



TEAMLEASE SERVICES LIMITED

POLICY FOR

A. DETERMINATION OF LEGITIMATE PURPOSES

&

B. PROCESS ON HOW AND WHEN PEOPLE ARE BROUGHT 'INSIDE' ON SENSITIVE TRANSACTIONS

Version Control					
Version	Effective Date	Author	Reviewer	Approver	Notes
1.0	January 29, 2019	Alaka Chanda ,Company Secretary & Compliance Officer	Ravi Vishwanath – Chief Financial Officer	Board of Director	First Version of the Document
2.0	March 21, 2025	Secretarial Department	Alaka Chanda – Company Secretary & Compliance Officer	Board of Director	To align with SEBI PIT Amendments dated December 04, 2024 & March 11, 2025

TeamLease Services Limited Restricted

This Policy for (a) Determination of Legitimate Purposes (b) Process on how and when people are brought 'Inside' On Sensitive Transactions (Policy) is not to be copied or distributed without the express written consent of TeamLease Services Limited. No part of this document may be used for purposes other than those intended by TeamLease Services Limited.

AMENDMENT

The Board of Directors of the Company, subject to applicable laws, Rules & Regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.



A. DETERMINATION OF LEGITIMATE PURPOSES

POLICY INTRODUCTION

This Policy is formulated as per the requirement of Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which requires every listed Company, inter alia, to formulate a policy for determination of legitimate purpose. As per SEBI (Prohibition of Insider Trading) Regulations, 2015, unpublished price sensitive information (UPSI) relating to the Company or shares listed with the stock exchanges, shall not be communicated to any person, including insiders, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The newly inserted Regulation 3 (2A) mandates formation of written policies for determination of legitimate purpose or 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of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring unpublished price sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.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 will be effective January 29, 2019, the date of approval by the Board of Directors. The Policy shall also be uploaded on the website of the Company at www.group.teamlease.com.

PREFACE

This Policy, as a part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy".

OBJECTIVE

The objective of this policy is to identify 'Legitimate Purposes' 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.

DEFINITION

"Legitimate Purposes" shall mean sharing of UPSI in the ordinary course of business by an Insider with the following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:

1. Promoters of the Company
2. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable)
3. Staff Members of the Audit firm/team conducting the Audit
4. Collaborators
5. Lenders
6. Customers
7. Suppliers
8. Merchant Bankers
9. Legal Advisors
10. Insolvency Professionals
11. Consultants
12. Partners
13. Any other advisors/consultants/partners
14. Any other person with whom UPSI is shared

Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered as an "insider" for purpose of these regulations and due notice shall be given to such persons (Insiders) to maintain confidentiality of such UPSI in compliance with these regulations

DIGITAL DATABASE

- a) The Company Secretary and Compliance Officer of the Company shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom UPSI is shared, as the case may be, under Regulation 3 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database will not be outsourced and shall be maintained internally with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

Provided that entry of information, not emanating from within the organisation, in structured digital database may be done not later than 2 calendar days from the receipt of such information.

- b) The Company Secretary and Compliance Officer of the Company required to handle unpublished price sensitive information shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

The Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, and shall not otherwise trade in securities of the company when in possession of UPSI.

B. PROCESS ON HOW AND WHEN PEOPLE ARE BROUGHT 'INSIDE' ON SENSITIVE TRANSACTIONS

INTRODUCTION

Pursuant to Clause 15 of Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 effective from 1st April, 2019, the Company has to have a process for how and when people are brought 'inside' on sensitive transactions.

DEFINITION

"Insider", as defined in Regulation 2(g) of SEBI (Prohibition of Insider Trading) Regulations, 2015 means any person who is

- (a) a connected person, or
- (b) in possession of or having access to unpublished price sensitive information.

Note: Since "generally available information" is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered as an "insider" regardless of the manner in which one came into possession of or had access to such information. Various circumstances are provided to enable such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances."

"Unpublished Price Sensitive Information" as defined in Regulation 2(n) of SEBI (Prohibition of Insider Trading) Regulation, 2015 means:

any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall ordinarily including but not restricted to, information relating to the following:



- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;
- (v) changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
- (vi) change in rating(s), other than ESG rating(s);
- (vii) fund raising proposed to be undertaken;
- (viii) agreements, by whatever name called, which may impact the management or control of the company;
- (ix) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
- (x) resolution plan/ restructuring or one-times settlement in relation to loans/borrowings from banks/financial institutions;
- (xi) admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
- (xii) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
- (xiii) action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
- (xiv) outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- (xv) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
- (xvi) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1-For the purpose of sub-clause (ix): a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Explanation 2-For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.

Note: is intended that information relating to a company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information

"Connected person" as defined in Regulation 2(d) of SEBI (Prohibition of Insider Trading) Regulation, 2015 means:

- (i) any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship, whether temporary or permanent, with the company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access."
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
 - (a). a relative of connected persons specified in clause (i); or
 - (b). a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof;
or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or



- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
- (i) a banker of the company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his relative or banker of the company, has more than ten per cent. of the holding or interest; or
- (k) a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
- (l) a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d);”

It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may seemingly not occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company’s operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.

"Generally available information as defined in Regulation 2(e) of SEBI (Prohibition of Insider Trading) Regulation, 2015 means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media.

Note: It is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what constitutes UPSI. Information published on the website of a stock exchange, would ordinarily be considered generally available.



ANALYSIS

It is intended that anyone in possession of or having access to unpublished price sensitive information should be considered as "insider" regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not have access or that his trading when in possession of such information was squarely covered by the exonerating circumstances.

PURPOSE AND ACTION

Purpose of this process is to determine how and when people are brought 'inside' on sensitive transactions and when a person is considered as an insider, he should be made aware of the duties and responsibilities attached to the receipt of inside information and the liability that attaches to misuse or unwarranted use of such information. A broad categorization of the persons to be treated as insider should be made based on their involvement in any activity relating to unpublished price sensitive information. It should be determined on a case to case basis and the Compliance Officer should make the concerned person aware of the duties and responsibilities attached to the receipt of inside information and the liability that attaches to misuse or unwarranted use of such information.
