

February 08, 2022

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

- Sub:** Intimation on surrender of Provident Fund exemption granted to TeamLease Services Limited (TeamLease/Company) by the Ministry of Labour and Employment, Govt. of India
- Ref:** Regulation 30 of the SEBI Listing Obligations and Disclosure Requirements Regulations 2015, (SEBI LODR Regulations 2015)

With reference to the above-mentioned subject and in compliance of Regulation 30 read with any other applicable regulations of the SEBI LODR Regulations 2015, we wish to inform you that TeamLease has filed an application on February 07, 2022, with Employees Provident Fund Organization, to surrender the Provident Fund exemption granted to TeamLease by the Ministry of Labour and Employment, Govt. of India.

Please find details on this attached in Annexure A.

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

Thanking You.
Yours faithfully,

For **TeamLease Services Limited**

Alaka Chanda



Alaka Chanda
Company Secretary and Compliance Officer
Enclosure: As above

Annexure A

Background:

- TeamLease Services Limited had set up a provident fund trust in the year 2006 and obtained an exemption under Section 17 of the Employees Provident Fund and Miscellaneous Provisions Act in the year 2006.
- The primary objective of the establishment of the Trust by TeamLease was to provide its large base of employees with enhanced services in matters related to their provident fund accumulations.
- Oversight to the functioning of the Trust was provided by a Board of Trustees that comprised of employees of TeamLease and the Trust functioned under the regulatory supervision of the Employees Provident Fund Organization (EPFO).
- The Trust has invested its surpluses in line with regulations of the EPFO. Investments are largely in fixed income instruments and equity mutual funds. The corpus of the Trust as of 31st December 2021 was Rs. 1478cr.

Developments:

- The Company has, with the consent of the Board of Directors of TeamLease and Board of Trustees of the PF Trust, decided to surrender the provident fund exemption and shift back to an EPFO managed format of provident fund administration.
- This has been done given a) the enhanced technology adoption by the EPFO in the recent years that has resulted in enhanced services to members, b) the low interest rate environment that is prevalent in the country, c) overall risk of investment management, and d) complexity of back-end operations given the year-on-year increase in associate headcount. These have resulted in lowered imperatives of maintaining a provident fund trust.
- This shift will, however, not change any entitlement of TeamLease employees with respect to their provident fund. By moving to EPFO, the employees have a sovereign underwriting on guaranteed returns.
- The Company shall ensure that all the assets are liquidated and transferred to EPFO matching to its liability as of the date of the order.
- The company is working closely with the EPFO to ensure a smooth transition for its employees.
