



TEAMLEASE SERVICES LIMITED

CIN: L74140MH2000PLC124003

No.6, 3rd Floor, Laxmi Towers, BandraKurla Complex, Bandra (E) Mumbai 400051, India,

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POSTAL BALLOT NOTICE

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment(s) thereof for the time being in force), that the resolution appended below are proposed to be passed by the Members through postal ballot/electronic voting (e-voting). The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and reasons thereof is annexed hereto with the Postal Ballot Form for your consideration.

The Board of Directors of the Company (Board) has appointed Mr. Mukesh Siroya, Practicing Company Secretary, as the Scrutinizer for conducting the postal ballot/e-voting process in a fair and transparent manner.

Members are requested to carefully read the instructions printed in the postal Ballot Form and return the same duly completed in the enclosed self-addressed business reply envelope so as to reach the company not later than 17.00 Hours IST on 18 September, 2017. Postage will be borne and paid by the Company. Postal Ballot Forms if sent at the expense of the Members, will also be accepted. The Postal Ballot Forms may also be deposited personally at the address given on the Business Reply Envelope. Please note that, Postal Ballot Forms received after 17.00 Hrs. IST on 18 September,2017 shall be deemed invalid.

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Notes under the section 'Voting through Electronic Means'. References to postal ballot(s) in this Postal Ballot Notice include vote received electronically.

The Scrutinizer will submit to the Chairman or any other authorized person of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of the postal ballots shall be declared by the Chairman or any other authorized person of the Company on or before September 20, 2017 and communicated on the same day to the stock exchanges, depository, registrar and share transfer agents and shall also be displayed on the Company official website.

BY ORDER OF THE BOARD OF DIRECTORS
For TEAMLEASE SERVICES LIMITED

C MRUTHUNJAYA MURTHY
COMPANY SECRETARY & COMPLIANCE OFFICER

TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION

ALTERING THE OBJECTS OF THE INITIAL PUBLIC OFFER (IPO) FOR WHICH AMOUNT WAS RAISED..

RESOLVED that pursuant to provisions of Section 27 read with Section 13 (8) of the Companies Act, 2013, Rule 7 read with Rule 3(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, Regulation 32 (1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2014 and all other necessary applicable provisions under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and subject to the necessary approvals, if any, required, the consent of the members of the Company be and is hereby accorded for the variation/deviation/alteration in spending of IPO proceeds within the objects of issue mentioned in the prospectus filed with the Registrar of Companies, Mumbai on 7 February, 2016 for the purpose of raising money through IPO to an extent of Rs. 150.00 Crores and subsequent spending of the proceeds, which are as follows:

Original objects of the issue	Amount in crores grouped for each objects	Amount utilised in crores	Balance unutilized amount in crores	Amount proposed to be altered within the objects
Acquisitions and other strategic initiatives	25	25	Nil	Nil
Working Capital requirements	80	62	18	Rs.18 crores to be used for acquisitions and other strategic initiatives
IT infrastructure	15	1.65	13.35	Rs. 13.35 crores to be used for acquisitions and other strategic initiatives
General Corporate Purpose	30.00	12.26	17.74	Rs. 17.74 crores to be used for acquisitions and other strategic initiatives
Total	150.00	100.91	49.09	

RESOLVED FURTHER THAT pursuant to provisions of Section 27 read with Section 13 of the Companies Act, 2013 and relevant regulations made thereunder consent of the members of the Company be and is hereby accorded for utilizing the unutilized amount of Rs. 49.09 Crores available from the proceeds of IPO for the purpose of “acquisitions and strategic initiatives” which were reserved earlier for Working Capital requirement, IT Infrastructure and General Corporate Purpose in the objects of the IPO.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary to comply with the provisions of Section 27 of the Companies Act, 2013 and Rules made there under for the time being in force or and any modification or changes implemented during the course of the postal ballot and desirable including without limitation, to make modifications, changes, variations, alterations or revisions in the matters relating to acquisitions and strategic initiatives as it may deem fit, seek requisites approvals from the appropriate authorities, appoint consultants, advisors and other agencies.

NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 stating all material facts and the reasons for the proposal is annexed herewith.
2. The Postal Ballot Notice is being send to the Members whose names appear on the Register of Members/List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 11 August, 2017. The Postal Ballot Notice is

being sent to Members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding)/the Company's registrar and share transfer agents (in case of physical shareholding). For Members whose email IDs are not registered physical copies of the Postal Ballot Notice are being sent by permitted mode along with a postage-prepaid self-addressed business Reply Envelope.

3. Members whose names appear on the Register of Members/List of Beneficial Owners as on 11 August, 2017 will be considered for the purpose of voting. A person who is not a Member as on the relevant date should treat this notice for information purposes only.
4. The Members can opt for only one mode of voting, i.e., either by physical ballot or e-voting. In case Members cast their votes through both the modes voting done by e-voting shall prevail and votes cast through physical Postal Ballot Forms will be treated as invalid.
5. In case of Member wishes to obtain a printed Postal Ballot Form or a duplicate, the same can be downloaded from the website <https://www.evoting.karvy.com> or send an email to einward.ris@karvy.com or corporateaffairs@teamlease.com. The registrar and transfer agent/Company shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member.
6. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Members as on 11 August, 2017. The postal ballot period commences on 20 August, 2017 (9.00 Hours IST) and ends on 18 September, 2017 (17.00 Hours IST).
7. In compliance with Section 108 and 110 of the Companies Act, 2013, and the Rules made thereunder, the Company has provided the facility to the Members to exercise their votes electronically and vote on all resolutions through the e-voting service facility arranged by Karvy Computershare Private Limited. The instructions for electronic voting are annexed to this Notice.
8. A Member cannot exercise his vote by proxy for postal ballot.
9. Members wishing to exercise their vote by physical postal ballot are requested to carefully read the instruction printed in the Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the scrutinizer not later than the close of working hours (i.e.17.00 Hours IST) on 18 September, 2017. The postage will be borne by the Company. However envelopes containing postal ballots, if sent by courier or registered /speed post at the expense of the Members, will also be accepted. If any postal ballot is received after 17.00 Hours IST on 18 September 2017, it will be considered that no reply from the Member has been received.
10. The Scrutinizer will submit his report to the Chairman or any other director after the completion of scrutiny, and the result of the voting by postal ballot will be announced by the Chairman or any director of the Company duly authorized on or before 20 September, 2017 at the registered office of the Company website (www.teamlease.com) and communicated to the stock exchanges, depository, registrar and share transfer agent on the said date.
11. The last date for the receipt of duly completed Postal Ballot Forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority. All the material documents referred to in the explanatory statement will be available for inspection at the registered office of the Company during office hours on all working days from the date of dispatch until the last date for receipt of votes by postal ballot/e-voting.

VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the

Company is pleased to provide e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Postal Ballot Notice . The Company has engaged the services of the Karvy Computershare Private Limited (Karvy) to provide the e-voting facility. The Notice is displayed on the Company's website, www.teamlease.com/investors and on the website of Karvy, www.evoting.karvy.com.

The e-voting facility is available at the link, <https://www.evoting.karvy.com>.

The Instructions for e-voting are as follows:

Please read the instructions printed below before exercising your vote:

These details and instructions form an integral part of the Notice in respect of Postal Ballot .

Instructions for e-voting

- (A) In case a member receives an email from Karvy [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 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 Karvy for e-voting, you can use 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., 'Name of the Company'
 - 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 mentioned herein above.. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as invalid and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
 - ix. 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.
 - 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. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested

specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email scrutinizer@teamlease.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_Event No."

- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company /Depository Participants (s)]:
- i. E-Voting Event Number - (EVEN), User ID and Password is provided in the Attendance Slip.
 - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

OTHER INSTRUCTIONS

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Rajitha Cholleti / Premkumar Nair, (Unit: TeamLease Services Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at inward.ris@karvy.com or phone no. 040 - 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 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 August 20, 2017 (9:00 A.M. IST) and ends on September 18, 2017 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 11, 2017, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. 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.
- d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. August 11, 2017.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The Company had raised Rs. 150 Crores from the public by issue of the prospectus for the following purposes.

- a. Acquisition and strategic initiatives Rs. 25 Crores
- b. Augmenting the Working Capital requirements Rs. 80 Crores
- c. IT infrastructure Rs. 15 Crores
- d. General Corporate Purpose Rs. 30.00 Crores out of which IPO expense to an extent of Rs. 11.59 Crores was adjusted.

The net realization of IPO proceeds was Rs. 138.41 Crores after adjusting the IPO expenses.

The Company during the year has acquired/invested in four Companies viz:

- a) ASAP Infosystems Private Limited;
- b) NicehPro Technologies Private Limited;
- c) Keystone Business Solutions Private Limited
- d) Cassius Technologies Private Limited

through its wholly owned subsidiary and has utilized all the money grouped under Acquisitions and Strategic Initiatives. The Company has also spent Rs. 1.64 Crores for the purpose of IT infrastructure and for the General Corporate Purpose it has spent Rs. 0.61 Crores. The Company has spent an amount of Rs. 62 Crores towards working capital requirements and balance available from the proceeds of IPO is Rs. 49.09 Crores and the same is kept as deposit in bank.

Globally Staffing Companies have grown both organically and inorganically through roll up acquisitions. In India too the Company believes the time is now ripe for the roll up of smaller Staffing Companies and to acquire Companies in adjacent services that are capable of yielding better margins than the general staffing business. Since the Company is confident of managing its working capital, IT infrastructure spending from its internal accruals, the Company intends to use the unutilized IPO proceeds kept in bank deposits towards future acquisitions. The return on investment for the acquisitions are significantly better than the returns from the general staffing business. Those acquisitions would be margin accretive to the shareholders from a long term perspective. The company does not foresee any significant risk factor in these type of acquisitions.

The details required under the Rule 3 (3) of the Companies (Prospectus and Allotment of Securities) Rules and Rule 7(1) 2014 are as follows:

1	The Original purpose/objects of issue	Amount raised will be used for augmenting the Working Capital requirement to an extent of Rs. 80 Crores, for Acquisitions and Strategic Business initiatives Rs. 25 Crores, for IT infrastructure Rs. 15 Crores and for General Corporate Purpose Rs. 30.00 Crores.
2	Total money raised	Rs. 150 Crores
3	Total money utilized for the objects of the Company stated in the prospectus and extent of achievement of the proposed objects	Rs.100.91 Crores which constitutes 67.27% of achievement of the proposed objects.
4	The unutilized amount out of the money so raised through prospectus	Rs. 49.09 Crores
5	The particulars/terms of the proposed alteration or change in the object	The unutilized IPO proceeds of Rs. 49.09 Crores is intended to be utilized for Acquisitions and Strategic Business Initiatives.
6	The reason and justification for the alteration and change in objects.	Globally Staffing Companies have grown both organically and inorganically through roll up acquisitions. In India too the Company believes the time is now ripe for the roll up of smaller Staffing Companies and to acquire Companies in adjacent services that are capable of yielding better margins than the general staffing business. Since the Company is confident of managing its working capital, IT infrastructure spending from its internal accruals, the Company intends to use the unutilized IPO proceeds kept in bank deposits towards future acquisitions. The return on investment for the acquisitions are significantly better than the returns from the general staffing business. Those acquisitions would be margin accretive to the shareholders from a long term perspective
7	The Amount proposed to be utilized for the new project	Rs. 49.09 Crores.
8	The estimated financial impact of the proposed alteration on the earnings and cash flow of the Company	After the above utilization of the IPO proceeds, the overall consolidated earnings and cash flow of the Company is expected to improve in the long term either directly or through its subsidiaries.
9	The other relevant information which is necessary for the member to take an informed decision on the proposed resolution	As mentioned in the notice and explanatory statement which is available
10	The place from where any interested person may obtain a copy of the notice of the	Registered Office of the Company and Company's web site i.e., www.teamlease.com

	resolutions to be passed	
11	The original purpose of the object of the issue	The objects for which the amount was raised as stated in the Prospectus dated 7 th February 2016 were: <ol style="list-style-type: none"> 1. Acquisitions and Strategic Business Initiatives- Rs. 25 Crores 2. Working Capital requirements – Rs. 80.00 Crores 3. IT Infrastructure - Rs. 15 Crores 4. General Corporate Purpose Rs. 30.00 Crores
12	The proposed time limit within which the proposed varied objects would be achieved	Within 24 months subject to obtaining the requisite approvals as may be required.
13	The clause-wise details as specified in sub-rule (3) of rule 3 as was required with respect to the originally proposed objects of the issue	As mentioned in the notice and explanatory statement which is available on Company`s website i.e., www.teamlease.com
14	The risk factors pertaining to the new objects	Market conditions, performance of economy at the country and global levels, Regulatory controls etc., that may come in future, unforeseen circumstances inspite of best efforts.
15	Other relevant information which is necessary for the members to take an informed decision on the proposed resolution	None. All details are mentioned in the explanatory statement
16	Name of the Director who voted against the proposed variation/alteration	None of the Directors present at the meeting held on 8 August, 2017 had voted against the proposed variation/alteration.

Clause wise details as required under rule 3 (3)

Objects of the Issue	The purpose for which there is requirement of Funds	Funding plan (means of finance)	Summary of Project appraisal report	The Schedule of implementation of the project	The interim use of funds
Working Capital	Considering the future business plan and management estimates	Funding from internal accruals OD from banks and capital raising through issue of equity shares	Company has approved business plan for five years starting from 2016 to 2020	For 2016 funding will be done through internal accruals and OD facilities from Bank and the proceeds will be utilized in 2017 – Rs. 320 Crs. And 2018- Rs. 420 crs.	Pending utilization of the proceeds the amount is kept as deposits in scheduled commercial Banks.
Acquisitions & Strategic Initiatives	To strengthen our range of services and our customer portfolio and to benefit from economies of scale	Capital raising through issued equity shares	There is no specific project appraisal since the Company has not entered into any definitive agreements towards any	On obtaining in necessary approvals and On realizing the net proceeds from IPO the Company Has acquired three entities viz., ASAP Infosystem	Pending utilization of the proceeds the amount is kept as deposits in scheduled commercial Banks.

			such potential acquisitions or strategic initiatives.	Pvt. Ltd., NichePro Technologies Pvt. Ltd., Keystone Business Solutions Pvt. Ltd. through its wholly owned subsidiary company TeamLease Staffing Services Pvt. Ltd.	
IT Infrastructure	To upgrade the existing IT infrastructure to upgrade the Company proprietary technology platforms.	Funding from internal accruals and capital raising through issue of equity shares	There is no specific project appraisal report	On realizing the net proceeds from IPO the Company has spent as on the date of this notice an amount of Rs.1.34 Crores towards the IT infrastructure.	Pending utilization of the proceeds the amount is kept as deposits in scheduled commercial Banks.
General Corporate Purpose	To have the flexibility in utilizing the balance net proceeds for strengthening the marketing capabilities and any other purpose as may be approved by the Board	NA	NA	The object includes expenses to be incurred on IPO and The Company will spend the balance amount on requirement with the approval of the Board	NA

The intention of the Board and the Management is to enhance shareholder value through strategic initiatives which will lead to increased profitability. Your Board recommends the resolution for the members' approval by way of Special Resolution.

None of the Directors or KMP's, or their relatives are interested or concerned in the above resolution except to the extent of their respective shareholdings in the Company, if any.

BY ORDER OF THE BOARD OF DIRECTORS
For TEAMLEASE SERVICES LIMITED

C MRUTHUNJAYA MURTHY
COMPANY SECRETARY & COMPLIANCE OFFICER

Registered Office
No.6, 3rd Floor, C Wing, Laxmi Towers,
BandraKurla Complex,
Bandra(East)
Mumbai 400051

Place: Bangalore
Date: 8.8.2017