	<b>357.84</b>	<b>53,744.37</b>	<b>78,866.50</b>	<b>1,285.63</b>	<b>80,152.13</b>
Stock option compensation expense	-	186.29	-	186.29	-	186.29
Exercise / lapse of stock options	123.83	(134.80)	10.97	-	-	-
<b>At 31 March 2023</b>	<b>24,888.12</b>	<b>409.33</b>	<b>53,755.34</b>	<b>79,052.79</b>	<b>1,285.63</b>	<b>80,338.42</b>

Summary of significant accounting policies

3

The accompanying notes are an integral part of the consolidated financial statements.  
As per our report of even date.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors of  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814

**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801

**Alaka Chanda**  
Company Secretary  
F10911

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### 1 Corporate information

TeamLease Services Limited (the "Company") and its subsidiaries, associate, joint venture and trust are collectively referred herein as the "Group". The Group is primarily engaged in providing a gamut of HR services that include Staffing Services, Temporary Recruitment, Permanent Recruitment, Payroll Process Outsourcing, Regulatory Compliance Services, Vocational Training / Education and Assessments, Telecom Staffing, Technology led specialized academic services and end to end hiring technology driven services.

The Company was converted into a Public Limited Company and obtained a fresh certificate of incorporation dated 15 May 2015. The equity shares of the Company got listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") w.e.f. 12 February 2016.

The consolidated financial statements are approved by the board of directors and authorized for issue in accordance with a resolution of the directors on 17 May 2023.

### 2 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments), defined benefit plan assets and share-based payments, which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as at the date of respective transactions. Accounting policies are consistently applied.

The consolidated financial statements are presented in Indian Rupees and all values are rounded to nearest Lakhs except when otherwise stated.

#### (i) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and ESOP trust as at 31 March 2023. Control is achieved when the Group is exposed, or has rights,

to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on 31 March."

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions

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and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

### Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

### Group information:

#### (a) Subsidiaries and Trust

The consolidated financial statements of the Group includes subsidiaries and ESOP trust listed in the table below:

Name of the subsidiary	Principal activities	Country of incorporation	% equity interest	
			31 March 2023	31 March 2022
TeamLease Education Foundation (TLEF)	Manpower staffing and CSR activities	India	100	100
TeamLease Digital Private Limited (TDPL)	IT Staffing business	India	100	100
Keystone Business Solutions Private Limited (KBSPL)	IT Staffing business	India	100	100
TeamLease HRTech Private Limited (HRTech)	End to end hiring technology driven services	India	100	100
I.M.S.I Staffing Private Limited (IMSI)	IT Staffing business	India	100	100
TeamLease Edtech Limited (TLEL)	Technology-led specialised academic services	India	77.67	77.67
TeamLease Regtech Private Limited (TRPL) (Joint venture till 2 April 2021 and subsidiary w.e.f. 3 April 2021)	SAAS based governance, risk and compliance	India	61.50	61.50
TeamLease Employee Stock Plan Trust	ESOP Trust	India	100	100

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate and joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate and joint venture since the acquisition date. The statement of profit and loss reflects the Group's share of the results of operations of the associate and joint venture. Unrealised gains

- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised are eliminated in full).

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

and losses resulting from transactions between the Group and the associate and joint venture are eliminated to the extent of the interest in the associate and joint venture.

If an entity's share of losses of an associate and joint venture equals or exceeds its interest in the associate and joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate and joint venture), the entity discontinues



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recognising its share of further losses, unless the Group has legal or constructive obligations or made payments on behalf of the associate and joint venture. If the associate and joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

### 3 Summary of significant accounting policies

#### 3.1 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:"

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period."

All other assets are classified as non current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period."

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has considered twelve months as its operating cycle.

#### 3.2 Foreign currency translation

##### i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the

primary economic environment in which the entity operates, i.e., the "functional currency". The financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the Group.

##### ii) Transactions and balances

Foreign currency transactions are initially recorded by the Group at their respective functional currency spot rate at the date the transaction first qualifies for recognition.

- 1) Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.
- 2) Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are translated using the exchange rates at the date of the initial transactions. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when fair value was determined.
- 3) Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss in the period in which they arise. "

#### 3.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

Revenues in excess of invoicing are classified as Contract Assets (unbilled revenue), while invoicing in excess of revenues are classified as Contract Liability (unearned revenue).

The specific recognition criteria described below must also be met before revenue is recognised.

##### Manpower services

Revenue from manpower services is accounted on accrual basis on performance of the services agreed as per contracts with customers.

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### Recruitment and other services

Revenue from recruitment services, skills and development, regulatory services, job portal, Payroll, NETAP and specialized academic services is recognized on accrual basis on performance of the services as per contracts with customer.

### CSR grants and donations

CSR grants in the nature of donation from third parties are recognised when received.

### Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit or loss.

### Dividends

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when the Shareholders/ Board of Directors approve the dividend.

## 3.4 Taxes

### Income tax

Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets

and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable profits will be available to utilise the same, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interest in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised."

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form

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of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period or it is no longer eligible for set off in future years.

### 3.5 Assets held for sale

The Group classifies assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense."

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

### 3.6 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease, i.e., if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right of use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a

straight-line basis over the shorter of the lease term and the estimated useful lives of the asset. The right-of-use assets are also subject to impairment. Refer to accounting policies in section 3.9 impairment of non-financial assets.

#### ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies recognition exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 3.7 Property, plant and equipment

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

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Such cost includes the cost of replacing part of the plant and equipment. All repair and maintenance costs are recognised in profit or loss as incurred.

An item of property, plant and equipment and any significant part thereof initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### Depreciation methods, estimated useful lives

Depreciation is calculated using the straight-line method over the estimated useful lives of the plant and equipment as given under Part C of Schedule II of the Act as follows:

Asset	Useful life in Years
Office equipment	3-5
Computers	3
Furniture and fixtures	3-10
Vehicles	6-8
Plant and machinery	5

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is lower.

### 3.8 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

### Amortization methods, estimated useful lives

Amortization is calculated using the straight-line method over the estimated useful lives of the Intangibles as follows:

Intangible assets	Useful life in Years	Internally generated or acquired
Softwares	3-5	Acquired / internally generated
Brands	3-4	Acquired
Non compete	3-5	Acquired
Customer relationships	5	Acquired
Databases	4	Acquired

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### 3.9 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that any property, plant & equipment, right of use assets and intangible assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### 3.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on

initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Investment in equity instruments issued by associate and joint venture are measured at cost less impairment. Investment in preference shares/ debentures of the associate and joint venture are treated as equity instruments if the same are convertible into equity shares. Investment in preference shares/ debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

#### Effective interest method

The effective interest method (EIR) is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### Subsequent measurement

##### (i) Financial assets

#### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost through effective interest method if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

#### Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

#### Financial assets at fair value through profit and loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income

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on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in statement of profit and loss.

### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets. The Group follows 'simplified approach' for recognition of provision for ECL on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes provision for ECL based on lifetime ECLs at each reporting date, right from its initial recognition. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through profit or loss.

### Derecognition of financial assets

A financial asset is derecognised only when the rights to receive cash flows from the asset have expired or the Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## (ii) Financial Liabilities

### Financial liabilities at amortised cost

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost through effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short term maturity of these instruments.

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to the statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

## (iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

## (iv) Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

### Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period."

### 3.11 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are charged to statement of profit and loss.

### 3.12 Treasury shares

The Company has created an Employee Benefit Trust ('EBT') for providing share-based payment to its employees. The promoters and directors of the Company, in prior years had contributed certain equity shares free of cost to EBT, which are issued to employees in accordance with the Company's Employee stock option plan.

The Company treats EBT as its extension and shares held by EBT are treated as treasury shares carried at nil value. Share options exercised during the reporting period are adjusted against treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in reserve.

### 3.13 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise

cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts."

### 3.14 Employee benefits

#### (a) Defined benefit plan

##### Gratuity obligations

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, done on projected unit credit method as at the balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur in other comprehensive income and is transferred to retained earnings in the statement of changes in equity in the balance sheet. Such accumulated re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of :

- a) The date of the plan amendment or curtailment, and
- b) The date that the Group recognises related restructuring costs."

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

##### Compensated absences

The employees of the Group are entitled to be compensated for unavailed leave as per the policy

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of the Group, the liability in respect of which is provided, based on an actuarial valuation (using the projected unit credit method) at the end of each year. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits and those expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. Actuarial gains/ losses are recognised in the Statement of Profit and Loss in the year in which they arise.

### (b) Defined contribution plan

#### Contribution to Government Provident Fund

The Group pays provident fund contributions to publicly administered provident funds as per applicable regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

### (c) Share-based payments

Employees of the Group receive remuneration in the form of employee option plan / stock appreciation rights plan of the Group (equity settled instruments) for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in equity over the period that the employees unconditionally becomes entitled to the award. The equity instruments generally vest in a graded manner over the vesting period i.e. the period over which all the specified vesting conditions are to be satisfied. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit and loss, with a corresponding adjustment to equity. The stock option compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

### 3.15 Provisions and contingent liability

#### Provision

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements."

### 3.16 Cash dividend distribution to equity holders

The Group recognizes a liability to make cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

### 3.17 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit/loss for the year attributable to equity shareholders of the parent Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity shareholders of the parent Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would



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for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

be issued on conversion of all the dilutive potential equity shares into equity shares.

### 3.18 Operating segments

The Board of Directors have been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segment. CODM evaluates the performance of Group and allocated resources based on the analysis of various performance indicators of the Group. The operating segment comprises of the following:

- a) Staffing and Allied Services - Comprises of Staffing Operations, Temporary Recruitment and Payroll & NETAP.
- b) Other HR Services - Comprises of Permanent Recruitment, Regulatory Compliance, Training Operations, Job Portal, Education Technology and SAAS based compliance.
- c) Specialized Staffing Services - Comprises of IT Staffing and Telecom Staffing Operations.

### 3.19 Business combinations and goodwill

Business combinations are accounted for using the acquisition method when control is transferred to the Group. The cost of an acquisition is measured as the aggregate of the consideration paid measured at acquisition date fair value. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the combination.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. Impairment loss recognised for goodwill is not reversed in subsequent periods.

### 3.20 Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected/updated in the assumptions when they eventually occur.

#### Defined benefit plans

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rate of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

#### Taxes

Deferred tax assets are recognised on deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised. Significant management judgement

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

### Impairment of goodwill and non-current investments

Determining whether goodwill and other non-current investments are impaired requires an estimation of the value in use of the individual investments or the relevant cash generating units. The value in use calculation is based on Discounted Cash Flow ('DCF') model. Further, the cash flow projections are based on estimates and assumptions relating to operational performance, growth rate, operating margins of the CGU, etc.

### Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations and current economic trends. If the financial condition of a customer deteriorates or there is an overall deterioration in the credit risk macro environment, additional allowances may be required in future.

### 3.21 Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

#### (i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply

to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

#### (ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107.

#### (iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The Company is currently assessing the impact of the aforesaid amendments. The amendments to Ind AS 12 are applicable for annual periods beginning on and after April 01, 2023.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 4: Property, plant and equipment

	Office equipment	Computers	Furniture & fixtures	Vehicles	Plant & machinery	Leasehold improvements	Total
<b>Gross block</b>							
<b>As at 1 April 2021</b>	550.52	815.07	300.35	30.80	307.20	498.64	2,502.58
Acquired on acquisitions (Refer note 49)	1.42	13.07	1.05	-	-	1.98	17.52
Additions	63.87	314.04	4.38	-	10.89	159.96	553.14
Disposals	(22.77)	(108.32)	(91.56)	-	-	(1.98)	(224.63)
<b>As at 31 March 2022</b>	<b>593.04</b>	<b>1,033.86</b>	<b>214.22</b>	<b>30.80</b>	<b>318.09</b>	<b>658.60</b>	<b>2,848.61</b>
Additions	81.26	452.14	39.18	-	3.64	26.47	602.69
Disposals	(35.25)	(175.73)	(29.78)	-	(297.87)	(79.77)	(618.40)
<b>As at 31 March 2023</b>	<b>639.05</b>	<b>1,310.27</b>	<b>223.62</b>	<b>30.80</b>	<b>23.86</b>	<b>605.30</b>	<b>2,832.90</b>
<b>Accumulated depreciation</b>							
<b>As at 1 April 2021</b>	309.50	434.56	132.20	2.47	256.56	198.97	1,334.26
Charge during the year	94.21	240.20	81.65	6.70	24.42	153.18	600.36
Disposals	(22.68)	(107.49)	(89.94)	-	-	(3.81)	(223.92)
<b>As at 31 March 2022</b>	<b>381.03</b>	<b>567.27</b>	<b>123.91</b>	<b>9.17</b>	<b>280.98</b>	<b>348.34</b>	<b>1,710.70</b>
Charge during the year	94.53	329.95	37.05	6.69	40.75	132.07	641.04
Disposals	(28.84)	(172.12)	(23.04)	-	(297.87)	(75.06)	(596.93)
<b>As at 31 March 2023</b>	<b>446.72</b>	<b>725.10</b>	<b>137.92</b>	<b>15.86</b>	<b>23.86</b>	<b>405.35</b>	<b>1,754.81</b>
<b>Net block</b>							
<b>As at 31 March 2022</b>	<b>212.01</b>	<b>466.59</b>	<b>90.31</b>	<b>21.63</b>	<b>37.11</b>	<b>310.26</b>	<b>1,137.91</b>
<b>As at 31 March 2023</b>	<b>192.33</b>	<b>585.17</b>	<b>85.70</b>	<b>14.94</b>	<b>-</b>	<b>199.95</b>	<b>1,078.09</b>

### Note 5: Right of use assets

	Buildings
<b>Gross block</b>	
<b>As at 1 April 2021</b>	5,814.21
Acquired on acquisitions (Refer note 49)	85.24
Additions	3,409.88
Disposals	(2,032.00)
<b>As at 31 March 2022</b>	<b>7,277.33</b>
Additions	6,773.75
Disposals	(676.19)
<b>As at 31 March 2023</b>	<b>13,374.89</b>
<b>Accumulated depreciation</b>	
<b>As at 1 April 2021</b>	3,804.44
Charge during the year	1,447.23
Disposals	(850.71)
<b>As at 31 March 2022</b>	<b>4,400.96</b>
Charge during the year	1,737.59
Disposals	(465.49)
<b>As at 31 March 2023</b>	<b>5,673.06</b>
<b>Net block</b>	
<b>As at 31 March 2022</b>	<b>2,876.37</b>
<b>As at 31 March 2023</b>	<b>7,701.83</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 6: Other Intangible assets

	Customer relationships	Brands	Non-complete	Databases	Softwares	Total	Goodwill
<b>Gross block</b>							
<b>As at 1 April 2021</b>	6,084.42	243.70	1,272.46	37.23	1,728.26	9,366.07	17,737.94
Acquired on acquisitions (Refer note 49)	1,513.10	-	50.98	-	375.15	1,939.23	881.53
Additions	-	-	-	-	645.80	645.80	-
Disposals	-	-	-	-	-	-	-
<b>As at 31 March 2022</b>	<b>7,597.52</b>	<b>243.70</b>	<b>1,323.44</b>	<b>37.23</b>	<b>2,749.21</b>	<b>11,951.10</b>	<b>18,619.47</b>
Additions	-	-	-	-	1,286.94	1,286.94	-
Disposal	-	-	-	-	(53.18)	(53.18)	-
<b>As at 31 March 2023</b>	<b>7,597.52</b>	<b>243.70</b>	<b>1,323.44</b>	<b>37.23</b>	<b>3,982.97</b>	<b>13,184.86</b>	<b>18,619.47</b>
<b>Accumulated amortisation and impairment</b>							
<b>As at 1 April 2021</b>	2,596.86	214.19	741.94	24.82	1,215.76	4,793.57	-
Charge during the year	1,388.48	22.13	209.67	9.31	401.48	2,031.07	-
Disposals	-	-	-	-	-	-	-
Impairment	93.51	7.38	40.06	3.10	105.88	249.93	1,292.81
<b>As at 31 March 2022</b>	<b>4,078.85</b>	<b>243.70</b>	<b>991.67</b>	<b>37.23</b>	<b>1,723.12</b>	<b>7,074.57</b>	<b>1,292.81</b>
Charge during the year	1,155.48	-	153.90	-	627.73	1,937.11	-
Disposals	-	-	-	-	(53.18)	(53.18)	-
<b>As at 31 March 2023</b>	<b>5,234.33</b>	<b>243.70</b>	<b>1,145.57</b>	<b>37.23</b>	<b>2,297.67</b>	<b>8,958.50</b>	<b>1,292.81</b>
<b>Net block</b>							
<b>As at 31 March 2022</b>	<b>3,518.67</b>	<b>-</b>	<b>331.77</b>	<b>-</b>	<b>1,026.09</b>	<b>4,876.53</b>	<b>17,326.66</b>
<b>As at 31 March 2023</b>	<b>2,363.19</b>	<b>-</b>	<b>177.87</b>	<b>-</b>	<b>1,685.30</b>	<b>4,226.36</b>	<b>17,326.66</b>

### Goodwill impairment testing

The Group tests whether goodwill has suffered any impairment on an annual basis. Goodwill acquired through business combinations has been allocated to two CGUs i.e. specialised staffing services and other HR services (operating segments) for impairment testing.

The following table set out the key assumptions for Goodwill impairment:

Segment	31 March 2023		31 March 2022	
	Specialised Staffing Services	Other HR Services	Specialised Staffing Services	Other HR Services
Growth rate (average)	19%	38%	51%	36%
Operating margins (average)	8%	21%	10%	28%
Discount rate (post-tax)	18%	18%	18%	18%

### Notes:

- These assumptions are based on historical trends and future market expectations related to the CGUs. Discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the risk adjusted expected returns attributable to all the assets of the CGUs. These estimates may differ from future actual results of operations and cash flows.
- Based on impairment analysis, the Company had provided for impairment of ₹ 1,292.81 Lakhs in respect of Investments in HRTech as at 31 March 2022, which has been disclosed as an 'exceptional item' for the year ended 31 March 2022. HRTech has accumulated losses of ₹ 823.72 Lakhs (31 March 2022: ₹ 1,051.46 Lakhs) as at 31 March 2023.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 7: Intangible assets under development

As at 31 March 2023

#### Intangible assets under development (IADU)

	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	988.36	127.13	161.32	414.25	1,691.06
<b>Total</b>	<b>988.36</b>	<b>127.13</b>	<b>161.32</b>	<b>414.25</b>	<b>1,691.06</b>

As at 31 March 2022

#### Intangible assets under development (IADU)

	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	668.65	316.20	591.00	206.95	1,782.80
<b>Total</b>	<b>668.65</b>	<b>316.20</b>	<b>591.00</b>	<b>206.95</b>	<b>1,782.80</b>

The Company does not have any assets whose completion is overdue or has exceeded its cost compared to its approved budgets.

### Note 8: Investments

	31 March 2023	31 March 2022
Non current, Unquoted (at cost, less impairment)		
Investment in Endowment fund (Refer note 1 below)	300.00	300.00
	<b>300.00</b>	<b>300.00</b>
Aggregate value of unquoted investments	300.00	300.00
Aggregate amount of provision for diminution	-	-

#### Notes:

- The Company entered into a definitive agreement with TeamLease Skill university and has funded ₹ 300 Lakhs to set up corpus towards Endowment fund.
- One of the subsidiary, TeamLease Edtech Limited, has investment of ₹ 0.28 Lakhs (31 March 2022: 0.28 Lakhs) in Systematix Commodities Services Pvt. Ltd which has been fully written off, hence not disclosed above.

### Note 9: Loan

	31 March 2023	31 March 2022
<b>Non-current</b>		
(Unsecured)		
Loans to related parties (Refer Note 44)	980.00	-
Less: Impairment of loan ( Refer note below)	(980.00)	-
	<b>-</b>	<b>-</b>

**Note:** On Dec 23, 2022, Department of Higher Education vide notification number F.No.36-27/2018.NVEQF has discontinued National Employability Enhancement Mission Scheme, which will have adverse impact on continuation of business activities of TeamLease Skills University (TLSU), since TLSU will not be eligible to take fresh enrolments of apprentices under the said Scheme, leading to uncertainty around recovery of loans outstanding from TLSU in foreseeable future. Accordingly, management has impaired loan of ₹ 980 Lakhs outstanding from TLSU.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 10: Current Investments (at fair value through profit and loss)

	31 March 2023	31 March 2022
<b>Investment in mutual funds (Quoted)</b>		
UTI Liquid Fund	2,020.01	-
54,752 Units of ₹ 3,689.41 each (31 March 2022: Nil)		
Tata Liquid Fund	3,521.64	-
99,162 Units of ₹ 3,551.41 each (31 March 2022: Nil)		
DSP Fund Liquid Fund	2,515.01	-
78,174 Units of ₹ 3,217.19 each (31 March 2022: Nil)		
ICICI Prudential Fund	2,513.21	-
755,299 Units of ₹ 332.74 each (31 March 2022: NIL)		
Kotak Liquid Fund	3,014.73	-
66,281 Units of ₹ 4,548.41 each (31 March 2022: NIL)		
Sundaram Liquid Fund	3,001.69	-
151,000 Units of ₹ 1,987.87 each (31 March 2022: NIL)		
HSBC Liquid Fund	2,501.30	-
111,559 Units of ₹ 2,242.13 each (31 March 2022: NIL)		
Axis Arbitrage Fund	-	505.50
Nil (31 March 2022: 3,122,970 Units of ₹ 16.19 each)		
Kotak Money Market Fund	-	2,523.94
Nil (31 March 2022: 70,100 Units of ₹ 3,600.50 each)		
IDFC Overnight Fund	-	2,005.21
Nil (31 March 2022: 177,523 Units of ₹ 1,129.56 each)		
Aggregate amount of quoted investment and market value thereof	19,087.59	5,034.65

### Note 11: Unbilled Revenue

	31 March 2023	31 March 2022
<b>Current</b>		
(Unsecured, Considered good)		
Unbilled revenue *	15,586.59	17,070.50
	<b>15,586.59</b>	<b>17,070.50</b>

\* includes ₹ 79.09 Lakhs (31 March 2022: ₹ 133.52 Lakhs) from related parties.

### Note 12: Other financial assets

	31 March 2023	31 March 2022
<b>Non-current</b>		
(Unsecured, Considered good)		
Interest accrued on fixed deposits	-	18.01
Reimbursement right for gratuity	9,476.89	9,205.98
Reimbursement right for compensated absences	959.05	871.79
Fixed deposits with banks (maturity of more than 12 months) (Refer note 18)	13.00	212.87
Loan to employees	-	40.23
Security/other deposits	870.57	617.88
Other advances etc	-	150.00

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 12: Other financial assets (Contd..)

	31 March 2023	31 March 2022
	<b>11,319.51</b>	<b>11,116.76</b>
(Credit impaired)		
Deposits	80.52	118.38
Less: Provision	(80.52)	(118.38)
	-	-
	<b>11,319.51</b>	<b>11,116.76</b>

	31 March 2023	31 March 2022
<b>Current</b>		
(Unsecured, Considered good)		
Interest accrued on fixed deposits	140.45	83.03
Interest accrued on loans to related party (Refer Note 44)	2.93	-
Reimbursement right for gratuity	5,215.22	4,421.84
Reimbursement right for compensated absences	1,718.87	1,503.01
Security/other deposits	305.53	485.07
Receivables from related parties (Refer Note 44)	102.90	291.07
Other receivables	1,345.21	-
Other assets	54.81	9.62
Loans and advances to employees	20.04	-
	<b>8,905.96</b>	<b>6,793.64</b>
(Credit impaired)		
Other receivables	257.91	-
Deposits/other assets	20.95	19.36
Less: Provision	(278.86)	(19.36)
	-	-
	<b>8,905.96</b>	<b>6,793.64</b>

### Note 13: Deferred tax assets (net)

	31 March 2023	31 March 2022
Deferred tax assets (net)	655.63	239.10
MAT credit entitlement	19.52	19.52
	<b>675.15</b>	<b>258.62</b>

Particulars	Provision for expected credit loss	Depreciation on property, plant and equipment and intangible assets	Provision for leave and gratuity	Unabsorbed depreciation and business losses	Others	Total
<b>As at 1 April 2021</b>	538.00	(1,547.56)	258.29	1,112.50	115.20	476.43
<b>Credit/ charge:</b>						-
<b>Reclassification to deferred tax liability pursuant to amalgamation (Refer Note 14)</b>	(62.17)	952.66	(49.10)	(951.95)	(144.84)	(255.40)
Profit and loss	(134.57)	334.12	49.76	(32.61)	44.15	260.85
Other comprehensive income	-	-	4.18	-	-	4.18
Deferred taxes acquired in business combinations	-	(246.96)	-	-	-	(246.96)

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 13: Deferred tax assets (net) (Contd..)

Particulars	Provision for expected credit loss	Depreciation on property, plant and equipment and intangible assets	Provision for leave and gratuity	Unabsorbed depreciation and business losses	Others	Total
<b>As at 31 March 2022</b>	<b>341.26</b>	<b>(507.74)</b>	<b>263.13</b>	<b>127.94</b>	<b>14.51</b>	<b>239.10</b>
<b>Credit/ charge:</b>						
Profit and loss	(21.65)	289.12	65.34	1.08	120.47	454.36
Other comprehensive income	-	-	(37.83)	-	-	(37.83)
<b>As at 31 March 2023</b>	<b>319.61</b>	<b>(218.62)</b>	<b>290.64</b>	<b>129.02</b>	<b>134.98</b>	<b>655.63</b>

### Note 14: Deferred tax liabilities (net)

	31 March 2023	31 March 2022
Deferred tax liabilities (net)	378.63	285.10
	<b>378.63</b>	<b>285.10</b>

Particulars	Provision for expected credit loss	Depreciation on property, plant and equipment and intangible assets	Provision for leave and gratuity	Unabsorbed depreciation and business losses	Others	Total
<b>As at 1 April 2021</b>	-	-	-	-	-	-
<b>Credit/ charge:</b>						
<b>Reclassification to deferred tax liability pursuant to amalgamation (Refer Note 13)</b>	62.17	(952.66)	49.10	951.95	144.84	255.40
Profit and loss	(21.51)	206.48	17.68	(643.42)	(101.90)	(542.67)
Other comprehensive income	-	-	2.17	-	-	2.17
<b>As at 31 March 2022</b>	<b>40.66</b>	<b>(746.18)</b>	<b>68.95</b>	<b>308.53</b>	<b>42.94</b>	<b>(285.10)</b>
<b>Credit/ charge:</b>						
Profit and loss	(19.04)	213.92	50.64	(308.53)	(28.62)	(91.63)
Other comprehensive income	-	-	(1.90)	-	-	(1.90)
<b>As at 31 March 2023</b>	<b>21.62</b>	<b>(532.26)</b>	<b>117.69</b>	<b>-</b>	<b>14.32</b>	<b>(378.63)</b>

### Note 15: Income tax assets (net)

Non-current	31 March 2023	31 March 2022
Advance income tax (net of provision)*	22,381.39	15,454.39
	<b>22,381.39</b>	<b>15,454.39</b>

\* includes ₹ 12.21 Lakhs (31 March 2022: ₹ 12.21 Lakhs) paid under protest.

Current	31 March 2023	31 March 2022
Advance income tax	-	31.52
	<b>-</b>	<b>31.52</b>

Income tax expense/ (credit) in the statement of profit and loss consists of:

	31 March 2023	31 March 2022
Current income tax charge	640.85	333.86
Tax provision for earlier years	70.32	(4.68)
Deferred tax charge	(362.73)	281.81
<b>Income tax reported in the statement of profit or loss</b>	<b>348.44</b>	<b>610.99</b>



## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 15: Income tax assets (net) (Contd..)

#### Income tax recognised in other comprehensive income

	31 March 2023	31 March 2022
Deferred tax charge/(credit)	39.73	(6.35)
<b>Income tax expense charged to OCI</b>	<b>39.73</b>	<b>(6.35)</b>

#### Reconciliation of effective tax rate:

	31 March 2023	31 March 2022
Profit before exceptional items and tax	11,736.25	11,734.32
Tax using the Company's domestic tax rate @ 25.168%	2,953.78	2,953.29
<b>Tax effect of:</b>		
Non-deductible tax expense	738.15	673.75
PF Trust contribution	232.11	(1,382.60)
Provision related to prior years	70.32	(4.68)
80JJAA deduction	(2,918.48)	(1,247.97)
Brought forward losses	(425.40)	(682.08)
Others	(302.04)	301.28
<b>Income tax expense</b>	<b>348.44</b>	<b>610.99</b>

#### Note 1

As per amendment in the Finance Act, 2016, deduction under Section 80JJAA of the Income tax Act, 1961, was extended across to all the sectors. As per the provisions of Section 80JJAA, an assessee will be allowed a deduction of an amount equal to thirty per cent of additional wages paid to the new regular workmen employed by the assessee in the previous year for three assessment years including the assessment year relevant to the previous year in which such employment is provided subject to fulfilment of the other conditions mentioned in Section 80JJAA. The Group has started availing such deduction from financial year 2016-17 onwards. Also refer note 45 in respect of certain tax litigations.

### Note 16: Other non-current assets

	31 March 2023	31 March 2022
(Unsecured, Considered good)		
Prepaid expenses	-	2.37
Capital advances	20.00	50.00
Balances with statutory/ government authorities*	255.14	-
	<b>275.14</b>	<b>52.37</b>
(Credit impaired)		
Balances with statutory/ government authorities	29.66	29.66
Less: Provision	(29.66)	(29.66)
	<b>275.14</b>	<b>52.37</b>

\* Paid under protest ₹ 232.36 Lakhs towards GST and ₹ 22.78 Lakhs towards professional tax.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 17: Trade receivables

	31 March 2023	31 March 2022
(Unsecured, Considered good)		
Trade receivables from related parties (Refer Note 44)	1,083.53	3,279.59
Trade receivables - others	36,943.77	33,685.81
(Unsecured, credit impaired)		
Trade receivables - others	889.62	1,360.07
	<b>38,916.92</b>	<b>38,325.47</b>
Allowance for expected credit loss	(889.62)	(1,360.07)
	<b>(889.62)</b>	<b>(1,360.07)</b>
	<b>38,027.30</b>	<b>36,965.40</b>

### Trade receivables ageing schedule

#### As at 31 March 2023

	Current not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	18,155.53	19,764.28	92.92	-	14.57	-	38,027.30
Trade receivable – credit impaired	-	0.17	323.55	175.29	30.23	360.38	889.62
<b>Total</b>	<b>18,155.53</b>	<b>19,764.45</b>	<b>416.47</b>	<b>175.29</b>	<b>44.80</b>	<b>360.38</b>	<b>38,916.92</b>

#### As at 31 March 2022

	Current not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	18,521.53	18,404.11	24.48	-	15.28	-	36,965.40
Trade receivables – credit impaired	-	12.33	78.54	408.57	616.69	243.94	1,360.07
<b>Total</b>	<b>18,521.53</b>	<b>18,416.44</b>	<b>103.02</b>	<b>408.57</b>	<b>631.97</b>	<b>243.94</b>	<b>38,325.47</b>

- a) No receivable is due from directors or other officers of the Group either severally or jointly with any other person. For trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member, refer note 44.
- b) Trade receivables are non-interest bearing and with credit period upto 120 days.

### Note 18: Cash and cash equivalents and bank balances

	31 March 2023	31 March 2022
Balances with banks:		
- On current accounts	14,944.38	17,620.86
- Deposits with original maturity of less than 3 months	-	33.16
Cash on hand	0.66	0.77
	<b>14,945.04</b>	<b>17,654.79</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 18: Cash and cash equivalents and bank balances (Contd..)

	31 March 2023	31 March 2022
<b>Other bank balances</b>		
Deposits with remaining maturity of less than 12 months	9,849.49	11,645.89
Deposits with remaining maturity of more than 12 months	13.00	212.87
	<b>9,862.49</b>	<b>11,858.76</b>
Less : Amounts disclosed under other financial assets (Refer note 12)	(13.00)	(212.87)
	<b>9,849.49</b>	<b>11,645.89</b>

Fixed deposits of ₹ 1,063.14 Lakhs as at 31 March 2023 (31 March 2022: ₹ 2,929.86 Lakhs) is under lien with various banks for loans taken/ guarantees issued to third parties.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31 March 2023	31 March 2022
Balances with banks		
- On current accounts	14,944.38	17,620.86
- Deposits with remaining maturity of less than 3 months	-	33.16
- Cash on hand	0.66	0.77
	14,945.04	17,654.79
Less: Bank overdraft (Refer note 24)	(1,934.30)	(2,516.84)
	<b>13,010.74</b>	<b>15,137.95</b>

### Note 19: Other current assets

	31 March 2023	31 March 2022
(Unsecured, Considered good)		
Prepaid expenses	1,683.56	1,880.46
Advances to suppliers/ others	1,630.71	1,683.78
Loans and advances to employees	75.31	79.00
Other assets	11.71	18.64
	<b>3,401.29</b>	<b>3,661.88</b>
(Credit impaired)	27.26	27.26
Other advances	(27.26)	(27.26)
Less: Provision	-	-
	<b>3,401.29</b>	<b>3,661.88</b>

### Note 20: Equity share capital

	31 March 2023	31 March 2022
<b>Equity share capital</b>		
<b>(i) Authorised equity share capital</b>		
23,300,000 (31 March 2022: 23,300,000) equity shares of ₹ 10 each.	2,330.00	2,330.00
<b>(ii) Authorised 12% Cumulative Convertible Redeemable Preference Shares (CCPS)</b>		
170,000 (31 March 2022: 170,000) CCPS of ₹ 100 each	170.00	170.00
<b>(iii) Issued, subscribed and fully paid-up shares</b>		
17,096,769 (31 March 2022: 17,096,769) equity shares of ₹ 10 each.	1,709.68	1,709.68
<b>Total issued, subscribed and fully paid-up shares</b>	<b>1,709.68</b>	<b>1,709.68</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 20: Equity share capital (Contd..)

#### (iv) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(v) The Company has sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated February 03, 2023 for buyback of 327,869 equity shares at a price of 3,050 per equity share for an aggregate consideration of ₹100 Crores, which was duly passed and the results of which were announced on March 16, 2023. The offer size of the buyback was 14.79% and 14.50% of the aggregate fully paid-up equity share capital and free reserves respectively as per audited consolidated financial statements of the Company as at March 31, 2022. The buyback offer period is open from May 12, 2023 to May 25, 2023.

#### (vi) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	31 March 2023		31 March 2022	
	Numbers	% holding	Numbers	% holding
<b>Equity shares of ₹ 10 each fully paid</b>				
HR Offshoring Ventures Pte Limited	4,058,876	23.74	4,058,876	23.74
NED Consultants LLP	1,196,997	7.00	1,196,997	7.00
Franklin India Balanced Advantage fund	956,325	5.59	-	-

(vii) There are no shares reserved for issue under options, except held by TeamLease Employee Stock Option Plan Trust. Also refer note 38.

#### (viii) Details of shares held by promoters

##### As at 31 March 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HR Offshoring Ventures Pte Ltd.	4,058,876	-	4,058,876	23.74%	-
NED Consultants LLP	1,196,997	-	1,196,997	7.00%	-
Hansini Management Consultants Private Limited	131,442	-	131,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	-	-
<b>Total</b>	<b>5,387,615</b>	<b>-</b>	<b>5,387,615</b>	<b>31.51%</b>	<b>-</b>

##### As at 31 March 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HR Offshoring Ventures Pte Ltd.	4,315,328	(256,452)	4,058,876	23.74%	-5.94%
NED Consultants LLP	1,367,965	(170,968)	1,196,997	7.00%	-12.50%
Hansini Management Consultants Private Limited	131,442	-	131,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	-	-
<b>Total</b>	<b>5,815,035</b>	<b>(427,420)</b>	<b>5,387,615</b>	<b>31.51%</b>	<b>-7.35%</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 21: Other equity

	31 March 2023	31 March 2022
<b>Owners of the parent company</b>		
Securities premium	24,888.12	24,764.29
Retained earnings	53,755.34	42,489.11
Share based payment reserves	409.33	357.84
	<b>79,052.79</b>	<b>67,611.24</b>

#### Nature and purpose of other reserves

##### (i) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of Section 52 of Companies Act, 2013.

##### (ii) Share based payment reserves

This reserve relates to stock options and stock appreciation rights granted by the Company to employees under TeamLease Employee Stock Option Plan and Employee Stock Appreciation Rights Plan 2019 respectively.

### Note 21: Non-controlling interest

	31 March 2023	31 March 2022
Non-controlling interest *	1,285.63	1,259.04
	<b>1,285.63</b>	<b>1,259.04</b>

\* Includes ₹ Nil (31 March 2022: ₹ 674.44 Lakhs) arising on account of acquisitions. (Refer Note 49).

### Note 22: Net employee defined benefit liabilities

	31 March 2023	31 March 2022
<b>Non-current</b>		
Employee benefits - Gratuity (Refer note 37)	10,177.23	9,873.89
Employee benefits - Compensated absences	1,445.21	1,308.56
	<b>11,622.44</b>	<b>11,182.45</b>
<b>Current</b>		
Employee benefits - Gratuity (Refer note 37)	5,447.65	4,620.00
Employee benefits - Compensated absences	1,960.81	1,717.97
	<b>7,408.46</b>	<b>6,337.97</b>

### Note 23: Other non-current liabilities

	31 March 2023	31 March 2022
Disputed tax liabilities (Refer note 45)	421.90	421.90
	<b>421.90</b>	<b>421.90</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 24: Borrowings

	31 March 2023	31 March 2022
<b>Current</b>		
<b>Secured</b>		
Bank overdraft*	1,934.30	2,516.84
Term loan**	-	250.00
	<b>1,934.30</b>	<b>2,766.84</b>

\*The overdraft facilities from bank are secured by lien on fixed deposits, book debts, floating charge on current assets and property, plant and equipment and corporate guarantee provided by Holding Company and carries interest ranging between 7.90% to 9.50% (31 March 2022: 7.20% to 7.90%) per annum. The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account.

\*\* Term loan from banks was secured primarily by way of exclusive charge on the current assets of TeamLease Edtech Limited and corporate guarantee provided by the Holding Company. Loan was repaid on 3 March 2023 and carried interest rate @ 7% p.a.

### Note 25: Trade payables

	31 March 2023	31 March 2022
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises("MSME")	93.63	264.62
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,385.35	3,927.24
	<b>4,478.98</b>	<b>4,191.86</b>

Refer note 44 for details of trade payables to related parties.

#### Trade payables ageing schedule

##### As at 31 March 2023

	Unbilled dues	Outstanding for following periods from due date of payment					Total
		Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	11.36	49.16	27.46	5.65	-	-	93.63
(ii) Others	3,138.34	281.66	777.82	131.65	10.50	44.32	4,384.29
(iv) Disputed dues - Others	-	-	-	-	1.06	-	1.06
<b>Total</b>	<b>3,149.70</b>	<b>330.82</b>	<b>805.28</b>	<b>137.30</b>	<b>11.56</b>	<b>44.32</b>	<b>4,478.98</b>

##### As at 31 March 2022

	Unbilled dues	Outstanding for following periods from due date of payment					Total
		Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	40.81	141.14	82.64	0.03	-	-	264.62
(ii) Others	2,803.13	762.89	192.64	75.76	69.93	21.83	3,926.18
(iv) Disputed dues - Others	-	-	-	1.06	-	-	1.06
<b>Total</b>	<b>2,843.94</b>	<b>904.03</b>	<b>275.28</b>	<b>76.85</b>	<b>69.93</b>	<b>21.83</b>	<b>4,191.86</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 26: Lease Liabilities

	31 March 2023	31 March 2022
<b>Non-Current</b>		
Lease Liabilities	6,054.16	2,178.21
	<b>6,054.16</b>	<b>2,178.21</b>

	31 March 2023	31 March 2022
<b>Current</b>		
Lease liabilities	2,023.54	1,038.22
	<b>2,023.54</b>	<b>1,038.22</b>

The following is the movement in lease liabilities

Particulars	31 March 2023	31 March 2022
Balances as at beginning of the year	3,216.43	2,283.51
Add: Additions during the year	6,599.43	3,482.57
Less: Deletions during the year	(216.77)	(1,298.95)
Add: Finance cost incurred during the year	473.34	339.97
Less: Payments of lease liabilities (including finance cost)	(1,994.73)	(1,590.67)
<b>Balance as at year end</b>	<b>8,077.70</b>	<b>3,216.43</b>

The weighted average discount rate used for recognition of lease liabilities is 7.20% - 9% p.a. (31 March, 2022: 7.30% - 9% p.a.)

### Note 27: Other financial liabilities

	31 March 2023	31 March 2022
<b>Non-Current</b>		
Long-term incentive payable	592.72	185.38
	<b>592.72</b>	<b>185.38</b>

	31 March 2023	31 March 2022
<b>Current</b>		
Employees benefits payable	32,933.30	29,891.09
Creditors for capital goods	0.11	182.65
Security deposits	77.83	167.68
	<b>33,011.24</b>	<b>30,241.42</b>

### Note 28: Other current liabilities

	31 March 2023	31 March 2022
GST payable	12,599.65	10,240.05
Other statutory dues payable	9,376.17	7,905.31
Advance from customers*	478.40	1,676.99
Unearned revenue	133.42	94.02
Other liabilities	4,216.34	4,715.00
	<b>26,803.98</b>	<b>24,631.37</b>

\* includes 0.03 Lakhs (31 March 2022 : Nil) from related party.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 29: Revenue from operations

	31 March 2023	31 March 2022
Income from staffing services		
-General staffing	715,799.56	582,099.21
-Specialized staffing	56,583.22	53,093.85
Skills and development etc.	-	906.70
Income from regulatory services and other HR services	3,006.86	2,153.26
Income from specialized academic services	6,784.85	5,710.47
Income from job portal	587.24	716.04
Payroll income	2,140.42	1,735.47
Income from SAAS based governance, risk and compliance automation	1,091.10	724.10
Corporate social responsibility grant	1,006.50	843.21
<b>Total revenue</b>	<b>786,999.75</b>	<b>647,982.31</b>

### Other disclosures

#### Disaggregated revenue information

The disaggregation of Group's revenue from contracts with customers, which is in agreement with the amounts disclosed in the segment information and the contracted price are provided in note 43.

Contract balances	31 March 2023	31 March 2022
Contract assets - Trade receivables	38,027.30	36,965.40
Contract assets - Unbilled revenue	15,586.59	17,070.50
Contract liabilities - Advance from customers	478.40	1,676.99
Contract liabilities - Unearned revenue	133.42	94.02

Trade receivables are non-interest bearing and are generally on credit terms of upto 120 days.

Set out below is the amount of revenue recognised from:

	31 March 2023	31 March 2022
Amounts included in contract liabilities at the beginning of the year	230.18	1,156.36

### Note 30: Other income

	31 March 2023	31 March 2022
Interest income on:		
Loans to related parties (Refer note 44)	63.12	-
Deposits with banks	406.06	474.52
Income tax refunds	616.40	104.62
Others	33.78	24.59
Liabilities/ provisions no longer required written back	2,094.58	981.66
Net gain on sale of current investments	624.06	305.99
Net fair value gains on current investments	88.25	36.73
Income from Skills business and development	328.36	-
Net gain on sale of assets held for sale (IJT Education)	-	6.15
Foreign exchange gain (net)	6.91	-
Miscellaneous income	133.04	38.37
<b>Total other income</b>	<b>4,394.56</b>	<b>1,972.63</b>



## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 31: Employee benefits expense

	31 March 2023	31 March 2022
Salaries, wages and bonus	700,541.90	571,169.83
Share based payment expense (net)	186.29	279.22
Gratuity expense (Refer Note 37)	351.29	343.47
Compensated absences	327.96	321.65
Contribution to provident fund and other funds	49,965.89	40,854.85
Staff welfare expenses	5,607.40	5,104.20
<b>Total employee benefits expense</b>	<b>756,980.73</b>	<b>618,073.22</b>

### Note 32: Finance Cost

	31 March 2023	31 March 2022
Interest on bank overdraft	21.25	11.32
Interest on borrowings	21.72	4.75
Interest on lease obligation	473.34	339.97
Interest on financial liabilities and others	52.83	40.55
	<b>569.14</b>	<b>396.59</b>

### Note 33: Depreciation and amortisation expense

	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	641.04	600.36
Amortization of other intangible assets	1,937.11	2,031.07
Depreciation of right-of-use assets	1,737.59	1,447.23
	<b>4,315.74</b>	<b>4,078.66</b>

### Note 34: Other expenses

	31 March 2023		31 March 2022	
Training expenses (skill development etc.)		3,955.51		3,545.47
Rent		1,469.07		1,380.57
Rates and taxes		294.54		276.40
Electricity		304.48		277.48
Traveling and conveyance		998.46		726.49
Repairs and maintenance:				
-Leasehold premises		1.41		8.87
-Others		1,808.75		1,320.80
Printing and stationery	-	524.96	-	361.18
Legal and professional charges		5,177.01		5,020.15
Insurance		192.80		220.53
Sundry balances written off		44.53		61.58
Bad debts written off	490.61		643.30	
Less: Provision for expected credit loss utilised	(110.32)	380.29	(293.86)	349.44

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 34: Other expenses (Contd..)

	31 March 2023	31 March 2022
Provision for expected credit loss/(reversal)	149.54	(270.00)
Loss on disposal of property, plant and equipment (net)	20.15	4.86
Reversal of provision for doubtful advances/receivables (net)	(111.95)	-
CSR expenditure	153.85	194.86
Foreign exchange loss (net)	-	30.04
Miscellaneous expenses	2,429.05	2,163.43
	<b>17,792.45</b>	<b>15,672.15</b>

### Note 35: Exceptional items (net)

	31 March 2023	31 March 2022
(Recovery)/ contribution to PF Trust (Refer note 47)	(922.25)	5,719.87
TDS balances written off	-	180.25
Impairment of goodwill of TeamLease HRTech Private Limited	-	1,292.81
Impairment of other intangible assets	-	249.93
Unbilled revenue written off	-	172.59
Fair value gains on investment in Joint Venture (TRPL) [Refer note (a) below]	-	(437.58)
Buyback expenses	175.08	-
Impairment of loan to TLSU (Refer note 9 and 44)	980.00	-
	<b>232.83</b>	<b>7,177.87</b>

**Note:**

(a) Fair value gains arising in respect of previously held equity stake in TRPL, consequent to TRPL becoming a subsidiary.

### Note 36: Earnings per share

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2023	31 March 2022
Profit attributable to equity shareholders (₹ in Lakhs)	11,134.13	3,842.83
Nominal value of each equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the year	17,096,769	17,096,769
EPS - basic and diluted (₹)	65.12	22.48

### Note 37: Employee benefit obligation

#### (A) Gratuity (Associates)

The Group has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 5 years of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement.

The Group has recognised gratuity liability and reimbursement right in respect of associate employees in accordance with Ind AS 19.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 37: Employee benefit obligation (Contd..)

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

#### Net defined benefit liability/ (assets)

	31 March 2023	31 March 2022
Present value of unfunded obligation	14,692.11	13,627.82
Fair value of plan assets	-	-
<b>Net liability</b>	<b>14,692.11</b>	<b>13,627.82</b>
Current	5,215.22	4,421.84
Non-current	9,476.89	9,205.98

#### Net benefit cost

	31 March 2023	31 March 2022
Current service cost	7,021.03	6,847.58
Net actuarial (gain)/loss recognised in the year	(4,159.98)	(2,701.34)
Interest cost on defined benefit obligation	639.11	424.44
<b>Net benefit expense* (see note below)</b>	<b>3,500.16</b>	<b>4,570.68</b>

\*The employee benefits expense towards gratuity and related reimbursement right for associate employees is netted off in the Statement of Profit and Loss.

#### Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	31 March 2023	31 March 2022
Defined benefit obligation at beginning of the year	13,627.82	10,916.40
Current service cost	7,021.03	6,847.58
Interest cost on defined benefit obligation	639.11	424.44
Benefits paid	(2,435.87)	(1,859.26)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	4.11	141.23
Actuarial (gain) / loss arising from changes in financial assumptions	(710.40)	(57.23)
Actuarial (gain) / loss arising from changes in experience adjustments	(3,453.69)	(2,785.34)
<b>Defined benefit obligation at end of the year</b>	<b>14,692.11</b>	<b>13,627.82</b>

#### The principal assumptions used in determining gratuity obligations are shown below:

	31 March 2023	31 March 2022
Discount rate	7.07% - 7.11%	5.15%
Salary escalation rate	3.0% - 5.00%	7.00%
Attrition rate	36% - 42.0%	43.00%
Retirement age	58 - 60	58
Mortality tables	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table

**Note:** The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in employment market.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 37: Employee benefit obligation (Contd..)

#### Sensitivity analysis

Sensitivity analysis for significant assumptions on defined benefit obligation are as shown below:

Particulars	31 March 2023		31 March 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	14,402.55	14,995.15	13,333.76	13,936.52
Salary escalation rate	14,931.72	14,459.12	13,863.38	13,398.97
Attrition rate	14,613.88	14,771.54	13,502.87	13,756.47

#### The following payments are expected contributions to the defined benefit plan in future years

	31 March 2023	31 March 2022
Year 1	3,705.69	3,225.22
Year 2	2,523.63	2,456.04
Year 3	1,829.27	1,721.98
Year 4	1,318.87	1,232.38
Year 5	782.51	745.85
Next 5 years	1,053.43	1,045.41

The weighted average duration of defined benefit obligation at the end of the reporting period is 3 years (31 March 2022: 2 years)

#### (B) Gratuity (Core employees)

The Group has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 5 years of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

#### Net defined benefit liability/ (assets)

	31 March 2023	31 March 2022
Present value of funded obligation	944.37	877.94
Fair value of plan assets	(11.60)	(11.87)
<b>Net liability</b>	<b>932.77</b>	<b>866.07</b>
Current	232.43	198.16
Non-current	700.34	667.91

#### Net benefit cost recognised in statement of profit and loss

	31 March 2023	31 March 2022
Current service cost	305.43	314.52
Interest cost on defined benefit obligation	46.54	28.95
Interest income on plan asset	(0.68)	-
<b>Net benefit expense</b>	<b>351.29</b>	<b>343.47</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 37: Employee benefit obligation (Contd..)

#### Remeasurement loss/(gains) in other comprehensive income

Particulars	31 March 2023	31 March 2022
Due to change in demographic assumptions	20.84	(18.98)
Due to change in financial assumptions	(8.75)	(5.42)
Due to change in experience adjustments	(178.89)	43.62
Return on plan assets (excluding interest income)	0.20	(0.25)
<b>Actuarial loss recognised in OCI</b>	<b>(166.60)</b>	<b>18.97</b>

#### Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2023	31 March 2022
Defined benefit obligation at beginning of the year	877.94	623.52
Added on acquisitions	-	30.29
Current service cost	305.43	314.52
Interest cost on defined benefit obligation	46.54	29.51
Benefits paid	(118.74)	(169.98)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	20.84	(18.98)
Actuarial (gain) / loss arising from changes in financial assumptions	(8.75)	(5.42)
Actuarial (gain) / loss arising from changes in experience adjustments	(178.89)	43.62
Transfer In /Out		
Transfer in	-	64.95
Transfer out	-	(34.09)
<b>Defined benefit obligation at end of the year</b>	<b>944.37</b>	<b>877.94</b>

#### Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2023	31 March 2022
Fair value of plan assets at beginning of the year	11.87	12.67
Interest Income	0.47	-
Expected return on plan asset	0.21	0.54
Employer contributions	7.21	-
Benefits payment	(7.96)	(1.59)
Remeasurement - actuarial gain/ (loss)	(0.20)	0.25
<b>Fair value of plan assets at end of the year</b>	<b>11.60</b>	<b>11.87</b>

#### The principal assumptions used in determining gratuity benefit obligation for group entities are shown below:

Particulars	31 March 2023	31 March 2022
Discount rate	7.07% - 7.30%	5.15% - 7.30%
Salary escalation rate	5% - 10%	upto 10%
Attrition rate	20% - 54%	upto 46%
Retirement age	58 - 60	58 - 60
Mortality tables	Indian Assured Lives Mortality (2006-08) / (2012-14) Ult Table	Indian Assured Lives Mortality (2006-08) / (2012-14) Ult Table

**Note:** The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors such as supply and demand factors in employment market.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 37: Employee benefit obligation (Contd..)

#### Sensitivity analysis

Sensitivity analysis for significant assumptions on defined benefit obligation are as shown below:

Particulars	31 March 2023		31 March 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	917.35	973.20	847.80	910.84
Salary escalation rate	966.01	923.50	903.99	852.52
Attrition rate	936.42	952.60	867.65	888.70

The sensitivity analyses above have been determined based on a method that extrapolates the impact of defined benefit obligation as a result of reasonable changes in key assumptions used at the end of the reporting period.

#### The following payments are expected contributions to the defined benefit plan in future years

	31 March 2023	31 March 2022
Year 1	199.32	161.28
Year 2	157.77	147.69
Year 3	132.28	116.57
Year 4	116.07	105.13
Year 5	83.02	75.46
Next 5 years	215.84	190.71

The weighted average duration of defined benefit obligation at the end of the reporting period is around 4.35 years (31 March 2022: 5.15 years).

### Note 38: Share based payments

#### A. Employee Share Option Plan (ESOP)

TeamLease Services Limited has granted stock options to employees of the Company under 'TeamLease Services Limited ESOP Plan' 2015. The options issued under the plan has term of 3-4 years and vest based on the terms of individual grants. When exercisable, each option is convertible into one equity share. The exercise price of option is ₹ 10. The stock options are restricted for sale, pledge or transfer.

Tranche I and II - Total number of options granted were 126,640, out of which 110,522 options were exercised and 16,118 options were expired/forfeited and in earlier years.

#### Details of TeamLease Employee Stock Option Plan issued by the Trust

Name of the Scheme - TeamLease Employee Stock Option Plan - 2015	Tranche - III*
Date of grant	1 July 2019
Number Granted	18,155
Exercise price (₹)	₹ 10
Vesting period	1-3 years
Vesting conditions	34% on expiry of 12 months from grant date
	33% on expiry of 21 months from grant date
	33% on expiry of 33 months from grant date

\* Approved by Board of Directors and Nomination and Remuneration Committee, during financial year 2019-20.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 38: Share based payments (Contd..)

#### Movement in the options granted to employees

Particulars	Number of Options	
	31 March 2023	31 March 2022
Outstanding at beginning	3,634	7,268
Granted	-	-
Forfeited	-	-
Expired	-	-
Exercised	3,634	3,634
Outstanding at end of the year	-	3,634
Exercisable at end of the year	-	3,634

#### Fair value of options granted

The fair value of stock options granted is estimated using Black-Scholes valuation model, which incorporates various assumptions including expected life, volatility, risk free rate, interest rates and dividend yield. As no stock options were granted for the year ended 31 March 2023 and 31 March 2022, valuation assumptions are not disclosed.

The weighted average remaining contractual life for the share options outstanding as at 31 March 2023 was Nil (31 March 2022: Nil).

The weighted average exercise price of the outstanding option is ₹ Nil (31 March 2022: ₹ 10).

Stock Option Compensation expense is Nil (31 March 2022: ₹ 39.75 Lakhs) for the year.

### B. Employee Stock Option Scheme - 2016 (ESOS)

TeamLease Edtech Limited ('TLEL') has instituted Employee Stock Option Scheme - 2016 (ESOS) duly approved by the shareholders in the extra-ordinary general meeting of TLEL held on 25 August 2016. As per the scheme, the Board of TLEL evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period subject to fulfilment of certain conditions.

#### Details of Employee Stock Option Scheme - 2016

Particulars	Tranche-I	Tranche-II	Tranche-III	Tranche-IV
Date of grant	2 September 2016	4 September 2016	1 December 2016	4 September 2017
Number granted	29,560	4,105	860	1,172
Exercise price (₹)	₹ 282	₹ 282	₹ 282	₹ 282
Vesting period	3 Years	2 Years	3 Years	2 Years
Vesting conditions	30% on expiry of 12 months from grant date	50% on expiry of 12 months from grant date	30% on expiry of 12 months from grant date	50% on expiry of 12 months from grant date
	35% on expiry of 24 months from grant date	50% on expiry of 24 months from grant date	35% on expiry of 24 months from grant date	50% on expiry of 24 months from grant date
	35% on expiry of 36 months from grant date		35% on expiry of 36 months from grant date	

As on 17 November 2021, the shares of TLEL have been split in the ratio 1:10 equity shares. Further, TLEL has also modified its existing ESOS by changing the exercise price of options. The tables given below represent the numbers which are after split and modification.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 38: Share based payments (Contd..)

#### Movement in the options granted to employees (ESOS)

Particulars	Number of Options	
	31 March 2023	31 March 2022
Number of options outstanding	12,430	78,320
Granted	-	-
Forfeited	12,430	40,660
Expired	-	-
Exercised	-	25,230
Outstanding at end of the year	-	12,430
Exercisable at end of the year	-	12,430

No option have been granted during the year.

The weighted average remaining contractual life for the share options outstanding 31 March 2023 is Nil (31 March 2022: Nil).

The weighted average exercise price of the outstanding options is Re.1.

Stock Option Compensation expense is ₹ Nil (31 March 2022: ₹ 11.29 Lakhs) for the year. There was a modification of already vested grants as at 17 November 2021. The exercise price was reduced to Re. 1. The incremental fair value on account of this modification is recognised in statement of profit and loss immediately.

#### C. Employee Stock Option Scheme - 2021 (ESOS - 2021)

TeamLease Edtech Limited ('TLEL') has instituted Employee Stock Option Scheme - 2021 (ESOS) duly approved by the shareholders in the extra-ordinary general meeting of TLEL held on 30 November 2021. This employee equity-settled compensation scheme is known as Employee Stock Option Scheme - 2021 (ESOS 2021). This scheme is formulated to provide incentives to key employees who are in the employment of TLEL. The exercise period is 3 years from the date of vesting.

#### Details of Employee Stock Option Scheme - 2021

Particulars	Tranche-I	Tranche-II	Tranche-III
Date of grant	1 July, 2022	1 November, 2022	21 November, 2022
Number granted	252,330	5,000	5,000
Exercise price (₹)	Re. 1	Re. 1	Re. 1
Vesting period	3 Years	3 Years	3 Years
Vesting conditions	34% on expiry of 12 months from grant date		
	33% on expiry of 21 months from grant date		
	33% on expiry of 33 months from grant date		

#### Movement in the options granted to employees (ESOS)

Particulars	Number of Options
	31 March 2023
Number of options outstanding	-
Granted	262,330
Forfeited	18,900
Expired	-
Exercised	-
Outstanding at end of the year	243,430
Exercisable at end of the year	243,430



## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 38: Share based payments (Contd..)

#### Fair value of employee stock options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Variables	31 March 2023		
	Tranche I	Tranche II	Tranche III
Weighted average share price on date of grant	143.54	143.54	143.54
Exercise price (₹)	1.00	1.00	1.00
Expected volatility	56.88%	57.09%	57.09%
Life of ESOS granted in years	4.5 years	4.5 years	4.5 years
Risk free interest rate	7.19%	7.19%	7.19%
Expected dividend yield (%)	-	-	-
Fair value of ESOS (₹)	143.54	143.54	143.54
Weighted average remaining contractual life	2.24 years	2.58 years	2.63 years
Weighted average exercise price of stock options appreciation rights outstanding	1.00	1.00	1.00

Stock Option Compensation expense is ₹ 2715 Lakhs (31 March 2022: ₹ Nil) for the year.

#### D. Sweat equity

On November 26, 2021, TLEL issued and allotted 80,820 sweat equity shares to its eligible employees based on the fair value of equity shares of TLEL on date of allotment. The sweat equity shares were exercised at Re. 1 per share. Stock option compensation expense is ₹ Nil (31 March 2022: ₹ 109.10 Lakhs).

Fair value of sweat equity shares granted

Variables	31 March 2023	31 March 2022
Perpetual growth rate	-	3%
Discount rate (post-tax)	-	18.41%
DCF value per share	-	194.29
Discount for lack of marketability and control @ 30%	-	58.29
Fair value per share	-	136.00

### Note 39: Employee Stock Appreciation Rights Plan 2019 (ESAR 2019)

On recommendation of the Nomination and Remuneration Committee, the Board of Directors and Shareholders approved the ESAR 2019 plan at its meeting held on 9 June 2021, 3 September 2021, 17 May 2022 and 21 September 2022 respectively. The ESAR 2019 plan provides stock options appreciation rights to eligible employees of the Company and its subsidiaries.

#### A. Details of ESAR 2019 plan

Particulars	Tranche-I	Tranche-II	Tranche-III
Date of grant	9 June 2021 3 September 2021	1 July 2022	21 September 2022
Number granted	89,150	49,050	12,000
Exercise price (₹)	3,620	3,300	3,224
Vesting period	5 years	5 years	5 years

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 39: Employee Stock Appreciation Rights Plan 2019 (ESAR 2019) (Contd..)

#### B. Movement in the stock options appreciation rights granted to employees - Tranche I

Particulars	Number of Stock Appreciation Rights		Weighted average Exercise price (₹)	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Outstanding at beginning of the year	79,100	-	3,620	-
Granted	-	89,150	-	3,620
Forfeited	21,000	10,050	3,620	3,620
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	58,100	79,100	3,620	3,620
Exercisable at end of the year	-	-	-	-

#### C. Movement in the stock options appreciation rights granted to employees - Tranche II and III

Particulars	Tranche II		Tranche III	
	Number of Stock Appreciation Rights	Weighted average Exercise price (₹)	Number of Stock Appreciation Rights	Weighted average Exercise price (₹)
	31 March 2023		31 March 2023	
Outstanding at beginning of the year	-	-	-	-
Granted	49,050	3,300	12,000	3,224
Forfeited	8,750	3,300	12,000	3,224
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	40,300	3,300	-	-
Exercisable at end of the year	-	-	-	-

#### D. Fair value of stock options appreciation rights granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Variables	31 March 2023		31 March 2022
	Tranche III	Tranche II	Tranche I
Weighted average share price on date of grant	3,224	3,300	3,604
Exercise price (₹)	3,224	3,300	3,620
Expected volatility	39.61%	38.43%	39.23%
Life of rights granted in years	5 years	5 years	5 years
Risk free interest rate	7.42%	7.31%	6.79%
Expected dividend yield (%)	-	-	-
Fair value of option (₹)	1,506	1,385	1,495
Weighted average remaining contractual life	-	4.25 years	3.25 years
Weighted average exercise price of stock options appreciation rights outstanding	-	3,300	3,620

Stock options appreciation rights expense is ₹ 159.14 Lakhs (31 March 2022: ₹ 119.08 Lakhs) for the year.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 40: Fair value measurements

#### Financial assets measured at fair value through profit/ loss:

Particulars	31 March 2023	31 March 2022
<b>Financial Assets</b>		
Investment in mutual funds (Quoted price in active markets Level 1)	19,087.59	5,034.65

There are no transfers between levels during the year.

Management has assessed that the fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, investments, loans, trade receivables, unbilled revenue, trade payables, unbilled revenue, borrowings, lease liabilities, other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and these are measured at amortised cost.

The fair value of the financial assets and liabilities is included in the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### Note 41: Financial risk management objectives and policies

The Group has exposure to the following risks arising from financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk.

#### Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal auditors. Internal Audit function includes regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

#### (a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

Financial instruments affected by market risks include trade receivable, trade payable and borrowings.

##### (i) Foreign Currency Risk

Foreign currency risks is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group does not have significant foreign currency exposure and hence is not exposed to any significant foreign currency risks.

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group does not have significant debt obligation with floating interest rates, hence is not exposed to any significant interest rate risks.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 41: Financial risk management objectives and policies (Contd..)

#### (b) Credit risk

Credit risk is the risk that counterparty will not meet its contractual obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables, investments and other financial instruments.

##### Trade receivables

With respect to trade receivables/unbilled revenue, the Group has framed the policies to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Group follows 'simplified approach' for recognition of provision for ECL on trade receivables. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes provision for ECL based on lifetime ECLs at each reporting date, right from its initial recognition.

Management does not expect any significant loss from non-performance by counterparties on credit granted during the financial year that has not been provided for.

The following table summarises the changes in the loss allowance measured using ECL:

Particulars	31 March 2023	31 March 2022
Opening balance	1,360.07	1,911.51
Added on acquisitions	-	12.42
Amount reclassified/adjusted*	(509.67)	-
Amount provided / (reversed) during the year	149.54	(270.00)
Amount adjusted for bad debts	(110.32)	(293.86)
Closing provision	889.62	1,360.07

\* Considering Skills and development business is on sunset mode and no longer part of main line of business, as approved by the Board the related receivables are reclassified under other financial assets.

##### Financial instruments

Credit risk from balances with the banks and financial institutions and current investments are managed by the Group's treasury team based on the Group's policy. Investment of surplus fund is made only with approved counterparties.

Counterparty credit limits are reviewed by the Group periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### (c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank borrowings. The summary of the maturity profile of the Group's financial liabilities is as below:

Particulars	Maturity period	31 March 2023	31 March 2022
<b>Financial liabilities - Current</b>			
Borrowings	Within 1 year	1,934.30	2,766.84
Trade payables	Within 1 year	4,478.98	4,191.86
Lease liabilities	Within 1 year	2,023.54	1,038.22
Other financial liabilities	Within 1 year	33,011.24	30,241.42
		<b>41,448.06</b>	<b>38,238.34</b>
<b>Financial liabilities - Non current</b>			
Lease liabilities	1 - 5 years	6,050.28	2,157.00
Lease liabilities	Above 5 years	3.88	21.21
Other financial liabilities	1 - 5 years	592.72	185.38
		<b>6,646.88</b>	<b>2,363.59</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

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### Note 42: Capital management

The key objective of the Group's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to ensure future development of its business. The Group is focused on keeping strong capital base to ensure independence and sustained growth in business.

The Group is predominantly equity financed. To maintain and adjust capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The group has very minimal amount of borrowings. The existing surplus funds along with the cash generated by the Group, are sufficient to meet its current/non-current obligation and working capital requirement.

### Note 43: Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The Board of Directors of the Company is identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segment. The CODM evaluates the Group's performance and allocate resources based on analysis of various performance indicators of the Group. Accordingly, segment information has been presented for the nature of services rendered by the Group.

The reportable business segments are in line with the segment wise information which is being presented to the CODM and for which discrete financial information is available.

The accounting policies consistently used in the preparation of the financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segments on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably and accordingly such items are separately disclosed as 'unallocated'.

#### (i) Reportable segments:

Reportable operating segments of the Group are as follows:

**(a) General Staffing and Allied Services** - Comprises of Staffing, Temporary Recruitment and Payroll & NETAP.

**(b) Specialised Staffing Services** - Comprises of IT Staffing and Telecom Staffing.

**(c) Other HR Services** - Comprises of Regulatory Compliance, Training, Job Portal, Education Technology and SAAS based compliance.

## Notes to the consolidated financial statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

### Note 43: Segment information (Contd..)

#### (ii) Segment results:

Particulars	General staffing and allied services		Specialised Staffing Services		Other HR Services		Unallocated		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Revenue:</b>										
External revenue	717,939.98	583,834.67	56,583.22	53,093.85	12,476.55	11,053.79	-	-	786,999.75	647,982.31
<b>Total segment revenue</b>	<b>717,939.98</b>	<b>583,834.67</b>	<b>56,583.22</b>	<b>53,093.85</b>	<b>12,476.55</b>	<b>11,053.79</b>	-	-	<b>786,999.75</b>	<b>647,982.31</b>
<b>Segment results</b>										
Exceptional item	11,060.09	10,032.58	4,135.75	4,498.34	174.64	230.75	(3,065.09)	(2,630.76)	12,305.39	12,130.91
Finance cost	-	-	-	-	-	-	(232.83)	(7,177.87)	(232.83)	(7,177.87)
<b>Profit before tax</b>	<b>11,060.09</b>	<b>10,032.58</b>	<b>4,135.75</b>	<b>4,498.34</b>	<b>174.64</b>	<b>230.75</b>	<b>(3,867.06)</b>	<b>(10,205.22)</b>	<b>11,503.42</b>	<b>4,556.45</b>
Tax expense	-	-	-	-	-	-	348.44	610.99	348.44	610.99
<b>Profit after tax</b>	<b>11,060.09</b>	<b>10,032.58</b>	<b>4,135.75</b>	<b>4,498.34</b>	<b>174.64</b>	<b>230.75</b>	<b>(4,215.50)</b>	<b>(10,816.21)</b>	<b>11,154.98</b>	<b>3,945.46</b>
<b>Other information</b>										
Capital expenditure	-	-	-	-	-	-	1,957.65	1,339.71	1,957.65	1,339.71
Depreciation and amortization	754.25	438.26	536.74	504.04	446.82	418.74	2,577.93	2,717.62	4,315.74	4,078.66
Non cash expenditure other than depreciation	-	-	-	-	-	-	1,708.09	2,320.68	1,708.09	2,320.68

#### Other information

Particulars	31 March 2023		31 March 2022	
	Assets	Liabilities	Assets	Liabilities
General staffing and allied services	75,783.78	66,964.05	62,844.10	59,492.14
Specialised staffing services	39,811.25	7,835.58	37,547.32	7,242.14
Other HR services	11,438.59	4,055.41	11,531.35	5,066.84
Unallocated	49,744.83	15,875.31	42,117.91	11,659.60
<b>Total</b>	<b>176,778.45</b>	<b>94,730.35</b>	<b>154,040.68</b>	<b>83,460.72</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 43: Segment information (Contd..)

#### Reconciliation to amounts reflected in the financial statements

##### Reconciliation of assets

Particulars	31 March 2023	31 March 2022
<b>Segment assets</b>	127,033.62	111,922.77
Investments	19,387.59	5,334.65
Deferred tax assets (net)	15.16	(202.91)
Income tax assets (net)	19,670.59	12,056.56
Cash and cash equivalents	1,461.90	9,287.80
Bank balances other than cash and cash equivalents	4,848.02	8,258.05
Others	4,361.57	7,383.77
<b>Total assets</b>	<b>176,778.45</b>	<b>154,040.69</b>

##### Reconciliation of liabilities

Particulars	31 March 2023	31 March 2022
<b>Segment liabilities</b>	78,855.04	71,801.12
Net employee defined benefit liabilities	207.90	177.41
Borrowings	1,295.64	2,516.84
Trade payables	1,442.50	26.92
Other financial liabilities	370.77	218.98
Other liabilities	12,558.50	8,719.45
<b>Total liabilities</b>	<b>94,730.35</b>	<b>83,460.72</b>

##### Revenue from external customers

Geographical Segment	31 March 2023	31 March 2022
India	783,873.37	645,986.76
Outside India	3,126.38	1,995.55
<b>Total</b>	<b>786,999.75</b>	<b>647,982.31</b>

The revenue information above is based on the locations of the customers.

##### Non-current assets:

Particulars	31 March 2023	31 March 2022
India	54,680.53	43,507.03
Outside India	-	-
<b>Total</b>	<b>54,680.53</b>	<b>43,507.03</b>

Non-current assets excludes financial instruments and deferred tax assets.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 44: Related party disclosures

#### (i) List of related parties and relationships:

Description of relationship	Names of the related parties
a) Joint control	Teamlease Regtech Private Limited ('TRPL') (subsidiary w.e.f. 3 April 2021)
b) Key management personnel and their relatives	Mr. Manish Sabharwal - Executive Vice Chairman
	Mr. Ashok Reddy - Managing Director and Chief Executive officer
	Mrs. Ramani Dathi - Chief Financial Officer (w.e.f. 28 July 2021) (Deputy CFO w.e.f. 24 March 2021)
	Mrs. Alaka Chanda - Company Secretary & Compliance Officer
	Mrs. Latika Pradhan - Independent Director
	Mr. Narayan Ramachandran - Independent Director and Non Executive Chairman
	Mr. Raghunathan V - Independent Director
	Mr. Zarir Batliwala - Independent Director
	Mr. Mekin Maheshwari - Independent Director (w.e.f. 09 June 2021)
	Mr. S. Subramaniam - Independent Director (w.e.f. 28 July 2021)
	Mrs. Meenakshi Nevatia - Independent Director (w.e.f. 28 July 2021)
	Mrs. Rituparna Chakraborty - Executive Director (w.e.f. 18 May 2022)
	c) Enterprises under significant influence (where transactions have taken place)
Innoviti Payment Solutions Pvt Ltd ('INNOVITI') (w.e.f. 28 July 2021)	
Stryker India Private Limited ('STRYKER') (w.e.f. 28 July 2021)	
Honasa Consumer Private Limited	
Neev Trust	
	NED Ventures LLP

#### (ii) Transactions with related parties

Particulars	31 March 2023	31 March 2022
<b>Loans given to</b>		
TeamLease Skills University	1,580.00	-
	<b>1,580.00</b>	-
<b>Loans repaid by</b>		
TeamLease Skills University	600.00	-
	<b>600.00</b>	-
<b>Interest income from</b>		
TeamLease Skills University	63.12	-
	<b>63.12</b>	-
<b>Revenue from operations / other income</b>		
TeamLease Skills University	3,430.31	4,094.72
Innoviti Payment Solutions Pvt Ltd	-	14.50
Stryker India Private Limited	211.02	162.14
Honasa Consumer Private Limited	25.74	-
Neev Trust	1.06	-
NED Ventures LLP	23.18	-
	<b>3,691.31</b>	<b>4,271.36</b>



## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 44: Related party disclosures (Contd..)

Particulars	31 March 2023	31 March 2022
<b>Expenses incurred by the Company on behalf of others - Cross charged</b>		
TeamLease Skills University	581.01	495.50
	<b>581.01</b>	<b>495.50</b>
<b>Consultancy/services charges paid</b>		
TeamLease Skills University	398.60	278.71
	<b>398.60</b>	<b>278.71</b>
<b>Impairment of loan</b>		
TeamLease Skills University	980.00	-
	<b>980.00</b>	<b>-</b>
<b>Investments in endowment Fund</b>		
TeamLease Skills University	-	300.00
	<b>-</b>	<b>300.00</b>
<b>Guarantee given on behalf of</b>		
TeamLease Skills University	-	450.00
	<b>-</b>	<b>450.00</b>
<b>Managerial remuneration (Refer note below)</b>		
Ashok Reddy	165.41	155.92
Manish Sabharwal	129.61	120.00
Ramani Dathi	200.94	141.03
Alaka Chanda	53.61	40.87
Rituparna Chakraborty	152.42	-
	<b>701.99</b>	<b>457.82</b>
<b>Director Sitting fees</b>		
Latika Pradhan	14.00	14.60
Narayan Ramachandran	10.00	13.00
Raghunathan V	14.00	14.60
Zarir Batliwala	13.20	13.00
Mekin Maheshwari	12.20	8.00
Meenakshi Nevatia	12.40	6.20
S. Subramaniam	12.40	7.00
	<b>88.20</b>	<b>76.40</b>

**Note:**

- As the liability for gratuity and leave encashment is provided on actuarial valuation basis for the group as a whole, the amount pertaining to key management personnel are not included.
- Includes charge of ₹ 84.64 Lakhs (net) [31 March 2022: ₹63.56 Lakhs (net)] for share based compensation and long term incentive.

### (iii) Outstanding balances as at year ended

Particulars	31 March 2023	31 March 2022
<b>Trade receivables</b>		
TeamLease Skills University	1,068.40	3,262.21
Innoviti Payment Solutions Pvt Ltd	0.07	0.07
Stryker India Private Limited	15.06	17.31
	<b>1,083.53</b>	<b>3,279.59</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 44: Related party disclosures (Contd..)

Particulars	31 March 2023	31 March 2022
<b>Other receivables</b>		
TeamLease Skills University	105.83	291.07
	<b>105.83</b>	<b>291.07</b>
<b>Unbilled revenue</b>		
TeamLease Skills University	79.09	133.52
	<b>79.09</b>	<b>133.52</b>
<b>Other liabilities</b>		
NED Ventures LLP	0.03	-
	<b>0.03</b>	-
<b>Trade payables</b>		
TeamLease Skills University	22.06	35.24
	<b>22.06</b>	<b>35.24</b>
<b>Investments in endowment Fund</b>		
TeamLease Skills University	300.00	300.00
	<b>300.00</b>	<b>300.00</b>
<b>Guarantee given on behalf of</b>		
TeamLease Skills University	2,450.00	2,450.00
	<b>2,450.00</b>	<b>2,450.00</b>

### Note 45: Contingent liabilities

	31 March 2023	31 March 2022
(a) Service tax matters*	463.03	463.03
(b) Disputed bonus liability**	3,349.33	3,349.33
(c) Income tax matters***	210.26	253.74
(d) Professional tax matters	91.08	91.08
(e) Goods and service tax matters****	232.36	-
(f) Corporate guarantee given for credit facility taken by TeamLease Skills University	2,450.00	2,450.00

\* In addition to aforesaid service tax matters in dispute, the Company has filed writ petition with the Hon'ble High Court of Kolkata for service tax demands pertaining to the period April 2006 to December 2008 aggregating to ₹ 887.81 Lakhs (including penalty etc.) against which the Company has already settled ₹ 442.46 Lakhs and balance is largely provided for as a matter of abundant caution (Refer note 23).

\*\* Bonus liability pursuant to the amendment of Payment of Bonus Act, 1965, for financial year 2014-15 is considered as contingent liability, based on expert legal opinion obtained by the Company and stay orders from various High Courts across the country. As per the contractual agreement with the customers, ₹ 3,332.97 Lakhs in respect of associate employees is recoverable from the customers in case such liability arises.

\*\*\* The Company is claiming deduction under Section 80JJAA of the Income Tax Act, 1961 ("Act") with respect to eligible expenditure incurred for net additional associate employees hired in each year with effect from financial year 2016-17 till date. The Company's claim for the financial years 2016-17 and 2017-18 was allowed in tax assessments completed earlier under Section 143(3) of the Act. Subsequently, the Income Tax authorities have disallowed deduction u/s 80JJAA for financial year 2018-19 (AY 2019-20) and issued notice for reassessment u/s 148 of the Act for financial year 2017-18 (AY 2018-19). The Company has filed appeal before National Faceless Appeal Centre under Section 246(1)(a) of the Act for AY 2019-20 and a writ petition before the Hon'ble Karnataka High Court for AY 2018-19, challenging the stand taken by tax authorities. The Company believes that deduction under Section 80JJAA has been claimed in accordance with the provisions of the Act, and as advised by the legal experts, is reasonably confident of favourable outcome in the matter. Accordingly, no provision is considered necessary by the management in the said matter.

\*\*\*\* Amount paid under protest against GST demands for period upto 31 March 2022 for certain customers, who have disputed against levy of such GST. The matter is pending in Hon'ble High Court of Karnataka.

Further, the Company has received various show cause notices from GST authorities for various years on account of mismatches / pending reconciliations, etc. that are pending final assessment.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 46: Commitments

#### Capital commitments

	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	9.93	960.37

### Note 47: PF Trust Investments

Till February 2022, the Company had its own Provident Fund Trust i.e. "TeamLease Services Ltd. Employees Provident Fund Trust" ("PF Trust") through which it managed provident fund liability for its employees. Accordingly, the PF Trust was considered as a defined benefit plan. The Company was responsible for meeting the shortfall in the value of the assets of the PF Trust, if any, in meeting its obligations, to settle PF dues of the employees. The PF Trust had made investments of ₹ 17,373.78 Lakhs in two non-banking financial companies ('NBFCs') which had maturities between FY 2020-21 to FY 2026-27, which were undergoing insolvency proceedings.

During the year ended 31 March 2022, investment in one of the NBFC was realised through NCLAT proceedings and PF Trust recovered ₹ 5,458 Lakhs resulting into a realised loss of ₹ 5,894 Lakhs on such investment. Basis such recoveries, on prudent basis, the management also estimated additional loss of ₹ 1606 Lakhs on realisation of the investments in other NBFC. Accordingly, the Company recorded a provision of ₹ 7,500 Lakhs to meet the anticipated shortfall in the PF Trust during quarter ended 30 September 2021.

The Company filed an application with Employee Provident Fund Organisation (EPFO) for surrender of the PF Trust exemption granted under para 27 read with section 17(2) of the Employees Provident Fund Act. The said exemption was granted w.e.f. 1 March, 2022 and PF contribution for the month of March 2022 was remitted to EPFO by the Company.

The Company disposed all its investments in PF Trust during March 2022 (except for investment in IL&FS) and deposited the realised funds with EPFO amounting to ₹ 154,535 Lakhs (including ₹ 5,719.87 Lakhs contributed by TeamLease) to settle the cumulative obligations of the PF Trust.

Accordingly, the Company reversed provision of ₹ 1,780.13 Lakhs based on settlement of the aforesaid matter and ₹ 5,719.87 Lakhs (net) was disclosed as an exceptional item in the financial statements during the year ended 31 March 2022.

During the year, PF Trust has further recovered ₹ 922.25 Lakhs against ILFS investments, which has been paid to the Company and hence accounted for as exceptional income in the financial statements.

### Note 48: Scheme of Amalgamation

(a) The Board of directors of TeamLease Digital Private Limited (TDPL) and Evolve Technologies and Services Private Limited (ETSPL), in their respective meetings held on 16 November 2020 approved the Scheme of Amalgamation ("Scheme") of Evolve with TDPL pursuant to Sections 230 to 232 of the Companies Act, 2013 ("the Act") and other relevant provisions the Act, with appointed date being 1 April 2020. The Scheme was filed with the relevant jurisdictional office of National Company Law Tribunal (NCLT) on 12 December 2020.

During the year ended 31 March 2022, TDPL and Evolve received NCLT approval for the Scheme with appointed date being 1 April 2020. TDPL had accounted for the said amalgamation in accordance with the approved scheme.

(b) The Board of directors of TeamLease Digital Private Limited (TDPL), I.M.S.I. Staffing Private Limited (I.M.S.I.) and Keystone Business Solutions Private Limited (Keystone), in their respective meetings held on August 16, 2022 approved the Scheme of Amalgamation of I.M.S.I and Keystone with TDPL ("Scheme") pursuant to Sections 230 to 232 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, to the extent applicable, with appointed date as April 01, 2022. The Scheme has been filed with the relevant jurisdictional office of National Company Law Tribunal on September 06, 2022.

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 49: Business Acquisitions

During the previous year ended 31 March 2022, the Company entered into a definitive agreement and acquired additional equity stake of 14.96% in TRPL at an agreed consideration of ₹ 538.46 Lakhs, thereby increasing the total stake in TRPL to 59.71% on fully diluted basis. Accordingly, TRPL has been accounted as a subsidiary with effect from 3 April 2021. The Company further subscribed to 16,146 equity shares via rights issue for total value of ₹ 310.52 Lakhs, thereby increasing the total stake in TRPL to 61.50%. On 7 February 2022, 307,018 CCCPS of TRPL has been converted into 56,000 equity shares of ₹ 1 each at a premium of ₹ 1,301.59 per share.

The fair values of the identifiable assets and liabilities as at the date of acquisition were:

Particulars	31 March 2022
Property, plant and equipment, including intangibles	477.91
Intangible assets under development	19.81
Financial assets	78.54
Trade receivables	93.43
Cash and cash equivalents	39.00
Other current assets	5.83
<b>Total tangible assets</b>	<b>714.52</b>
Customer relationships	1,513.10
Non-compete	50.98
<b>Total intangible assets</b>	<b>1,564.08</b>
<b>Total fair value of assets acquired</b>	<b>2,278.60</b>
<b>Liabilities assumed</b>	
Trade payables	(75.55)
Other current liabilities	(39.39)
Other financial liabilities	(72.64)
Contract liabilities	(21.27)
Deferred tax liability (net)	(246.96)
Lease liabilities	(97.24)
Net employee defined benefit liabilities	(51.60)
<b>Total liabilities assumed</b>	<b>(604.65)</b>
<b>Total net assets acquired</b>	<b>1,673.95</b>
Non controlling interests measured at fair value	674.44
Purchase consideration	1,881.04
<b>Goodwill arising on acquisition</b>	<b>881.53</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

### Note 50: Group Information

Sl. No.	Name of the entity	Net assets, i.e., total assets minus total liabilities*		Share in profit and loss*		Share in other comprehensive income*		Share in total comprehensive income*							
		31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022						
		Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount						
<b>Parent</b>															
1	TeamLease Services Limited	96.19%	77,747.65	87.06%	9,719.62	59.89%	2,249.63	13.64%	17.31	86.24%	9,736.93	60.06%	2,254.09		
<b>Subsidiaries</b>															
2	TeamLease Digital Private Limited	-2.62%	(2,125.32)	7.74%	864.33	26.11%	980.61	4.46%	5.66	185.46%	(6.44)	7.71%	869.99	25.96%	974.17
3	IJT Education Private Limited	-	-	-	-	1.47%	55.33	-	-	-	-	-	-	1.47%	55.33
4	TeamLease Education Foundation	-0.27%	(218.94)	-0.10%	(11.21)	2.47%	92.96	6.90%	8.75	-5.75%	0.20	-0.02%	(2.46)	2.48%	93.16
5	Keystone Business Solutions Private Limited	1.31%	1,057.47	1.55%	1,067.09	-0.60%	(22.37)	-	-	-325.90%	11.34	-0.09%	(9.61)	-0.29%	(11.03)
6	TeamLease HRTech Private Limited	-1.02%	(822.61)	-1.53%	(1,050.36)	-7.43%	(279.17)	2.46%	3.12	-174.37%	6.06	2.02%	227.75	-7.28%	(273.11)
7	IM.S.I Staffing Private Limited	3.02%	2,442.13	3.11%	2,136.78	5.76%	216.22	58.14%	73.78	-88.62%	3.08	2.70%	305.35	5.84%	219.30
8	TeamLease Edtech Limited	2.50%	2,020.22	2.00%	1,374.76	14.47%	543.43	6.26%	7.94	403.45%	(14.04)	1.98%	223.08	14.11%	529.39
9	TeamLease Regdtech Private Limited	0.89%	723.00	0.70%	481.74	-2.14%	(80.32)	8.14%	10.32	233.91%	(8.14)	-0.54%	(60.32)	-2.35%	(88.46)
<b>Sub Total</b>		<b>100.00%</b>	<b>80,823.60</b>	<b>100.00%</b>	<b>11,163.83</b>	<b>100.00%</b>	<b>3,756.32</b>	<b>100.00%</b>	<b>126.88</b>	<b>100.00%</b>	<b>(3.48)</b>	<b>100.00%</b>	<b>11,290.71</b>	<b>100.00%</b>	<b>3,752.84</b>
	Consolidation adjustments/eliminations		(61.13)		(29.69)		86.51		(5.76)		(0.22)		(35.45)		86.29
	Non-controlling interest in subsidiaries		1,285.63		20.84		102.63		5.75		(9.92)		26.59		93.71
<b>Total</b>			<b>82,048.10</b>		<b>11,154.98</b>		<b>3,945.46</b>		<b>126.87</b>		<b>(12.62)</b>		<b>11,281.85</b>		<b>3,932.84</b>

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

### Note 51: Disclosure for struck off companies

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year ended 31 March 2023	Transactions during the year ended 31 March 2022	Receivables/ (payables) as at 31 March 2023 (net)	Receivables/ (payables) as at 31 March 2022 (net)	Relationship with the struck-off Company
Indus Infotech Pvt Ltd	Income from regulatory services	1.96	0.96	1.32	0.40	Customer
Galaxe E Solutions India Pvt Ltd	Income from regulatory services	4.90	3.54	0.31	0.42	Customer
Fuzzy Logix LLC	Income from regulatory services	-	(0.09)	0.07	0.07	Customer
Tractors India Ltd	Sale of services	-	-	-	1.50	Customer
Banco Products India Limited	Sale of services	156.03	156.03	(8.31)	15.85	Customer
Knorr-Bremse India Pvt. Ltd.	Sale of services	182.53	109.44	14.71	18.76	Customer
Advance Valves Pvt Ltd	Sale of services	0.77	1.24	(0.01)	0.27	Customer
Perfekt Labs Pvt Ltd	Consultancy activities	-	-	(0.12)	(0.12)	Vendor
A2R Skills Pvt Ltd	Training expenses	75.78	18.48	(3.36)	(10.89)	Vendor
Protishruti Marketing Pvt Ltd	Advertisement expenses	-	-	(2.78)	(2.78)	Vendor
Executive Access (India) Pvt. Ltd.	Advertisement expenses	-	26.44	-	-	Vendor

Note: The above transactions are in normal course of business.

### Note 52: Other Statutory Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) Except as detailed in note 9 and note 44 in respect of loans of ₹ 1,580 Lakhs given by Holding Company to TLEF and simultaneously lent to TLSU, a related party during the year, the Group have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Group have not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) - that Group shall:

## Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Group has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The Group is maintaining its books of account in electronic mode and these books of account are accessible in India at all times and the back-up of books of account has been kept in servers physically located in India on a daily basis from the applicability date of the Companies (Accounts) Rules, 2014, as amended i.e. 5 August, 2022 onwards.

### Note 53: The Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

### Note 54: Previous year

Previous year's figures have been reclassified, wherever necessary, to conform to the current year's classification.

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

**Per Navin Agrawal**  
Partner  
Membership Number: 056102

Place: Bangalore  
Date: 17 May 2023

For and on behalf of the Board of Directors of  
**TeamLease Services Limited**

**Ashok Reddy**  
Managing Director  
DIN: 00151814

**Ramani Dathi**  
Chief Financial Officer

Place: Bangalore  
Date: 17 May 2023

**Latika Pradhan**  
Director  
DIN: 07118801

**Alaka Chanda**  
Company Secretary  
F10911













**TeamLease**<sup>®</sup>  
Putting India to Work

**TeamLease Services Limited**

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