



Putting India to
WORK

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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 localisation 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.



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

About the REPORT

This is TeamLease's first Integrated Annual Report for the year ended March 31, 2022. The objective of this report is to provide a comprehensive and detailed overview of the Company's operations, strategy, and performance. In this report, we look at the trends and challenges in our business, at our strategies, and at how we create value through a responsible approach towards business.

Integrated and Sustainable Thinking

Integrated and sustainable thinking is intrinsic to how we manage our business and create value for our stakeholders. Our six strategic pillars ensure that we manage our resources and relationships in such a manner that they create value over time. A consolidated assessment of the six capitals (as per the International Integrated Reporting Council, or IIRC, framework) provide both our strategy as well as the internal materiality process we have used to determine the content and structure of this report. In addition, our activities also contribute to the United Nations Sustainable Development Goals (SDGs) covering a range of multi-stakeholder goals that we aspire to achieve.

Reporting Frameworks

The present report follows the IIRC framework, which allows us to tell our members and other stakeholders how we create value for them.

The financial and statutory data presented in this report are in line with the requirements of the Companies Act, 2013 and rules notified thereunder, the Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards.



Scan this QR code to know more about the IIRC: www.integratedreporting.org

Reporting Period

This Integrated Report primarily covers the 12-month period from April 01, 2021 to March 31, 2022. However, certain sections of this report represent facts and figures of the previous years as well. The details and information in the Integrated Report pertain to TeamLease Services Limited on a standalone basis, unless otherwise specified. Both the financial and non-financial aspects are in accordance with the applicable laws, regulations and standards of the Republic of India.

Assurance

To ensure the integrity of facts and information, the Management have reviewed the facts and qualitative statements in the Annual Report.

The statutory auditors M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, have provided an unmodified opinion on the financial statements and the 'Independent Auditor's Report' has been duly incorporated as a part of this report.

The report discusses **6** capitals



Financial Capital



Manufactured Capital



Intellectual Capital



Human Capital



Natural Capital



Social & Relationship Capital

Making India **'WORK READY'**

We are one of India's leading people supply chain companies in the organised sector. We deliver a broad range of human resource services to various industries and diverse functional roles across India to meet the needs of small and large business clients and job seekers. Our services span the entire supply chain of human resources in India, covering aspects of employment, employability and education.

We continue to cater to the needs of our clients and cater to their evolving needs with our robust business model.

We began our humble journey in 2002 and are now counted among the country's leading human resource providers. With our long-view purpose of 'Putting India to work', we offer services and solutions to the entire value chain.



Our philosophy and long-term goals are best reflected by our purpose of

'Putting India to Work'



3,500+

Clients

2.9 lakhs+

Associates/Trainees

19 lakhs+

People hired till date

₹ 6,47,982 lakhs

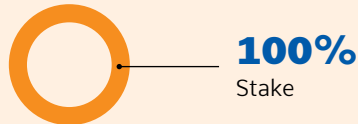
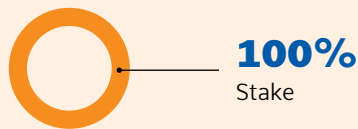
Revenue in FY22

5 lakhs+

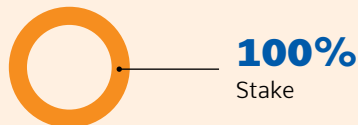
Students trained

2 lakhs+

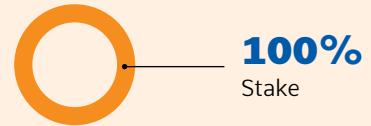
Open jobs everyday

Our value-creating subsidiaries**TeamLease Services Limited****TEAMLEASE SERVICES LIMITED****Subsidiary Companies****TeamLease HRTech Private Limited**
(Formerly known as TeamLease E-Hire Private Limited) (Consolidated)**TeamLease Digital Private Limited**
(Consolidated)

- Keystone Business Solutions Private Limited (Consolidated)

TeamLease Education Foundation
(Section 8 Company) (Consolidated)

- TeamLease Skills University (Not Consolidated)

I.M.S.I Staffing Private Limited
(Consolidated)**TeamLease Edtech Limited**
(Formerly School Guru Eduserve Private Limited) (Consolidated)**TeamLease Regtech Private Limited** (Formerly Avantis Regtech Private Limited)(Consolidated)

Chairman's **LETTER**

Dear Shareholders,

The year 2021-22 turned out to be a year of two halves. The first half brought us the devastating societal and economic impacts of the Delta variant of COVID-19 and the second a return, even if occasionally impeded, to normalcy. Those businesses that went into the 2-year crisis with a strong balance sheet and open mind began to see the benefits in the latter part of the year.



**Narayan
Ramachandran**

**Chairman & Lead Independent
Director**



Our EBITDA (before exceptional items) of ₹ 14,237 lakhs grew by 45% YoY. Our free cash flow was ₹ 22,000 lakhs and we enter the year with a substantial cash cushion for our continuing investments in acquisitions, technology, and human capital.

Add to this civilizational cataclysm the conflict in Ukraine that began late in the year, and we have the necessary impetus for countries, institutions, and individuals to transform the way they organise themselves. The next ten years promise to be very different from the last ten and it is to this task of maximising the opportunities and tackling the challenges that we at TeamLease have committed ourselves.

The external environment of governments, businesses, jobseekers, and learners makes up the TeamLease 'demand' ecosystem. A critical part of the organisation's DNA is to listen to, respond and shape this environment. TeamLease is simultaneously proactive and responsive. We take our responsibility as a corporate citizen in a fast growing and rapidly changing country seriously and are more than willing to take our place at the policy table count. Equally, we want to listen and respond to the continually evolving needs of our clients as they go about the business of adapting to this dynamic environment.

Accordingly, we have begun the transformation of our 'supply' ecosystem to meet the challenges of the next ten years. At the top, we have expanded and diversified the board to provide strategic insight and governance. The expanded board not only brings new functional expertise but importantly adds cognitive diversity as well. We strive to make the Board's conduct effective by matching a democracy of input with a crispness in decision-making. The Board is one of few in India led by an independent Chairman and it is my honour and responsibility to ensure that this custodial role is discharged with focus and integrity.

At the heart of any successful firm is the talent that operates its businesses. We have focused on the task of elevating and rotating our best people and hiring additional talent so that our main business lines in employment, employability and education are now in great hands. They now have the autonomy and resources to deliver ambitious goals within a broad framework of governance. TeamLease operates in the human capital industry but offers services for hiring, productivity, and scaling. The dramatic events of the last two years moves the proposition of the staffing industry supply chains from the backroom to the corporate boardroom. India's flagship IT Services industry has new wind beneath its sails, and TeamLease is positioned well to benefit through our specialised staffing business. Our learning solutions benefit from companies recognising that skilling is about productivity, whether from home or in the office. The technology mindset that has been accelerated by the pandemic favours our platform-based delivery of solutions. Our e-workforce solutions are still small but carry huge promise in a world where every company is a technology company and straight-through processing has become a requirement. The tailwinds of structural change bode well for TeamLease.

As we have always done, TeamLease continued to target three goals of growth, margin expansion, and capital

efficiency. Despite a choppy year in the external environment, we closed the year with operating revenue of ₹ 6,47,982 lakhs. Our EBITDA (before exceptional items) of ₹ 14,237 lakhs grew by 45% YoY. Our free cash flow was ₹ 22,000 lakhs and we enter the year with a substantial cash cushion for our continuing investments in acquisitions, technology, and human capital.

We do not run the Company with an eye on the stock price in the short term. In the long term, our stock price is a measure of the how our products and services meet the needs of our customers. This, in turn, is a direct result of our investments in talent, processes, and technology, knit together by our organisational culture. Our principles of capital prudence and steady progress have resulted in significant outperformance over the Nifty 50 since we became a public company in 2016. Combined with these principles our open-mindedness and agility will drive our prospects and position us to grow in the years ahead.

On behalf of the Board of Directors of TeamLease, I would like to thank various Central and State Government departments, for the help and co-operation extended by them during the year. I also express my gratitude to all employees of TeamLease and the Management team for their dedication and hard work.

Mahatma Gandhi said the future depends on what we do in the present. At TeamLease we remain committed to doing just that so we can take the Company to new heights. Thank you for being part of the journey.

Narayan Ramachandran

Chairman & Lead Independent Director

Managing Director's **INSIGHT**

Dear Shareholders,

As you read this letter, we are already battling several macroeconomic factors. The recent geopolitical crisis has highly consequential effect on the global and Indian economy.



Rising commodity prices, soaring inflation and higher cost of living, resulted in emerging countries increase their fiscal deficits with higher borrowings from central banks at higher interest rates. The Indian economy, which was poised for take-off in terms of economic growth, is consolidating after the Russia-Ukraine political situation, with crude and coal imports impeding quicker economic recovery.

Despite turbulences, the year under review turned out to be a standout year for the staffing industry, with the industry registering a double-digit growth. Amidst this rapid growth of the industry, we also saw an increased need for hiring across our clients present

Our year-on-year growth was 33% on revenue and 25% on headcount. Our EBITDA grew by 45% and we closed the year with an EBITDA margin of 2.2%. We also grew PBT (before exceptional) by 27% to ₹11,734 lakhs with a margin of 1.8%. The minor decline in PBT percentage compared to last year was due to our investment in talent and technology to aid our future growth plans. Our sales continued to rise and we bagged a number of new logos in FY2022.

During the year under review, the continued health of high-frequency indicators and positive credit growth of large businesses arising from exports resulted in a surge in hiring across the corporates. Moreover, the hiring intent

supply challenge and have successfully offered multiple solutions which has helped us increase wallet share with the customers. Our strong brand recall has helped us to successfully incubate new adjacent business lines which shall help us to continue the broad based growth of our business. We see an optimistic future with a clear visibility of a healthy pipeline and emerging demand across most of our customers.

While our strategic investment will continue to help us yield good results, farming our existing logos and new sales activity will help us keep up the aggressive expansion. We will be leveraging our deep leadership bandwidth, teamwork, established capabilities to make FY2023 another impactful year.

As a final word, I sincerely appreciate our shareholders continuous invaluable support and contribution to our further growth. I also wish to convey my heartfelt gratitude to all of our colleagues for their enthusiasm, commitment and resilience as we look forward to another successful year.

Best wishes,

Ashok Reddy

Managing Director



We have worked closely with our customers as a strategic partner to solve the talent supply challenge and have successfully offered multiple solutions which has helped us to increase wallet share with the customers. Our strong brand recall has helped us to successfully incubate new adjacent business lines which shall help us to continue the broad based growth of our business.

across industries. We concluded the year in a strong position, with visible growth across all our businesses.

I am pleased to report highest ever growth in headcount, revenue and PBT in FY2022 for specialised staffing. We have made significant improvement in our market share in an ever-expanding addressable market aided by investments in digitisation. We also saw huge demand for tech talent during the year across clients and we were able to deliver to the open positions.

Overall, we ended the year with operating revenues of ₹ 6,47,982 lakhs and EBITDA of ₹ 14,237 lakhs.

increased considerably against the previous fiscal and early part of the year, with bounce back visible after tepid growth due to the COVID-19 pandemic. Given this context, we will keep trying to bridge this gap through our offerings and will continue to invest in leadership, digitalisation, sales and hiring capabilities to aggressively pursue the opportunities as we see ahead of us.

As we look ahead, our ability to deliver consistent business results despite external challenges validates our vision, strategy and capabilities. We have worked closely with our customers as a strategic partner to solve the talent

Q&A with CFO



What is the status of PF Trust migration and are there open liabilities related to it?



We have fully liquidated all assets under the PF trust and transferred the funds to EPFO as of March 31, 2022. Effective 1st April 2022, TeamLease does not hold any liability or responsibility in terms of portfolio

management of the PF Trust or the annual interest credit to the PF account holders, as the PF contributions are being directly made to the EPFO. We are currently in the process of transitioning the individual PF account

holder data to EPFO through backend migration. The migration of associates is anticipated to be completed once all departmental audits have been completed which is anticipated by the end of September, 2022.



**Ramani
Dathi**

Chief Financial Officer

Q

What is the status of 80JJAA and what is the Company's stance on the matter?

A

We received a reassessment notice from the income tax department for assessment year (AY) 2019 questioning the employer-employee relationship to claim benefits under section 80JJAA. There is no claim or open demand by the department be it in terms of interpretation of the section or the calculation applied by us. We have challenged the notice by filing writ petition trying to understand the grounds of contention because clearly for all practical purposes we are the

legal employer, and are responsible for paying salaries and statutory on time, irrespective of the action of the end client. There are previous court cases in similar interpretations which are in the favour of the assessee, and we have obtained sufficient legal opinions that support our understanding on this matter. We have TDS receivable of up to ₹ 15,500 lakhs till AY 2023. In case, department disallows the 80JJAA deduction retrospectively then possible cash outflow of ₹ 9,500 lakhs.

Q

What is the expected cash conversion for the future? What is the plan for deployment of free cash and dividend payout?

A

Currently our operating free cash stands at ₹ 22,000 lakhs as on March 31, 2022, and we expect the operating cash conversion to sustain at 70% and upwards in future. Over the years, we have expanded the portfolio of offerings through prudent investments in our business, through organic and inorganic opportunities. As of now the plan for cash deployment is to allocate to growth opportunities which

can be accretive to key variables like scale, margins, productivity, talent and technology. Dividend payout is not considered for this year given the number of active M&A discussions.



There are previous court cases in similar interpretations which are in our favour , and we have obtained sufficient legal opinions that support our understanding on this matter.

Q

Why has the promoter's holding come down since IPO?

A

The said sale of shares has been in accordance with compliance guidelines as prescribed by SEBI. The share of exited promoter (Dhana Management Consultancy LLP, holding 4.99%) has been reclassified from the promoter list in Dec 2020 which is the main reason for the drop in promoter holding. Mr Manish Sabharwal and Mr Ashok Reddy have a joint promoter holding of 31.5% as on 31st March 2022. They have individually sold 0.5% each year post IPO to manage their personal financial commitments.

Q

Can you elaborate on the margin expansion strategy?

A

We aspire to get to a blended margin of 3.5% PBT through a combination of several factors. One, introduce strong operating levers through economies of scale in staffing business. Two, increase hiring capabilities, value added services and digital workforce solutions to expand our average realisation. Three, drive productivity enhancement of core employees through introduction of digitisation initiatives. Four, focus on higher margin businesses like specialised staffing and HR services that will contribute meaningfully to the bottomline. Lastly, we will build adjacencies through organic incubations and inorganic venues to create long-term value.

Profile of Board of **DIRECTORS**

**Mr Narayan
Ramachandran**



Designation	Lead Independent Director & Non-Executive Chairman
Nationality	Indian
Age	59
Date of appointment in current term	July 08, 2020
Current Term servicing on Board	2nd - Till July 07, 2025

Direct Shareholding	10,000 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
Mahendra
Sabharwal**



Designation	Executive Vice Chairman
Nationality	Indian
Age	52
Date of appointment in current term	April 01, 2022 (Subject to Shareholders' Approval)
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 Mahendra Sabharwal is the Executive Vice Chairman of TeamLease. Prior to co-founding the Company, he had co-founded India Life, a payroll and pension services company in 1996 that was acquired by Hewitt Associates in 2002. Consequently, he was Chief Executive Officer of Hewitt Outsourcing (Asia) based in Singapore. Mr Sabharwal is a member of the National Skill Mission, Central Advisory Board of Education and has served on various policy committees for education, employment and employability. He served as an Independent Director on the Board of the Reserve Bank of India (RBI). He 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 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
Nationality	Indian
Age	52
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 and Chief Executive Officer 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	67
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	2
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	67
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.

Profile of Board of Directors

Mr Zarir Batliwala



Designation	Independent Director
Nationality	Indian
Age	72
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	51
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
Committee details as per Regulation 26 of Listing Regulations	
Membership	-
Chairmanship	-

Mrs Meenakshi Nevatia is the Managing Director of Stryker India since October 2018. Over the last 2.5 years, she has focused on transforming the organisation into a truly customer focused Company while significantly strengthening operational basics and building a vibrant organisation culture that can attract and retain the best talent in the industry.

Prior to joining Stryker, Mrs 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.

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

Mrs Nevatia has a Master of Business Administration in Strategy and Finance from the Indian Institute of Management, Ahmedabad (IIM A) and Bachelor of Science in Economics and Mathematics from the Presidency College, Kolkata.

Mrs Nevatia is on the Board of the Medical Technology Association of India (MTAI), on the Governing Council of Nathealth and is the Chair of the Med Tech Committee at AMCHAM (American Chamber of Commerce).

Mr Mekin Maheshwari



Designation	Independent Director
Nationality	Indian
Age	41
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	61
Date of Appointment in current term	July 28, 2021
Current Term servicing on Board	1st - Till July 27, 2026
Direct Shareholding	57 Shares

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

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, Favre Leuba AG and the joint venture, Montblanc India Retail Pvt Ltd. He is also on the Board of Innoviti Payment Solutions Pvt Ltd.

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.

Profile of Board of Directors

Ms Rituparna Chakraborty



Name	Ms. Rituparna Chakraborty
Designation	Executive Director/ Co-Founder – TeamLease Services & Chief Executive Officer (CEO) - Degree Apprenticeship
Nationality	Indian
Age	47
Date of Appointment in current term	September 18, 2022

Proposal for Regularisation	22nd AGM – September 16, 2022
Current Term servicing on Board	1st - Till May 17, 2027 (Subject to Shareholder's approval)
Direct Shareholding	1,06,770 Shares
Board memberships – in Indian listed companies	TeamLease Services Limited – Executive Director (Additional)
Committee details as per Regulation 26 of Listing Regulations	
Membership	-
Chairmanship	-

Rituparna Chakraborty aged about 47 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 23 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 crore 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.

Executive Management TEAM



Manish Mahendra Sabharwal
Executive Vice Chairman



Ashok Reddy
Managing Director



Ramani Dathi
Chief Financial Officer



Alaka Chanda
Company Secretary &
Compliance Officer



Priya Gopalakrishnan
Head - Human Resources



Rituparna Chakraborty
Executive Director/Co-Founder
– TeamLease Services & Chief
Executive Officer (CEO) - Degree
Apprenticeship



Sunil Chemmankotil
Chief Executive Officer -
Specialised Staffing



Mahesh Bhat
Chief Business Officer – TL
Staffing



Mayur Today
Chief Business Officer – TL
Staffing



Sumit Sabharwal
Chief Executive Officer –
TL HRTech



Neeti Sharma
Co-Founder and President
- TL Edtech



Shantanu Rooj
Founder and Chief Executive
Officer - TL Edtech



Rishi Agrawal
Co-Founder & Chief Executive
Officer - TL RegTech

Creating Opportunities Across **THE COUNTRY**

Present in

7,500+

Locations

Across

28

States



Ahmedabad	Kolkata
Bangalore	Lucknow
Chennai	Mumbai
Delhi	Pune
Gurugram	Vadodara
Hyderabad	Dehradun
Kochi	

Map not to scale.
Only for representation purpose.



FMCG



Logistics



Infrastructure



Telecom



Retail



e-Commerce



Banking & Finance



Agriculture



Insurance



Engineering



Information Technology



Electrical & Electronics



Agro Chemicals

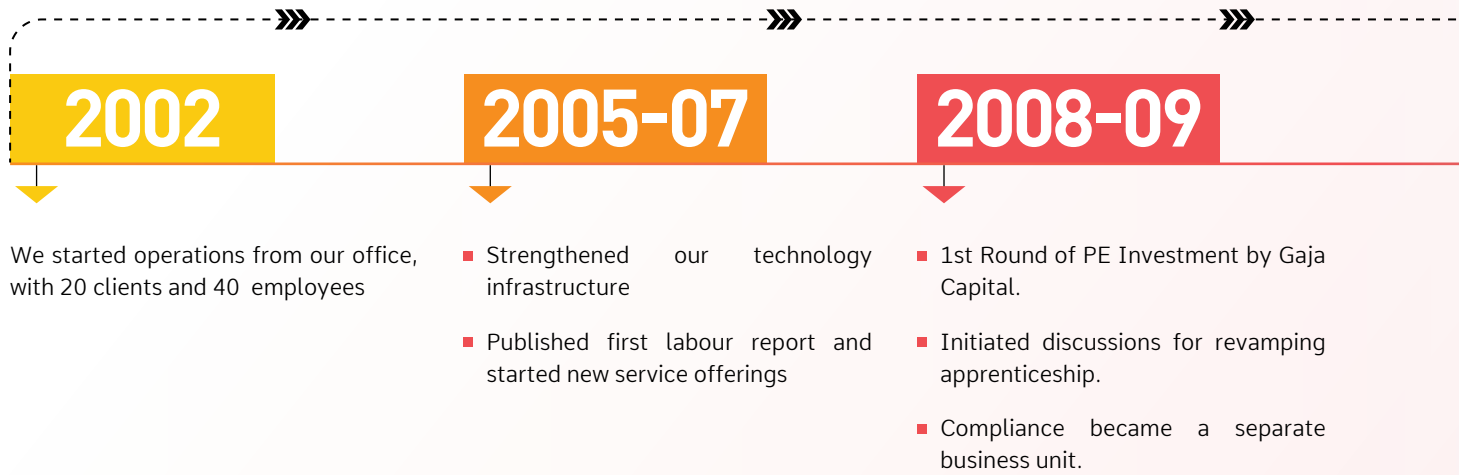


Manufacturing

Our expert presence
across sectors



Of Milestones and **PROGRESS**



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

2015-16

- Listed on BSE and NSE.
- Acquired ASAP Info Systems and Nichepro Technologies to offer IT staffing service

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

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

2018

- Acquired 33.33% stake in Avantis - RegTech



Our Robust and Dynamic MODEL

We evolve with the evolving aspirations of a new India, pivoting on our well-defined purpose and our innate strengths, to continue creating value for all our stakeholders.

Inputs

 <h3>Financial capital</h3> <p>₹69,321 lakhs Equity</p> <p>₹2,767 lakhs Short-term debt</p>	 <h3>Human capital</h3> <p>2,87,520 Workforce</p> <p>Regular knowledge and training sessions</p> <p>Multiple Health and wellness initiatives</p>
 <h3>Manufactured capital</h3> <p>40 Universities</p> <p>3,500+ Corporates</p> <p>3,00,000+ University learners</p> <p>30,000+ Hours of rich media content</p>	 <h3>Social and Relationship capital</h3> <p>₹199.09 lakhs Spent on CSR activities</p> <p>Maintaining stakeholder communication through various channels</p>
 <h3>Intellectual capital</h3> <p>Our intellectual capital constitutes our hiring portals.</p> <ul style="list-style-type: none"> www.Teamlease.com www.Freshersworld.com www.apprentices.in www.teamleasetrainers.com www.teamleaseedtech.com www.teamleasedigital.com www.group.teamlease.com 	 <h3>Natural capital</h3> <p> Energy management</p> <p> Water management</p> <p> Environment management system</p> <p> Waste management</p>

Value creation approach



Outputs



Clients



Team

Our offerings

- General staffing
- Specialised staffing
 - IT
 - Telecom
 - IT Infra
- Digital Apprenticeship
- Learning/Training
 - EdTech
 - OnSite (ELS)
 - TLSU
- DFM / HR Outsourced
 - Self Service Compliance Solutions
 - DIY / DFM compliance automation platforms for Labour and Secretarial compliances
 - Payroll Outsourcing Digital

Financial capital



₹6,47,982 lakhs

Revenue

₹14,237 lakhs

EBITDA

₹3,945 lakhs

PAT

₹11,734 lakhs

PBT (before exceptional)

Manufactured capital



Number of people on rolls

2,04,120

Staffing

81,100

NETAP

5 lakhs+

Number of student trained

Intellectual capital



81,000+

Monthly candidate registration

10 lakhs +

Unique visitors per month

3,500+

Satisfied customers

Human capital



Employee **productivity**

Strong succession

Employee **well-being / safe** workplace

Social and Relationship capital



Increased employability

Upskilling of youth

Enhanced relationship with the value chain partners

Natural capital



Waste generated and **recycled**

Specific water consumption **reduction**

GHG emission **reduction**

Contribution to SDGs



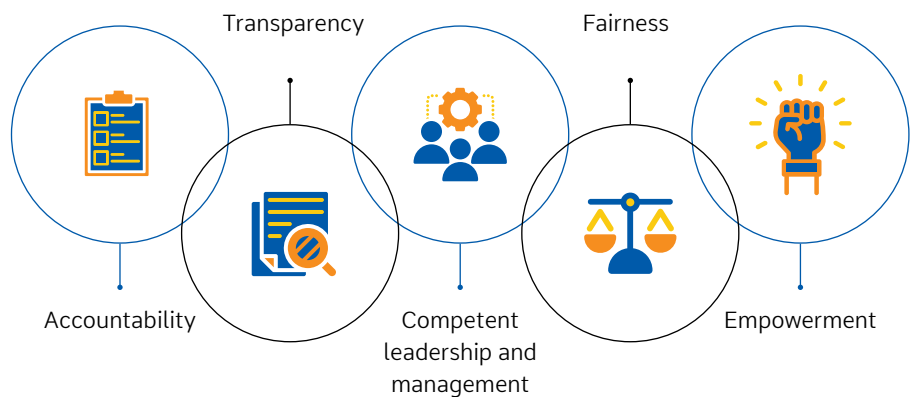
Upholding Best PRACTICES

We have established ourselves as a strong corporate leader based on a strong culture that easily adapts to the needs of a changing business and regulatory landscape. We embed good governance in our strategic vision and goals, which resonate in our engagement with our shareholders and stakeholders. In all of our business dealings, we strive for the highest ethical standards.

Strong leadership commitment

The synergy between our Board and the Management enables the development and implementation of effective policies and processes that are supported by dependable mechanisms. We push boundaries as we strive to continuously improve our governance practices, backed by an independent and transformational board and a highly competent management team.

Our key focus areas for good governance



Code of conduct

Our Code of Conduct and business ethics provides a practical guideline on rules and behaviour in consistence with our values, which guides all of our decisions and actions. The Code also serves as our public commitment to the highest ethical standards. Our Code of Conduct mandates our directors, senior management and employees to act honestly, fairly, ethically, and with integrity, and conduct themselves in a professional, courteous, and respectful manner.

Insider trading policy

We also have an Internal Code of Conduct in place to track, regulate, and report on trades by designated individuals. This code has a three-fold objective of monitoring trades of designated employees, obligating employees to handle price sensitive information and mandating employees to restrict unauthorised access to any individual information. The provisions of the policy encompasses compliance with disclosure rules and prevention of the unlawful practice of using confidential information to one's own benefit.

Vigil mechanism policy

Aligned with our policy for transparency and integrity in our business, our vigil mechanism policy allows us to report any genuine concerns about unethical behaviour, whether actual or suspected, without fear of retaliation. This gives our stakeholders an opportunity to voice any concerns or violations to the Company.

Anti-corruption policy

Our long-standing commitment to operating with integrity and ethics, as well as maintaining our ability to work with customers and governments, necessitates the avoidance of all forms of corruption.

Our anti-corruption practises specifically emphasise on making ethical decisions, never engaging in bribery or insider trading, avoiding conflicts of interest, approaching competition ethically, complying with international trade regulations, promoting transparency, and maintaining accurate business records. We have several policies related to these issues to protect our Company's reputation, and we expect our employees to comply with them.



Nurturing Relationships to **HELP US GROW**

We strive to meet the needs of all our stakeholders in order to fulfil our purpose and public commitments. We opt for an inclusive and responsive approach to developing stakeholder relationships. Clients, employees, authorities, shareholders, civil society, and sector organisations are all part of our stakeholder groups. We value their perspectives and tend to prioritise disadvantaged, vulnerable, and marginalised stakeholders.



Stakeholders








Stakeholder concerns



Engagement mechanisms



 <p>Customers</p>	 <p>Employees</p>	 <p>Government</p>	 <p>Investors</p>	 <p>Communities</p>
<ul style="list-style-type: none"> ■ Workforce flexibility ■ Compliance efficiency ■ Focus on core business ■ Budget efficiency ■ Niche skill hiring ■ Ad-hoc availability 	<ul style="list-style-type: none"> ■ Appointment letter ■ Standardised pay ■ Statutory benefits ■ Digital payments ■ Skill improvement ■ Annual increment 	<ul style="list-style-type: none"> ■ Less unemployment ■ Increased formal employment ■ Improved compliance ■ Revenue from GST ■ Skill improvement 	<ul style="list-style-type: none"> ■ Achieving long-term value by ensuring consistent financial returns ■ Improved market share 	<ul style="list-style-type: none"> ■ Local community development initiatives ■ Employment generation ■ Education ■ Upskilling
<ul style="list-style-type: none"> ■ Feedback through customer surveys ■ Annual report ■ Quarterly report ■ Earnings call ■ Media ■ Website ■ Press release 	<ul style="list-style-type: none"> ■ Direct communications with employees through immediate supervisors and management ■ Internal web portal ■ Site-based newsletters ■ Vigil mechanism ■ Confidential feedback boxes ■ Contractual relationships ■ Learning and development programmes 	<ul style="list-style-type: none"> ■ Agreements on social-economic partnerships ■ Charity and sponsorship initiatives ■ Conferences and forums 	<ul style="list-style-type: none"> ■ Annual general meetings ■ Regular hard-copy and e-communications ■ Regular meetings with institutional shareholders ■ Newsletters 	<ul style="list-style-type: none"> ■ One-on-one interaction during CSR activities ■ Volunteering programmes ■ Social programmes

Financial

CAPITAL

In line with our dedication to create long-term economic value for all stakeholders, we maintain a strong balance sheet with significant debt capacity and a well-spread maturity profile that allows us to fund growth opportunities. To manage our liquidity requirements, we use optimal foreign exchange and interest rate exposure management, as well as diverse funding sources.

Strategic business development

At TeamLease, we are constantly looking for new investment opportunities, identifying opportunities, and analysing emerging markets and economic trends. This process entails conducting a thorough analysis of our organisation's business, the business landscape, and our approved budget plan. This procedure determines our capital allocation decisions.

Prudent management of capital

Our sound financial management practices enable us to be more flexible in our investment decisions. We benefit from favourable industry dynamics and by prudently managing our capital, we are able to increase our profits, cash flow, and returns. This is consistent with our progressive dividend policy and our goal of delivering attractive total returns to our investors.

Input

₹69,321
lakhs

Equity

₹2,767
lakhs

Short-term debt

Output

₹6,47,982
lakhs

Revenue

₹3,945
lakhs

PAT

₹14,237
lakhs

EBITDA

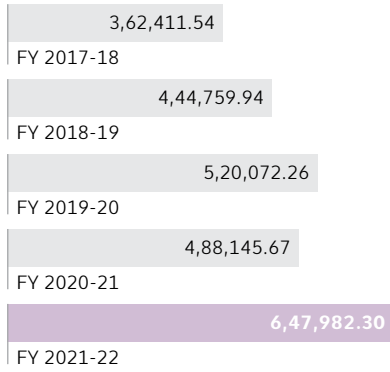
>30%
ROCE

Asset light and debt free

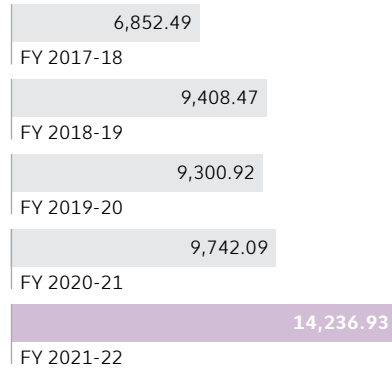


Revenue

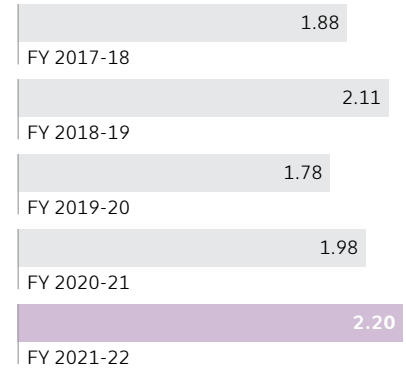
(₹ in Lakhs)

**16%**
5 year CAGR**EBITDA**

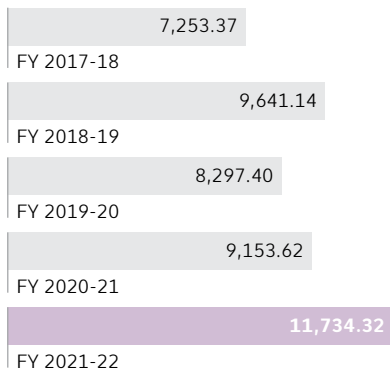
(₹ in Lakhs)

**20%**
5 year CAGR**EBITDA margin**

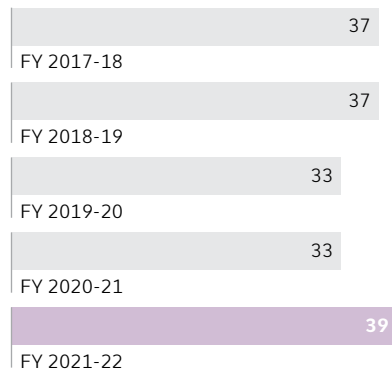
(%)

**PBT (before exceptional)**

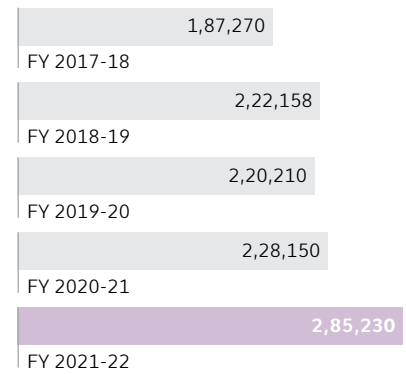
(₹ in Lakhs)

**13%**
5 year CAGR**ROCE**

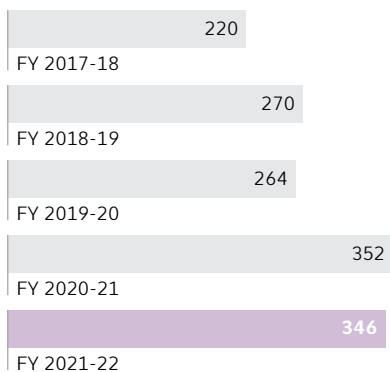
(%)

**Headcount (in employment)**

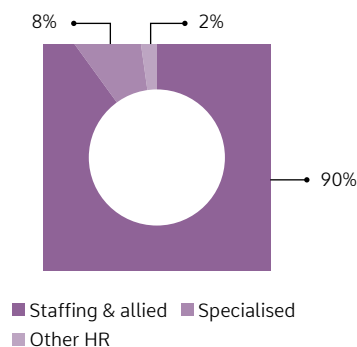
(in number)

**11%**
5 year CAGR**Fixed Term Employment**

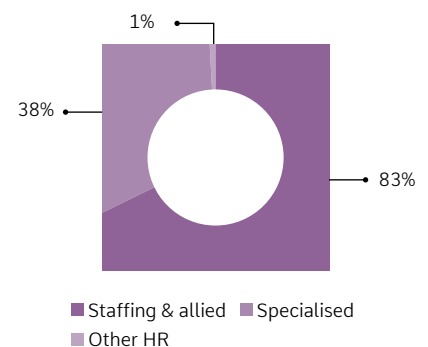
(in numbers)

**12%**
5 year CAGR**Revenue contribution FY2022**

(in %)

**PBT contribution FY2022**

(in %)



Manufactured

CAPITAL

Our business segments have an optimistic outlook with a sizeable addressable market, hence we continue to invest in leadership, digitalisation, sales, and hiring capabilities to aggressively pursue the opportunities that we see ahead of us. Our commitment stems from our vision and purpose to serve our customers' needs as well as address the risks associated with climate change. Our investments in digital solutions, telecom technology, engineering technology, gaming, healthcare, and other service lines have enabled us to provide a one-stop shop for our customers' needs.

The investments we are making to improve the capability of our hiring team through various training programmes and digital interventions, combined with capacity expansion, have enabled us to capture a significant share of the market's available business.



Employment

Staffing

Financial services, e-commerce, telecom and technology, and consumer durables are our top four segments in terms of absolute growth and associate base. In comparison to the previous year, e-commerce has grown by over 300%. We are also considering relocating some of our central processing units to smaller locations in order to improve efficiency and service times. As a result, some of the additional hiring was due to relocating to smaller locations.

The number of people hired at the entry-level is expected to rise by **about 10%** from quarter to quarter.

Positioned to capitalise on trends in hiring

The need for formal employment has increased as a result of recent labour reforms, accelerating the demand for flexi-staffing. IT, education services, e-commerce, healthcare pharma, and telecom are all showing positive signs in terms of hiring. Tier-1 cities will have a much higher intent to hire, with Bengaluru, Chennai, and Mumbai likely to be the top cities with the highest demand. The number of people hired at the entry-level is expected to rise by about 10% from quarter to quarter. In terms of the types of jobs that are likely to come in, sales and IT clearly lead the charge. In manufacturing and e-commerce, there is a growing trend toward greater diversity in hiring.

A few forward-looking sectoral changes that will shape our future include a surge in interest in formalising the workforce in the FMCG and FMCD sectors, as well as a large number of employees employed off-road by

employers seeking a legitimate but flexible solution. Massive capacity expansion is expected in manufacturing, particularly in electronics, resulting in a large number of job openings, including those for the temporary workforce.

Reaping benefits of restructuring

The upside of the reorganisation of the staffing business which we did at the beginning of the Financial Year is evident in the performance of the six business cohorts. We witnessed the most aggressive positive headcount growth in financial services, consumer, e-commerce, and the tel-tech cohorts. Differentiated hiring across the six cohorts has led to a high volume of temp addition hired by us across diverse profiles. Emerging sectors are our key focus to identify industries or companies which might need staffing. We identify different emerging industry sectors or companies involved in staffing, in order to look for opportunities to collaboratively work towards mutual growth.



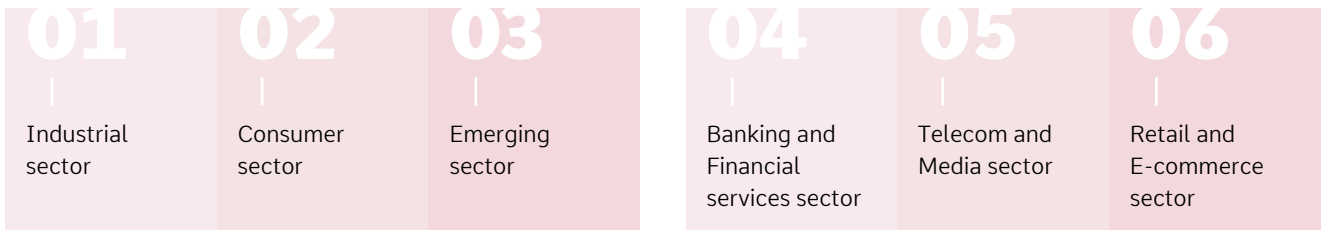
Manufactured Capital

Our 6 staffing business clusters



Manufacturing

Services



Future outlook

Looking ahead, we are well-positioned for strong growth, with a healthy pipeline and emerging demand. The e-commerce sector is expecting a two-fold increase in workforce, which is a unique opportunity. However, the strategy battle between newly funded delivery-driven organisations and more established entities has made talent acquisition difficult.

Poised for growth

The investment we have made in our ability to move labour from smaller towns to areas where it is needed will continue to pay off. The expansion of existing logos and financial services is expected to be aggressive. Overall, we are well-positioned to have an impactful year ahead, owing to our deep leadership bandwidth, complementing teamwork, established contractual mastery specifically in sales and hiring, and the emerging benefits of digitalisation and process improvements.

The future directions in staffing now lie in developing stronger contextual mastery across the six business cohorts, as well as creating differentiated servicing and product stacks based on the future needs of every customer in each cohort.

TWO decades

of experience in staffing business

~308 lakhs+

People employed by staffing firms in India

1.95 lakhs+

Associates

20 lakhs+

Jobs offered to date

67+

Industries

Specialised staffing

The post-pandemic digitisation super-cycle resulted in significant deal wins for our customers, which translated into healthy pipelines for us. Contingent workforce appears to be the preferred mode of employment as new WFH and hybrid models gain mainstream traction. In FY2022, we had the highest ever growth in headcount, revenue, and PBT for specialised staffing. We have increased our market share significantly in this ever-expanding addressable market, aided by the digitisation super-cycle. Specialised staffing is growing at a rate of 30-32% year on year, contributing to overall margin expansion. Maintaining the momentum of growth in specialised staffing will be a primary focus for us.



Our key sectors



Increased demand in IT sector

In the information technology (IT) sector, we have consistently delivered across all quarters. The demand for IT skill sets has been exceptionally high in specialised staffing. We have been making continuous investments in improving our delivery to customers and amping up the team given their growth in number, and the expected future growth.

IT staffing is expected to grow at a 20% CAGR over the next five years. The adoption of Hire Train Deploy (HTD) and upskilling and reskilling projects with higher profitability has been on the rise in this industry.

Optimal margins in telecom and IT infra sectors

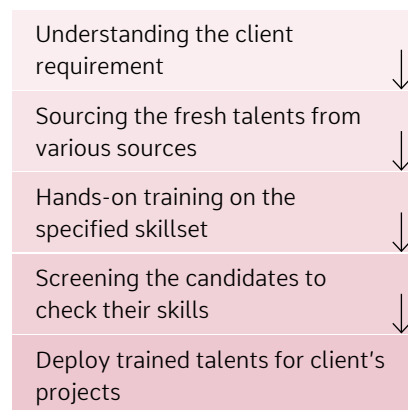
We are currently at optimal levels of margins in specialised staffing, now that we have telecom and IT infra verticals, which are relatively lower margin businesses compared to IT staffing. Thus our focus is more on improving absolute profit.

We were operating in the IT infra and network support space before moving up the value chain into cloud, cyber security, and data storage space where the margins are high.

Specialised staffing is growing at a rate of 25-30% year on year, contributing to overall margin expansion.

Mitigating the demand supply gap with our HTD solution

Hire, Train, and Deploy (HTD) is a service that fulfils critical hiring needs for specialised skills required by companies. HTD service providers train the resources and then deploy them to clients when the training is completed. This future recruiting model is highly adapted to evolving business demands with a faster turnaround time.



With our HTD model, we deliver multiple skill trained resources as per the project need while reducing hiring timelines resulting in a scalable and sustainable solution

Foraying into new spaces

We have a predominantly large workforce in the telecom space, primarily in network and distribution. However, since 5G adoption in many countries around the world, we have back offices in India where we provide 5G support and 5G technology related fulfilment at a higher margin. Along with that, we have expanded our verticals in gaming, OTT, the energy sectors, and we now have a presence in healthcare tech and mobitech. These are positions where staffing is getting underway and the requirements are mostly digital in nature.

In FY2023, we will expand our footprint into new verticals to align with our future growth plans. We will expand our IT staffing into Offshore Development Centres (ODC), Recruitment Process Outsourcing (RPO) and more in USA and Asian-Pacific (APAC) regions, as

well as our professional staffing into Healthcare, Legal, HR, Marketing, and Project Management Office (PMO).

Future growth strategy

To support growth and improve efficiency, we are building a strong talent supply ecosystem, leveraging tier 2 location centres and cutting-edge technology tools. Our growth strategy is a combination of increased market share and a balanced portfolio mix of both segments to ensure that we meet both top and bottom-line targets.

Future outlook

Looking at the overall portfolio, there is an increase in the average realisation because we work on a model where the profits are high. Our FY2023 outlook is positive and promising, and we expect to grow our business in the higher double digits across all key metrics. We are observing good traction on demand in specialised staffing, which should enable further growth as we move forward, and we are preparing to deliver better in the coming years.

9,450+

Associates

₹ 53,094 lakhs

Revenue

₹ 10,100 lakhs

Gross margin

₹ 4,434 lakhs

PBT

Manufactured Capital

Employability

Degree apprenticeship

TeamLease began a case in 2007 that the Apprentices Act of 1961 was out of date, ineffective and unfair because it viewed an apprenticeship as a job rather than a classroom for learning new skills. Subsequently seven years ago, TeamLease Skills University launched NETAP (National Employability Through Apprenticeship Programme), which has since been renamed Degree Apprenticeship.

Our high value proposition

Degree apprenticeship provides a clear value proposition to all of our stakeholders, employers, youth, and the government — by ensuring a return on investment for employers through lower attrition, higher productivity, and faster hiring, as well as helping to improve the professional capacities of the youth through practical training.

Degree Apprenticeship is a win-win real-time solution for increasing workplace productivity by combining the needs and aspirations of youth, employers, and academia into a unified platform. It results in a non-linear, disruptive increase in talent productivity in contrast to rising overhead costs for businesses. Degree Apprenticeships offer the ideal combination of skills and knowledge to meet the needs of the industry.

Collaborating for growth

At TeamLease, we are collaborating at two different levels. On one level, we collaborate with the universities to create the curriculum in partnership with the Sector Skill Council (SSC) and with National Council for Vocational Education and Training (NCVET) to approve the programme. On the other hand, we collaborate with more than 300 industry organisations across seven sectors, which include Auto, Electronics, Retail, Logistics, BFSI, IT/ITES, E-Commerce, to implement degree apprenticeships.

01

Auto and industrial sector

02

Consumer sector

03

BFSI and TelTech sector

04

Recomm sector



We collaborate with **more than 300 industry organisations** across seven sectors, which include Auto, Electronics, Retail, Logistics, BFSI, IT/ITES, E-Commerce, to implement degree apprenticeships.

Rebound in degree apprenticeship

The disparities in outcomes for skilled and unskilled workers during the lockdown have highlighted the importance of implementing flexible, low-cost, demand-driven skill development initiatives that can broaden employment opportunities across sectors. It will not only aid in the provision of skilled labour for various operations, but it will also pave the way for financial independence for the vast majority of people who lack the necessary skills to engage in rewarding jobs.

We are returning to the pre-pandemic trend of on-site training after adopting the Virtual Instructor Lead Training (VILT) session during the pandemic. We have also partnered with multiple universities to increase the adoption of degree apprenticeships. In accordance with the NEP 2020, we have also introduced new degree apprenticeship programmes (B.Sc Mechatronics - Auto, Electronics), BBA Retail, and BBA Logistics. After the second wave, we saw a strong rebound in digital apprenticeship.

5 lakhs+

Apprentices enrolled till date

1,000+

Employee across 40 sectors enrolled till day

95%

Apprentices enrolled in formal employment

81,100

Trainees

TL Edtech

TL Edtech operates at the crossroads of education and employability, with a primary focus on repairing, preparing, and upgrading skills. TeamLease Edtech (TL Edtech) is India's leading provider of learning solutions.

TL Edtech collaborates with leading universities and corporations across the country to achieve its goal of 'Making India Employable.' It assists universities in launching, running, and managing their own online programmes, helps in improving the employability of their students through apprenticeship-linked skilling programmes, and corporations in upskilling and reskilling their workforce to improve productivity and build a talent supply chain.

Partnering for increasing employability

While pursuing its mission of Making India Employable, TeamLease EdTech launched a number of new initiatives during the year under review. We collaborated with a number of universities across the country to launch affordable online degrees. Degree Apprenticeship programmes were launched in collaboration with more than a dozen leading universities. Additionally, we collaborated with some of the Sector Skill Councils to develop a new degree curriculum that is more relevant to the needs of the employers.

We also partnered with hundreds of businesses to help them increase employee productivity and build long-



term talent supply chains. Across the country, we have trained over 5 lakhs people who are on their way to 'Being Employable'. For the rollout of our work programmes, we also partnered with AICTE through its NEET initiative.

Fulfilling talent requirements

In the current fiscal year, corporate students and universities revenues have driven the majority of Edtech's business growth. Despite a skill shortage, we focused on addressing supply side challenges by offering to hire, train, and deploy solutions in collaboration with our in-house TL Edtech business. To provide a seamless learning experience to all learners, TL EdTech offers a modular multi-modal classroom model of learning—Online, Onsite, On-job, and On-campus.

Our state-of-the-art solutions have assisted our customers in meeting their talent requirements on time. Our strong hiring capabilities, combined with our ability to hire, train, and deploy solutions across skill levels, particularly in new age skills such as digital skills, have increased our customers' trust in us to meet the increased talent demand.

Future outlook

In order to bring innovation and sustainability to Indian higher education, we will continue to partner with the country's largest universities and most promising employers as part of our mission to Make India Employable. It will aid in the promotion of better industry-academic connections, as well as the improvement of governance in institutions who have the ambition to grow but not the resources.

We will develop innovative solutions to drive down the cost of education while also improving graduate employability, which will help improve the Gross Enrollment Rate (GER) and create a large pool of employable and skilled resources for the industry. We are confident that this initiative will contribute significantly to the country's goal of becoming a \$5 trillion economy.

40

Universities partnering with us

5 lakhs+

Students trained

900+

Corporates associated with us across 17 domains

200+

Degree, diploma and certificate programmes managed by us

30,000 Hours

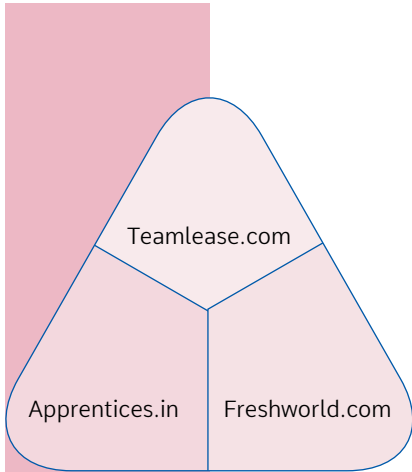
Rich media content

Manufactured Capital

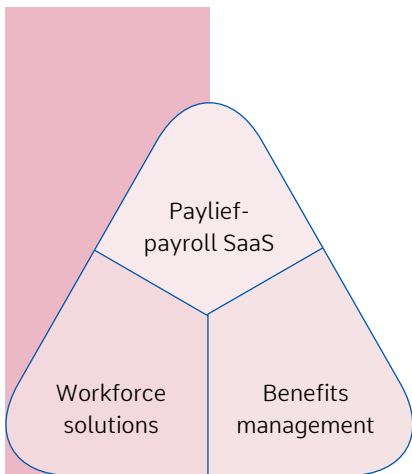
Ease of doing business (EODB)

HRTech

Hiretech



Digital working solutions



Our HR services and businesses have started to deliver on growth and profits and are expected to continue to deliver as we go forward. HR services, as a segment, has turned positive and it is expected to continue to contribute to the bottom line next year as well. A large part of HR services contribution is led by TeamLease's Edtech business. We are also making some investments additionally in the areas of HRTech where we have hired new leaders that will complement our teams for future growth.

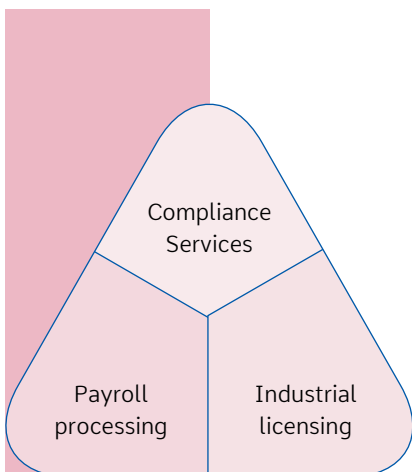
70,000+
employees

Digital workforce solution

400 clients

Payroll and compliance services

Compliance



In HRTech, we have DWS solutions that creates value for our customers in different areas of people management. In certain areas of people management, we have minimum viable products that are utilised by customers and associates. We offer our solutions to some external clients and non-associate employees while we were also making investments in innovation around future product pipeline.

₹ 2,442 lakhs

Revenue

We are also making some investments additionally in the areas of HRTech where we have hired new leaders that will complement our teams for future growth.

Regulatory Technology (RegTech)

TeamLease RegTech, India's leading B2B Regulatory Technology company, provides cutting edge multi-tenant SaaS solutions that offers transparent, accountable, and efficient compliance management solutions. We have made significant investments in the development of **'automation engines'** to enable the automatic generation of the compliance documents from our products. The launch of automation engines for labour and secretarial compliances has made us the **'only company in India'** offering such diversified product portfolio.

For the year under review, our overall Revenues and Recurring Revenues grew by over 50%, Revenue Per Customer (RPU) has increased by 41% and our operating losses have reduced by 48%. The business is geared up to generate investible surplus from the next Financial Year .

The RegTech business is actively advocating on the need for **'Rationalisation, Decriminalisation and Digitisation'** of Compliances in India. We have completed a EODB Project with Punjab State Government in consortium with GAME & CCS and have also published a **'Jailed for Doing Business'** report with ORF to highlight 26,134 criminal clauses in India's legal landscape.

Our overall Revenues and Recurring Revenues grew by over **50%**, Revenue Per Customer (RPU) has increased by **41%** and our operating losses have reduced by **48%**.

New product launches

Our 'automation engines' for **'labour & secretarial compliances'** offers a unique solution to Corporates and Professional Companies to digitise their respective functions and reduce the overall **'cost of compliance'**.

Currently, HRTech business is utilising the automation layer for labour compliance services offered to its customers. We have started offering the same to corporates directly on 'Self Service Mode'. Our secretarial compliance automation product has been offered to Practicing Company Secretaries (PCS) and we have on-boarded close to 2,000+ PCS firms in the current Financial Year on a 'free / paid' basis.

We have also launched products during the year under review, one focused on **NAAC accreditation** in collaboration with TeamLease Edtech that will enable colleges and universities to manage their NAAC accreditation process digitally and the other focussed on **direct and indirect tax litigations**.

RegTech Business will strengthen its sales capabilities to start monetising on these product launches in the next Financial Year.

Capitalising on demand

Our existing compliance product offered with integrated automation solutions will provide us an edge over all our competitors and help us deepen our market penetration among corporate clients (20,000 large corporates) as well as lay a foundation for the service provider market (200,000 companies). Additionally, there are over 55,000 colleges in India that need to undergo periodic accreditation requiring management of over 100+ parameters across many different departments and faculties. Currently there are a handful of digital products available in the market. We expect to generate a strong recurring revenue stream from these products.

Future outlook

Covid has accelerated digital trends across corporate India and service providers, which bodes well for our future prospects. Governance, risk, and compliance have grown more important for Boards and shareholders, and 'ease of doing business' has become a trend among various stakeholders. In the coming Financial Years, the adoption of such platforms will grow sharply.

Future strategy

RegTech business will continue to invest in automating more regulators to digitally transform corporations and service providers. We hope to become a thought leader and market leader in compliance automation space. To monetise our existing product portfolio, we will build a strong sales and marketing engine. We also plan to create a sales network to distribute digital products to CAs, CSs, lawyers and labour consultants.

1,500+

Legal acts covered

69,000+

Compliances database

70%

Of total labour compliance is covered through our labour compliance automation product

200+

Live customers

Employee **SPEAK**



TeamLease is a wonderful company that has been a part of my life for almost 6 years. The staff is really helpful and courteous, and the Company has an outstanding work culture. We at TeamLease have a mutual trust and regard for one another, as well as a shared dedication to individual and corporate success. It is a great place to work, with a culture that encourages people to achieve more at every step.

- Subendu Gayen





I have been associated with TeamLease for almost 8-9 years. I can vouch that TeamLease is a good Company to be associated with and has prompt services at all levels. I am glad to be associated with such an organisation for such a long period. TeamLease is excellent in terms of policies and prompt responses. One can be happy to be part of this organisation.

- Sairi Kalal



For the past three years, I have had nothing except positive experiences with TeamLease. TeamLease offers great benefits in terms of insurance and timely remuneration. It is a fantastic place to work since it values and supports its people while also challenging them to advance within the organisation. I want to thank TeamLease for integrating me so smoothly into the organisation.

- Dimpal



Human

CAPITAL

Our human capital is at the core of our existence. We strive to create an environment that supports our employees' growth and aspirations. Together with our innovative culture, our talented and dedicated workforce maximises stakeholder value.



Inclusiveness and diversity

Our dedication to equality, equal opportunity, inclusion, and diversity is part of our larger commitment to upholding fundamental human rights throughout our value chain. A highly skilled, diverse, and transformed workforce that is representative of society is critical to remaining competitive. We will continue to prioritise reskilling our workforce for a changing landscape.

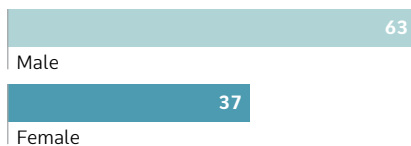
Enabling accessibility and equality for all

We aim to attract, recruit, and retain a diverse set of employees. This not only facilitates underrepresented groups' labour-market integration, but also allows us to bring better perspectives, experience, and skill sets into our business in order to deliver better as a team. We actively promote hiring of women with a focus on retaining female employees.

We believe in establishing equity to reduce barriers and maximise our collective potential for success. We are committed to bias-free and fully inclusive recruitment, talent management and development, reward and recognition, and promotion processes. We will continue to invest time and resources in the best technology to create such a conducive environment.

Gender snapshot

Core employees (in %)



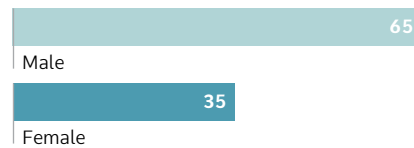
Staffing (in %)



Degree apprenticeship (in %)



Edtech and skills (in %)

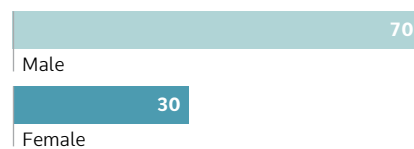


Board diversity

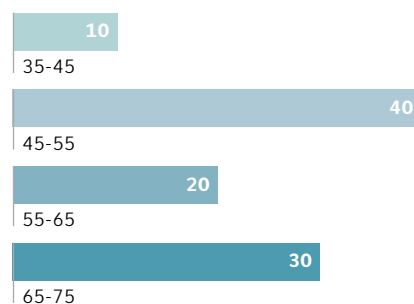
Our merit-based, transparent, and inclusive culture ensures that women are fairly represented at all levels. We continually encourage women to advance their careers at all ladders of our organisation. Our women leaders make up 40% of our senior leadership, which is significantly higher than the current prevalence. We recognise and value the importance of a diverse Board of Directors that will help us sustain our competitive advantage in order to achieve our strategic and commercial objectives.

Board snapshot

Board members by gender (in %)



Board members by age (in %)



Employee engagement

The need for workplace flexibility is the most commonly mentioned and highly valued benefit in today's world, and we are striving to provide as much flexibility as possible while maintaining cohesion and teamwork. We aimed to keep the connection between teams, leaders, and the organisation alive even though people were working remotely. To ensure a high level of connectivity, we strengthened ourselves with 16 different initiatives.

We conduct monthly connect sessions with Department and Business Heads. Our employees are encouraged to speak up and share their ideas, suggestions, and recommendations. Our HR teams meet with employees on a regular basis to ensure that we can strengthen our good practices and act proactively where gaps need to be addressed. For new hires and senior leaders, we have CEO connect sessions to ensure smooth transitions and a culture of outcome-based performance.

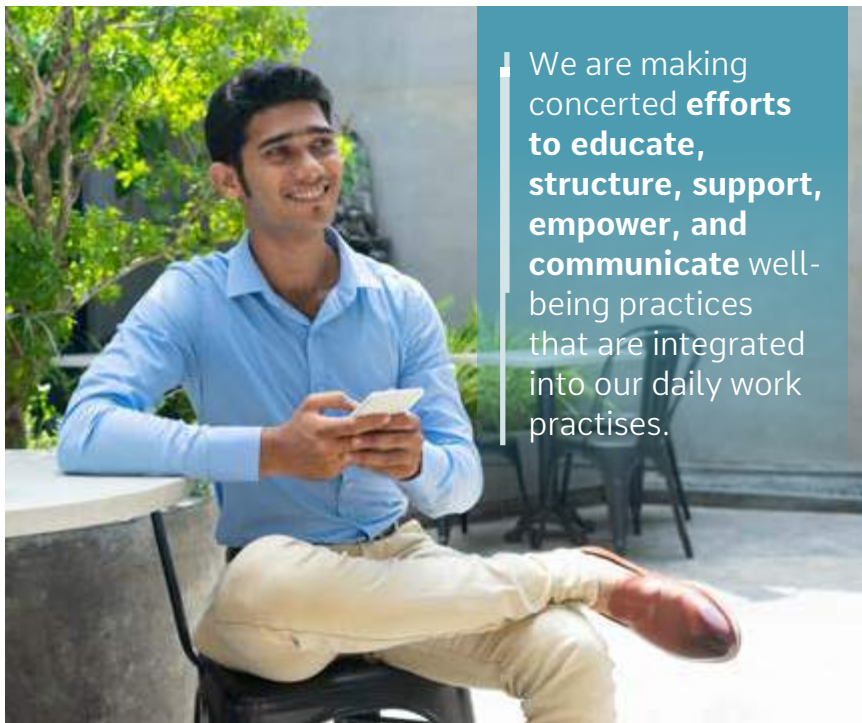
Reward and recognition

We have a number of recognition and connect activities in place to ensure that our employees have access to the resources and information they need to succeed, and that their accomplishments are recognised and rewarded. Monthly, quarterly, and annual awards are also given out on a regular basis to recognise outstanding performance and adherence to our principles.

We aimed to **keep the connection between teams, leaders, and the organisation alive** even though people were working remotely. To ensure a **high level of connectivity**, we strengthened ourselves with 16 different initiatives.

Human Capital

Employee well-being



TeamLease has always prioritised the overall well-being of its employees. Our workforce's performance can only be sustained by focusing on their overall well-being and providing a more diverse range of competitive benefits. We are making concerted efforts to educate, structure, support, empower, and communicate well-being practices that are integrated into our daily work practises.

Our first responsibility as a staffing Company is to ensure a safe work environment. Our operating companies are expected to have a sophisticated health and safety structure in place and to adhere to all applicable local standards and regulations.

Promoting holistic well-being

We are convinced that valuing mental, physical, and cultural well-being is a cornerstone of an inclusive work environment. We actively provide an array of programmes and assistance for our employee needs. We continue to strengthen and develop our approach to promoting the well-being of all our employees at work.

Health and safety support during Covid

We ensured constant communication, awareness, and support on COVID protocols throughout the pandemic period to ensure a healthy and safe working environment at all locations. We also remodelled the cafeteria, washrooms, and office space with limited seating to allow for social distancing and compliance with COVID protocols. We also implemented facial biometrics in the office to allow for contactless employee logins.

We carry out four-month annual campaign focusing on four elements of holistic well-being and health (nutrition, physical, mental and financial). Through the campaign, we generate awareness on multiple aspects of these areas and provide opportunities to the employees to meet with experts and take inputs to create a personalised health and well-being plan.

Learning and development

We aim to provide a robust learning ecosystem that promotes a culture for continuous growth and development. Subsequently, we identify specific skill, behaviour and capability gaps at the beginning of each Financial Year. On the basis of results, we conduct specific training interventions including programmes, workshops and coaching for our employees.

We emphasise on employee efficiency across all levels and train all employees with right skills and capabilities in order to cater to the growing business and to achieve our imperatives and goals. We build capacity in all departments for preparing our employees for critical roles.

469

Training sessions conducted

Evaluation of training effectiveness

In order to assess the effectiveness of the training, we deploy several evaluation mechanisms and collect feedback from the participants after training. We carry out pre-manager evaluation where one week prior to the programme, we assess the baseline of key behaviours and skills of the participants that will be addressed through the programme. We also carry out post manager evaluation to check on the improvement of the identified skills and behaviours.

217

Training sessions evaluated



Future leadership

To develop future leaders for all departments and the organisation as a whole, we provide career growth opportunities to top talent. We identify high performers and high potentials who undergo 360 degree assessment and on the basis of the assessment, Individual Development Plans (IDPs) are drawn for grooming the top talent to become effective successors.

A critical area of focus for us has been to strengthen our leadership bench in order to ensure that we can develop our leaders from within. We also launched several initiatives to ensure that we are able to build leadership capability. To that end, we optimised job rotations to provide people with new and different learning opportunities. We launched the TL Professional Development Assistance to support higher education, as well as new leadership programmes to further augment the growth of our leaders.

As part of overall employee development and well being, at TeamLease we conduct the following:

1 We provide a robust and seamless induction to our employees so that they become equipped to render their roles and responsibilities. Based on business and role, we have a

customised functional induction plan that integrates all forms of learning (SME led, self learning, OJT and assessments).

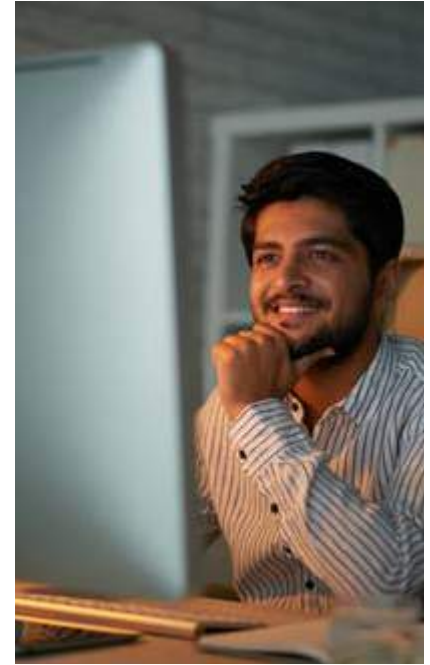
2 We also invest methodically in developing managerial and leadership capabilities of our employees when they get into People Management roles. We have multi-layered flagship programmes to nurture various managerial and leadership capabilities.

3 For senior leaders of TeamLease, we have customised individual learning and development plans that focus on enhancing key skills / leadership areas through personalised learning plans and gaining exposure and development through stretched assignments, projects, and internal mentorship.

4 For specific employee development, we have specific interventions based on training needs identification exercise done to focus on improving performance gaps.

5 Considering Learning is one of TL principles, we have enabling people policies like TeamLease Professional Development Assistance programme that aims at providing financial aid to deserving employees to undergo further education / certification to enhance their professional capability.

Human rights



Respect for human rights is a fundamental value of TeamLease. We understand the impact it has on labour markets. As a result, we consider this issue to be crucially significant, and we operate in accordance with a number of international agreements and conventions. We strive to respect and promote human rights in accordance with the International Labour Organisation (ILO) declaration on Fundamental Principles and Rights at Work, the UN Universal Declaration of Human Rights, and the UN Guiding Principles on Business and Human Rights.

Respecting human and labour rights

We use due diligence to identify and prevent human rights risks to people in our business and value chain. We are committed to providing fair and equitable remediation where we have identified adverse human rights impacts resulting from or caused by our business activities. Through our relationships with third parties, we seek to promote access to remediation where we are involved. Our human rights policy is overseen by the Board of Directors, including the chief executive officer.

Intellectual

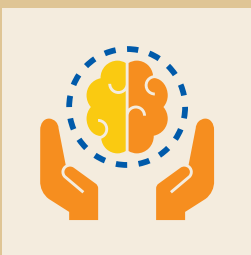
INTELLECTUAL CAPITAL

At TeamLease, innovation is key to creating value. The intellectual capital that we have nurtured since our inception, forms the core of our strategy and operational excellence. We aim to enhance and enrich our business portfolio by leveraging our intellectual capital to drive sustainable growth.

We are receiving new requirements as a result of the super-cycle of digitisation, and we are fully prepared to meet the increased demand. Hence we have invested in our talent and technology in order to be able to provide quick recruitment solutions.

We believe that technology will play a significant role in the hiring process, and we will continue to innovate our various platforms in order to increase productivity and volume delivery.

Leveraging technology as an intervention for hiring tech will drive down the cost of hiring and improve the fulfilment ratio.



Our hiring portal



Teamlease.com

Our hiring portal TeamLease.com is one-of-a-kind website service with fully automated end-to-end tools. It is essentially an entry-level, blue collar and working-class job portal that connects candidates and corporations.

Candidates and organisations can find the right fit for any location and role owing to our established pan-India presence, which includes tier-I, II, and III cities and towns. We provide services in six different languages, including Kannada, Hindi, Gujarati, Telugu, Tamil, Malayalam, Bengali, and Marathi, enabling non-English speakers to seek employment opportunities.

Offering seamless experience

Our goal is to provide users with a seamless experience by providing custom-made solutions on a user-friendly interface. We provide generic questions for generic profiles such as sales and support staff for assessment tests, as well as create customised assessment criteria for our customers. Offer letter rollout and on-boarding of the candidate can be carried out on the same platform once the assessment is completed.

Single platform for the entire journey

We provide employers with a single platform to manage the entire recruitment process, from shortlisting to on-boarding. Candidates can directly apply for jobs or post their CVs with their interests and work preferences on our portal, and employers can shortlist candidates right away. Employers can conduct assessment tests for shortlisted candidates after shortlisting via the same platforms.

40%

Hirings during FY2022 through digital mode

5.75 Lakhs+

Active job seeker profiles

5 Lakhs+

Monthly average page views

6,000+

Candidates register monthly

4.75 Lakhs+

Unique page views



We provide employers with a **single platform to manage the entire recruitment process**, from shortlisting to on-boarding.

Intellectual Capital

Our entry-level hiring portal



Freshersworld.com

Our leading entry-level hiring job portal, Freshersworld.com, offers comprehensive solutions — from recruitment to branding. Our website and mobile app are easy to use and simple to navigate, with multiple filters and options such as sorting by colleges, branch, year of graduation, and percentage, as well as a hyper-local candidate search option by job role. Hiring teams can use our exclusive recruiter dashboard, which gives them instant access to over 300,000 profiles with 70% unique data compared to other major job boards. Another important feature of the portal is the variety of placement opportunities for fresh graduates across India, both on-campus and off-campus.

End-to end service

We also run brand awareness and visibility programmes for our employer base, providing them with first-hand information about placement season and college activities, connecting them with a diverse range of campuses across India, and enhancing their visibility.

Catering to every need

We have also developed an online and offline assessment engine to assess a candidate's employability quotient, aptitude, and other technical aspects. We have a panel of experts that prepares questions for our reliable and secure online assessment test platforms.

Our recruitment procedure:

	Result declaration and feedback sharing	01
	Coordination execution of the drive	02
	Assessment and result tabulation	03
	Short-listing and scheduling through call letters and SMS	04
	Consultation with Freshersworld recruitment advisors	05
	Job posting and creation of micro-site on Freshersworld	06
	Identification of suitable venue with necessary infrastructure	07



81,000+

Resumes added every month

9.5 Lakhs

Visitors per month

29,000

Unique visitors every day

2,500 Companies

Hired through Freshersworld.com

29.92 Lakhs+

Social followers

16,000+

Campuses associated with us across the country

Our apprenticeship portal



www.apprentices.in

We have a web portal for digital apprenticeship that connects employers and apprenticeship seekers. We collaborate closely with the India Apprenticeship Forum, a non-profit organisation that actively promotes apprenticeships in the country.

Apprentices.in is a platform where the Indian youth can find suitable apprenticeship embedded programs that will help the candidates to choose the right career pathway by earning a graduate degree and at the same time earning income through apprenticeships. The primary objective of the platform is to provide apprenticeship embedded degree programs to candidates who aspire to build a successful career that is suitable for the skills that they have



or they would acquire through the program.

It has emerged as the largest degree-linked apprenticeship programme operating under the New Education Policy 2020, with provisions for certificate, diploma, advanced diploma, and degree courses in collaboration with various universities, over the last seven years. Our portal offers multimodal learning platforms (on-the-job, online, on-site, and on-campus) and is governed by regulatory frameworks such as the Apprentices Act and NEEM.

Employers along with the universities can be mapped together to create apprentice-embedded learning opportunities on the platform for the candidates. Thus, employers can find apprentices required for their organization, and the universities can publish courses on the portal and provide degrees to the candidates. This enables the candidate to earn a degree while working and earning. The experience the candidate will receive through the program will in turn help him build his career path on the right track.

Digital workforce management

Digital Workforce Solutions (DWS) is an integrated platform that enables teams to effectively adapt, evolve, and scale. We designed a system that ensures people finish core operations faster and focus more on strategy after conducting extensive research on the most common challenges in workforce management. They can turn data into smarter decisions and create experiences that employees will value with effective and intelligent insights.

DWS has a wide range of offerings that can be precisely tailored to match the actual business problems, ranging from general and tactical solutions like time and attendance management and expense management to hyper-specialised ones like sales and field force management and lead and order management.

1,830

Client registered for FY 22

30,000

Downloads on Play Store

10,000+

Jobs posted in FY22

6 Lakhs+

Number of page views in FY22

In addition, TL Edtech collaborates with Digital Apprenticeship and our staffing businesses to provide credit and degree-linked blended learning outcomes to 50 employers. Lurningo (adaptable LMS) for universities, Lurningo for Teams (for corporate clients), WorkX (apprenticeship linked programmes), Optara (virtual employment exchange), and Qurio are among the platforms offered by the company (AI-enabled remote proctored online assessments). Our Lurningo platform has been upgraded to include features such as augmented reality and a simulator for industrial training, multi-university integration, social learning, and an improved LMS for tracking.

We collaborate closely with the India Apprenticeship Forum, a non-profit organisation that actively promotes apprenticeships in the country.

Social and Relationship

CAPITAL

Since we are modelled as a social enterprise rather than a traditional commercial establishment, social responsibility is ingrained in our DNA.

We strive to create a sustainable future by building a resilient society. We have invested in sustainable activities that are based on community programmes. We work on projects that are long-term and have the potential to change people's lives for the better.



Extending our Code of Conduct to third parties

Our Code of Conduct and policies govern how we conduct ourselves in professional relationships with customers, partners, competitors, vendors, government regulators, shareholders, co-workers, and the general public. Our long-standing Code defines our core values and establishes our expectations for how we do business. This code applies to our executive officers, directors, and employees, and we expect all third parties, with whom we do business, including consultants, contractors, and other service providers, to follow it.

Investor relations

We communicate with investors and analysts on a regular basis to raise awareness and understanding of the Company as an investment opportunity.

Uplifting human rights in our communities

We are cognisant of the fact that we are a part of the communities in which we operate. Our goal is to aid in the advancement of human rights in the communities where we work. We work on issues such as land rights, water access, and health. We also work with residents in those communities, including indigenous people and other marginalised groups. Our goal is to ensure that we are listening to, learning from, and considering their perspectives through dialogue. Local issues, we believe, are best addressed at the grassroots level. On human rights issues related to our business, we work with a wide range of civil society and stakeholders as needed.

Our long-standing Code defines our core values and **establishes our expectations** for how we do business.

Upskilling the youth of India

We embrace responsibility for developing talent and supporting people in finding rewarding jobs and remaining relevant in the ever-changing workplace. To meet this obligation, we encourage our clients to nurture all talent, including those who require additional assistance in entering the labour market. We also assist young talent in reskilling and upskilling, allowing them to better navigate the rapidly changing labour market.



Policy advocacy

TeamLease aims to make a positive contribution to the community by focusing on improving education and skill development. As a result, we have been actively engaging with the Ministry of Labour and Employment (MOLE) for the last eight years to implement four labour codes which have been passed by both the Houses of Parliament. Our active advocacy with MOLE and the government has paved the way for radical amendment and modification of the Apprenticeship Act. This has led to employability and employment generation. We also work with MSDE, MOE, MOF, NSDC, SSCS as well as various state authorities for various initiatives.

Increasing employability

Recognising skills and providing appropriate resource access are critical in assisting youth in navigating their way to sustained employment. We have worked towards transforming CBSE's board exams towards competency-based assessment systems while contributing to economic research in India regarding employability. We have provided computer desktops to students in Gujarat and Madhya Pradesh and arranged industrial printers for educational facilities.

Contributing towards employment generation

Improving youth labour participation necessitates a thorough understanding of local labour market and employment issues. The recipe for success in combating youth unemployment will be effective collaboration between the private employment industry and various public partners.

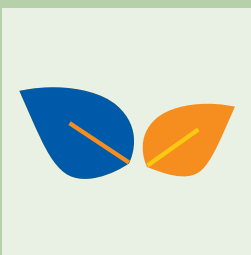
We have advised MOLE to link stipend pay-out with minimum wages in the initial Apprenticeship Act. We have also advocated for salary restructuring leading to more in-hand salary which, in turn, contributes to formal employment generation.

Our national licensing for contract labour is in line with ILO 181 convention designed for private employment. We even came out with a seminal study capturing the complexity of compliances. Based on our study, there was a reduction of 15,000 compliances and advocacy.

Natural

CAPITAL

Environmental stewardship is integral to our purpose as an organisation. We respect the human need for sustainable water supplies, safe drinking water, and protection of both ecosystems and communities through proper sanitation.



Our environmental stewardship

We are committed to playing our part in safeguarding the planet for future generations. Our environmental stewardship initiatives aim to produce benefits for the environment and people.



Reducing resource consumption

We seek to avoid and minimise the adverse impacts of our operations on the environment while promoting opportunities to conserve and enhance resources in the areas of our operations. Our innovative approach, combined with the agility of our solutions, allows us to come up with new ways to mobilise

loyal and expert workforces exactly when our clients need them, reducing resource consumption and increasing efficiency. Based on our industry and footprint, we continue to concentrate our efforts on areas where we see the greatest reduction potential.



Our sustainable initiatives

We are working towards providing sustainable offices and taking a responsible approach to business travel. To limit the use of fossil fuels, we constantly seek to increase the use of alternative, efficient, and natural

energy resources. For example, we have replaced traditional lighting with LED lighting in our buildings. We also strive to reduce water and paper usage in our office workspace.

Our environmental priority areas



Climate



Biodiversity and reclamation



Waste management



Water

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 - 560001, Karnataka, India

Internal Auditors

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

Bankers

Axis Bank Limited
Federal Bank
HDFC Bank
IDBI Bank
RBL Bank
IndusInd Bank
Kotak Mahindra Bank
State Bank of India
ICICI Bank Limited

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 No. 31 &
32, Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500032, India
Tel.: +91 40 6716 2222
Fax: +91 40 2300 1153
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Registered Office & Corporate Office (w.e.f. July 01, 2022)

Salarpuria Ascent,
Koramangala Industrial Layout,
Jyoti Nivas College Road, Koramangala,
Bangalore – 560095, India
Tel.: + 91 80 6824 3000
Fax: + 91 80 6824 3001
Website: <https://group.teamlease.com/>
Corporate Identity Number:
L74140KA2000PLC118395

Registered Office & Corporate Office (Till June 30, 2022)

6th Floor, BMTC Commercial
Complex, 80 Feet Road, Kormangala,
Bangalore - 560095, India
Tel.: + 91 80 6824 3000
Fax: + 91 80 6824 3001
Website: <https://group.teamlease.com/>
Corporate Identity Number:
L74140KA2000PLC118395

Branch offices

Ahmedabad
Delhi
Pune
Kolkata
Mumbai
Hyderabad
Chennai
Bangalore
Gurugram
Kochi
Lucknow
Vadodara
Dehradun



TEAMLEASE SERVICES LIMITED

CIN: L74140KA2000PLC118395

Salarpuria Ascent, Koramangala Industrial Layout, Jyoti Nivas College Road, Koramangala, Bangalore – 560095, India
Tel.: + 91 80 6824 3000 Fax: + 91 80 6824 3001

corporateaffairs@teamlease.com | <https://group.teamlease.com/>

Twenty Second (22nd) Annual General Meeting – Friday, September 16, 2022

May 18, 2022

Dear Shareholder(s),

You are cordially invited to attend the **22nd**- Annual General Meeting (AGM) of the Shareholders of TeamLease Services Limited ('the Company') to be held on Friday, September 16, 2022, 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 businesses to be transacted is enclosed herewith. In terms of Section 108 of the Companies Act, 2013, read with the related Rules and Regulation 44 of SEBI LODR Regulations, 2015, 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 Route Map to the venue of AGM, the Proxy Form for extending the facility for appointment of proxies by the Members, 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:

Salarpuria Ascent, Koramangala Industrial Layout,
Jyoti Nivas College Road,
Koramangala, Bangalore – 560095, India
Tel: + 91 80 6824 3000
Fax.: + 91 80 6824 3001

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

Enclosures:

1. Notice to the 22nd Annual General Meeting
2. Instructions for E-Voting

NOTICE OF THE TWENTY SECOND (22ND) ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Second (22nd) Annual General Meeting (AGM) of the Shareholders of TeamLease Services Limited (CIN: L74140KA2000PLC118395) ("TeamLease"/"Company") will be held on Friday, September 16, 2022, at 03:00 P.M. IST, through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") facility, to transact the following businesses:

SL. NO(S).	PARTICULAR(S)
A. ORDINARY BUSINESSES:	
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, 2022.
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, 2022.
Item No. 3	To receive, consider and adopt the Report of the Board of Directors for the Financial Year ended March 31, 2022.
Item No. 4	To appoint a Director in place of Mr. Ashok Reddy (DIN: 00151814), who retires by rotation and being eligible, offers himself for re-appointment.
Item No. 5	To re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, (FRN: 101049W/E300004) as Statutory Auditors of the Company and to fix their remuneration.
B. SPECIAL BUSINESSES:	
Item No. 6	To re-appoint Mr. Manish Mahendra Sabharwal (DIN: 00969601) as Whole Time Director and Vice Chairman of the Company.
Item No. 7	To appoint Ms. Rituparna Chakraborty (DIN: 07332241) as an Executive Director of the Company.

A. ORDINARY BUSINESSES:

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, 2022.

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, and the report of the Auditor's thereon, as circulated to the Members, 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, 2022.

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, and the report of the Auditor's thereon, as circulated to the Members, 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, 2022.

"RESOLVED THAT the report of the Board of Directors, for the Financial Year ended March 31, 2022, as circulated to the Members, be and are hereby considered and adopted."

ITEM NO. 4

To appoint a Director in place of Mr. Ashok Reddy (DIN: 00151814), 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 read with Schedule IV 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. Ashok Reddy, Managing Director being the longest in office is liable to retire this year and is also eligible for re-appointment.

Background:

Mr. Ashok Reddy was appointed as Managing Director of the Company effective September 03, 2015, for a period of five years which was approved by the Members at the Annual General Meeting held on September 30, 2015. His re-appointment for next term of five years was approved by the Board of Directors vide the Board Meeting conducted on June 09, 2020 and approved by the Members on September 04, 2020. Mr. Ashok Reddy being eligible has offered himself for re-appointment.

Proposal:

Members 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 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Ashok Reddy (DIN: 00151814), as Director of the Company, to the extent that he is required to retire by rotation.”

ITEM NO.5

To re-appoint M/s. S.R. Batliboi & Associates LLP, as Statutory Auditors of the Company and to fix their remuneration.

Statutory Requirement:

The law related to appointment and rotation of Auditors is covered by Section 139(1) of the Companies Act, 2013 which provides that; subject to the provisions of this Chapter, every company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of Auditors by the members of the company at such meeting shall be such as may be prescribed.

No listed company or a company belonging to such class or classes of companies as may be prescribed, shall appoint or re-appoint—

- an individual as auditor for more than one term of five consecutive years; and
- an audit firm as auditor for more than two terms of five consecutive years:

Proposal:

The Board proposes to re-appoint M/s. S.R. Batliboi & Associates LLP, for the second and final term of five years. Members are requested to consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, (FRN: 101049W/E300004) be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five consecutive years, who shall hold office from the conclusion of this 22nd Annual General Meeting till the conclusion of the 27th 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.”

B. SPECIAL BUSINESSES:**ITEM NO. 6**

To re-appoint Mr. Manish Mahendra Sabharwal (DIN: 00969601) as Whole Time Director and Vice Chairman of the Company.

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197 & 203 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), and the provisions of Articles of Association of the Company, consent of the Members be and is hereby accorded, to re-appoint Mr. Manish Mahendra Sabharwal (DIN: 00969601) as the Whole time Director and Vice Chairman of the Company till March 31, 2027 commencing from the date of expiry of the current term, i.e., with effect from April 01, 2022, on such remuneration, as set out below:

Particulars	Compensation Per Month (in ₹)	Compensation Per Annum (in ₹)
Basic	2,16,667.00	26,00,004.00
HRA	86,667.00	10,40,004.00
Special Allowance	2,36,333.00	28,35,996.00
LTA	2,000.00	24,000.00
Employer PF	-	-
Total Fixed	5,41,667.00	65,00,004.00
Annual Variable Pay	-	65,00,000.00
Total Compensation	5,41,667.00	1,30,00,004.00

The above said remuneration of Mr. Manish Mahendra Sabharwal (DIN: 00969601) as the Whole time Director and Vice Chairman of the Company is valid for a period of three years from April 01, 2022 to March 31, 2025.

RESOLVED FURTHER THAT the consent of the Members be and is hereby accorded to the Board to alter and vary the terms and conditions of appointment including remuneration during the term of his appointment, on the recommendation of Nomination and Remuneration Committee, in such manner as may be agreed to between the Board of Directors and Mr. Manish Mahendra Sabharwal, 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, 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 are 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. Manish Mahendra Sabharwal 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."

ITEM NO. 7

To appoint Ms. Rituparna Chakraborty (DIN: 07332241) as an Executive Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 161, 196, 197 & 203 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), and the provisions of Articles of Association of the Company, Ms. Rituparna Chakraborty (DIN: 07332241) who was appointed as an Additional Director of the Company on May 18, 2022 and as recommended by the Nomination and Remuneration Committee holds office up to this Annual General Meeting, be and is hereby appointed as an Executive Director of the Company, liable to retire by rotation for a period of five years commencing from May 18, 2022 to May 17, 2027, on such remuneration, as set out below:

Compensation Break Up		
Particulars	Compensation Per Month (in ₹)	Compensation Per Annum (in ₹)
Basic	3,58,333.00	42,99,996.00
HRA	1,43,333.00	17,19,996.00
Special Allowance	3,49,168.00	41,90,016.00
LTA	2,000.00	24,000.00
Employer PF Contribution	43,000.00	5,16,000.00

Registered Office:

Salarpuria Ascent, Koramangala Industrial Layout,
Jyoti Nivas College Road,
Koramangala, Bangalore – 560095, India
Tel.: 91 80 6824 3000
Fax: 91 80 6824 3001

corporateaffairs@teamlease.com

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

Date: May 18, 2022

Place: Bangalore

Compensation Break Up		
Particulars	Compensation Per Month (in ₹)	Compensation Per Annum (in ₹)
Total (A)	8,95,834.00	1,07,50,008.00
Performance Pay (B)	-	1,00,00,000.00
Total Cost to Company (A+B)	9,38,834.00	2,07,50,008.00

The above said remuneration of Ms. Rituparna Chakraborty (DIN: 07332241) as the Executive Director of the Company is valid for a period of three years commencing with effect from April 01, 2022, to March 31, 2025.

RESOLVED FURTHER THAT the consent of the Members be and is hereby accorded to the Board to alter and vary the terms and conditions of appointment including remuneration during the term of her appointment, on the recommendation of Nomination and Remuneration Committee, in such manner as may be agreed to between the Board of Directors and Ms. Rituparna Chakraborty, provided however that the remuneration payable to her shall not exceed the overall ceiling of the total managerial remuneration as provided under Sections 196, 197, 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 are 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 Ms. Rituparna Chakraborty 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."

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 No. 20/2020 dated May 05, 2020 read together with MCA General Circular Nos. 02/2021, 19/2021, 21/2021 and 02/2022 dated January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 respectively, 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 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (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.

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. 25 below.

2. In view of the massive outbreak of the COVID-19 pandemic, social distancing has to be a pre-requisite. Pursuant to the above mentioned MCA Circulars, physical attendance of the Members is not required at the AGM and attendance of the Members through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
3. 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 Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate/Institutional Members 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 Members 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 with a copy marked to <https://evoting.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.
5. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM and vote thereat.

6. 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.
7. 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.
8. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Businesses at the AGM, is annexed hereto.

In terms of the provisions of Section 152 of the Act, Mr. Ashok Reddy, 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. Ashok Reddy is interested in the Ordinary Business set out at Item No. 4 of the Notice with regard to his re-appointment. 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 set out under Item Nos. 1 to 5 of the Notice. Details of Directors retiring by rotation / seeking appointment/re-appointment at this Meeting are provided in the "Annexures" to the Notice.

9. 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.
10. 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 members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e., September 16, 2022. Members seeking to inspect such documents can send an email to corporateaffairs@teamlease.com.
11. 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.
12. Notice is sent to all the Shareholders (electronic copy), whose names appear in the Register of Shareholders as on Friday, August 05, 2022. The Notice of the AGM is also hosted on the website of the Company i.e., <https://group.teamlease.com/investors/>.

13. 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 (Formerly known as KFin Technologies Private Limited) (KFintech), Selenium Tower B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032.
14. 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, Members are advised to dematerialise their shares held in physical form.
15. 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.
16. 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. Members 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. Members 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.
17. 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.
18. 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, 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. 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 16, 2022.

19. For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email ID corporateaffairs@teamlease.com, at least 48 hours before the time fixed for the AGM i.e., by 03:00 P.M. IST on September 14, 2022, 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, Members holding shares as on the E-Voting cut-off date i.e., Friday, September 09, 2022, 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 14, 2022. The Company will, at the AGM, endeavour to address the queries received till 03:00 P.M. IST on September 14, 2022 from those Members who have sent queries from their registered email IDs.

Please note that Members' questions will be answered only if they continue to hold shares as on the cut-off date. Members of the Company, holding shares as on the cut-off date i.e., Friday, September 09, 2022 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 12, 2022 (09:00 A.M. IST) upto Wednesday, September 14, 2022 (03:00 P.M. IST).

Those Members 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.

Members 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 at least 1,000 Members 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.

20. 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. Members 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 Second (22nd) AGM Notice, Annual Report 2022 and E-Voting instructions are also available on the Company's website i.e., <https://group.teamlease.com/investors/> 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 and www.nseindia.com respectively and on the website of KFintech at <https://evoting.kfintech.com/>.

21. 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 Second (22nd) 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.
22. The voting through electronic means is scheduled as below:

The Company has fixed Friday, September 09, 2022, 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 13, 2022 (09:00 A.M. IST)
End of remote E-Voting	Thursday, September 15, 2022 (05:00 P.M. IST)

Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to his share in the paid-up equity share capital of the Company as on the cut-off date, i.e., Friday, September 09, 2022.

23. 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 2022 and the Notice of the Twenty Second (22nd) AGM are being sent by electronic mode only to Shareholders whose email ID are registered with the Company/ Depository Participant(s) for communication purpose.

The members 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.

24. 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, 6 and 7 of the Notice are mentioned in Annexure 1, 2, and 3 of this AGM Notice.

25. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- ATTENDING THE AGM: Members will be provided with a facility to attend the AGM through video conferencing platform provided by KFintech. Members 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 Members 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.
- Members may join the Meeting through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members 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. Members are encouraged to join the Meeting through Laptops with latest version of Google Chrome for better experience.

- d) Members 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. 25(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, Members 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, 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 evoting@kfintech.com or call KFintech's toll free No.: 1- 800-309-4001 for any further clarifications.

26. 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/> 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:

Salarpuria Ascent, Koramangala Industrial Layout,
Jyoti Nivas College Road,
Koramangala, Bangalore – 560095, India
Tel.: 91 80 6824 3000
Fax: 91 80 6824 3001
corporateaffairs@teamlease.com
<https://group.teamlease.com/>
Date: May 18, 2022
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 16, 2022, 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, 2021 to March 31, 2022
Cut-off date for determining the names of Shareholders eligible to get Notice of Annual General Meeting	: Friday, August 05, 2022
Cut-off date for determining the names of Shareholders eligible to vote	: Friday, September 09, 2022
Remote E-Voting start time and date	: Tuesday, September 13, 2022 (09:00 A.M. IST)
Remote E-Voting end time and date	: Thursday, September 15, 2022 (05:00 P.M. IST)
Remote E-Voting website of KFintech	: https://evoting.kfintech.com/
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
Email Registration & Contact Updation Process	: Demat Shareholders: Contact respective Depository Participant. Physical Shareholders: Contact Company's Registrar and Transfer Agents, KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) by sending an email request at einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self- attested copy of the PAN card and copy of the Share Certificate
Email Registration on Registrar and Transfer Agent's website	: Members may visit the following Website and follow the Registration Process as guided therein: • KFintech's Website https://ris.kfintech.com/email_registration/ .
Participation through Video-Conferencing	: Members can login from 02:45 P.M. IST on the date of AGM at https://emeetings.kfintech.com
Helpline Number for VC participation	: Call KFintech's toll free No.: 1- 800-309-4001
Submission of Questions / Queries Before AGM	: Questions/queries shall be submitted 48 hours before the time fixed for AGM i.e. by 03:00 P.M. IST on September 14, 2022, by any of the following process: <ul style="list-style-type: none"> • Email to corporateaffairs@teamlease.com mentioning name, demat account no./folio number, email ID, mobile number, etc. • Members holding shares as on the cut- off date i.e. Friday, September 09, 2022, may also visit https://emeetings.kfintech.com 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.
Speaker Registration Before AGM	: Visit https://emeetings.kfintech.com and click on "Speaker Registration" and register as Speaker until 48 hours before the time fixed for AGM i.e., from Monday, September 12, 2022 (09:00 A.M. IST) upto Wednesday, September 14, 2022 (03:00 P.M. IST).
Recorded transcript	: Will be made available post AGM at https://group.teamlease.com/

ANNEXURE 1

Additional information on Directors recommended for appointment/re-appointment as required under Regulation 26 (4), 36(3) of 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

For Agenda Item 4

To appoint a Director in place of Mr. Ashok Reddy (DIN: 00151814), who retires by rotation and being eligible, offers himself for re-appointment.



Mr. Ashok Reddy (DIN: 00151814)

Mr. Ashok Reddy is the co-founder and currently the Managing Director (MD) and Chief Executive Officer of our 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 52 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 five (5) Board Meetings conducted during the Financial Year
Details of remuneration drawn in 2021-22	169.99 Lakhs
Details of remuneration proposed to be drawn in 2022-23	169.99 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	-	-

Note: 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).

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 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 Agenda Item 6

To re-appoint Mr. Manish Mahendra Sabharwal (DIN: 00969601) as Whole Time Director and Vice Chairman of the Company



Mr. Manish Mahendra Sabharwal (DIN: 00969601)

Mr. Manish Mahendra Sabharwal is the co-founder and currently the Executive Vice Chairman of our Company. He is also member of Risk Management Committee.

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

Mr. Manish Mahendra Sabharwal aged about 52 Years (29/12/1969) is the Executive Vice Chairman of TeamLease. Prior to co-founding the Company, he had co-founded India Life, a payroll and pension services company in 1996 that was acquired by Hewitt Associates in 2002. Consequently, he was Chief Executive Officer of Hewitt Outsourcing (Asia) based in Singapore. Mr. Sabharwal is a member of the National Skill Mission, Central Advisory Board of Education and has served on various policy committees for education, employment and employability. He served as an Independent Director on the Board of the Reserve Bank of India (RBI). He 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 got his MBA from The Wharton School and is an alumnus of Shriram College, Delhi and Mayo College, Ajmer.

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 all the five (5) Board Meetings conducted during the Financial Year
Details of remuneration drawn in 2021-22	130 Lakhs
Details of remuneration proposed to be drawn in 2022-23	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 Mahendra 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: 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).

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 3

Additional information on Directors recommended for appointment/re-appointment 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 Agenda Item 7

To appoint Ms. Rituparna Chakraborty (DIN: 07332241) as an Executive Director of the Company.



Ms. Rituparna Chakraborty (DIN: 07332241)

Ms. Rituparna Chakraborty is currently the Executive Director (Additional) of our Company appointed with effect from May 18, 2022.

Brief Profile of Ms. Rituparna Chakraborty Qualification and Nature of Expertise:

Rituparna Chakraborty aged about 47 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 23 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 has also won the Femina Super Achievers Award 2018. She was conferred the distinguished alumnus award at the 10th Indian Management Conclave, 2019 as a GIM Batch of 99 Alumnus. She is also an AMP Alumnus of Columbia Business School batch of 2022.

Besides scaling the staffing business to over ₹ 5000 crore business since its inception she has played an active role in driving several various 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 & employability.

Other Details:

Date of first appointment	May 18, 2022
Category	Executive Director
Disclosure of Relationship between Directors Inter-se	Nil
Direct Shareholding in the Company	1,06,770 Shares amounting to 0.62%
Number of Meetings of the Board attended during the year	Nil
Details of remuneration drawn in 2021-22	Not applicable, appointed as Director w.e.f. May 18, 2022
Details of remuneration proposed to be drawn in 2022-23	207.50 Lakhs
Listed entities from which the Director has resigned in the last 3 years	Nil

Indian Public Companies (Listed and Unlisted) in which Ms. Rituparna Chakraborty holds Directorship and Committee Chairmanship/ Membership:

Company	Director	Committee	Chairman
TeamLease Services Ltd.	Yes-Executive Director (Additional)	-	-
TeamLease Digital Private Limited		-	-
TeamLease Education Foundation		-	-
TeamLease HRTech Private Limited	Yes - Non-Executive Director	-	-
I.M.S.I Staffing Private Limited		-	-
Keystone Business Solutions Private Limited		-	-

Note: 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).

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 Businesses set out in the Notice convening the Twenty Second Annual General Meeting of the Company to be held through VC / OAVM on Friday, September 16, 2022 at 03.00 P.M. IST

ITEM NO.5

To re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration

M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 17th Annual General Meeting ('AGM') held on July 07, 2017 for a period of 5 years, upto the conclusion of 22nd AGM. M/s. S.R. Batliboi & Associates LLP are eligible for re-appointment for a further period of 5 years in terms on Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. M/s. S.R. Batliboi & Associates LLP have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. S.R. Batliboi & Associates LLP have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on Financial Statements, the Auditors have reported their independence from the Company and its subsidiary according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit after evaluating various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has based on the recommendations of the Audit Committee proposed to re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, having Registration No. 101049W/E300004, as the Statutory Auditors of the Company for the second and final term of five consecutive years, who shall hold office from the conclusion of this 22nd AGM till the conclusion of the 27th AGM of the Company. The Board of Directors has approved a remuneration of ₹ 85 Lakhs (Rupees Eighty Five Lakhs only) for conducting the audit for the Financial Year 2021-22, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during their second and final term would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

Brief Profile of M/s. S.R. Batliboi & Associates LLP:

M/s. S.R. Batliboi & Associates LLP is a Chartered Accountant firm registered with the ICAI. The firm has offices in various cities across the country. M/s. S.R. Batliboi & Associates LLP is a multi-disciplinary Audit Firm catering to various clients in diverse sectors. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

The Board recommends the resolution set out at Item No. 5 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

ITEM NO.6

To re-appoint Mr. Manish Mahendra Sabharwal (DIN: 00969601) as Whole Time Director and Vice Chairman of the Company

The relevant details as required under Regulation 26 (4) & 36 (3) of 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.

Mr. Manish Mahendra Sabharwal (DIN: 00969601) was appointed as Whole Time Director and Chairman of the Company for a period of five years commencing from September 03, 2015 for a period of five years and his first term expired on September 02, 2020.

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, and vide approval of Shareholders on September 04, 2020, had re-appointed Mr. Manish Mahendra Sabharwal as the Whole Time Director and Chairman of the Company till March 31, 2022, from the date of expiry of the first term, i.e., with effect from September 01, 2020.

At the meeting of the Board of Directors conducted on July 28, 2021, Mr. Manish Mahendra Sabharwal was re-designated as Executive Vice Chairman and Whole Time Director of the Company.

The Management proposed to the Board to approve the re-appointment of Mr. Manish Mahendra Sabharwal as the Executive Vice Chairman and Whole Time Director for a term of 5 years with effect from the date of expiry of the current term, i.e., with effect from April 01, 2022, subject to the approval of the Shareholders.

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

Particulars	Compensation Per Month (in ₹)	Compensation Per Annum (in ₹)
Basic	2,16,667.00	26,00,004.00
HRA	86,667.00	10,40,004.00
Special Allowance	2,36,333.00	28,35,996.00
LTA	2,000.00	24,000.00
Employer PF	-	-
Total Fixed	5,41,667.00	65,00,004.00
Annual Variable Pay	-	65,00,000.00
Total Compensation	5,41,667.00	1,30,00,004.00

The above said remuneration of Mr. Manish Mahendra Sabharwal (DIN: 00969601) as the Whole Time Director and Vice

Chairman of the Company is valid for a period of three years from April 01, 2022 to March 31, 2025.

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 Clause 23 of LODR Regulations 2015, under the applicable accounting standards, are not material related party transactions.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, from a Member signifying his intention to propose the candidature of Mr. Manish Mahendra Sabharwal as Vice Chairman and Whole Time Director, to be re-appointed as such under the provisions of Section 196 of the Companies Act, 2013.

The Company has received requisite consent/declarations like Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 (2) of the Companies Act, 2013, confirming his eligibility for such re-appointment as required under the Act and rules made thereunder.

This explanatory statement and the resolution at Item No. 6 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

- I. Unless otherwise stipulated, for the purpose of the above, the perquisites shall be evaluated as per Income Tax Rules wherever actual cost cannot be determined.
- II. Notwithstanding the foregoing, where in any Financial Year during the currency of the tenure of the abovementioned directors, the Company has no profits or its profits are inadequate, the remuneration by way of salary, commission and perquisites shall not exceed, the maximum limits prescribed in Schedule V to the Companies Act, 2013.
- III. The limits specified above are the maximum limits and the Nomination and Compensation Committee / Board may in its absolute discretion pay to the abovementioned Directors lower/ higher remuneration and revise the same from time to time within the maximum limits stipulated above.

IV. 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.

V. If at any time the above mentioned Director cease to be in the employment of the Company for any cause whatsoever, he shall cease to be the Whole Time Director of the Company.

VI. The Whole Time 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 Whole Time 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 on 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.

2. Date of commencement of commercial production: February 02, 2000.
3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial Performance based on given indicators:

Particulars	₹ in Lakhs			
	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	6,47,982.31	4,88,145.67	5,64,033.82	4,46,593.69
Other Income	1,972.63	3,471.86	3,250.96	4,819.43
Total Income	6,49,954.94	4,91,617.53	5,67,284.78	4,51,413.12

Particulars	₹ in Lakhs			
	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Profit before finance cost, depreciation, amortisation and taxes	16,209.57	13,322.53	11,803.25	11,224.34
Depreciation and Amortisation	4,078.66	3,370.50	1,821.17	1,512.05
Profit before Finance Cost and Taxes	12,130.91	9,952.03	9,982.08	9,712.29
Finance Cost	396.59	689.83	357.76	577.65
Profit before share of profit/(loss) from Associates	11,734.32	9,262.20	9,624.32	9,134.64
Share of (loss)/ profit from associates	-	(108.58)	NA	NA
Exceptional Item	(7,177.87)	(300.00)	(7,192.93)	-
Profit before tax	4,556.45	8,853.62	2,431.39	9,134.64
Income Tax (credit)/expense	610.99	1006.15	181.76	727.62
Net Profit for the year	3,945.46	7,847.47	2,249.63	8,407.02
Other Comprehensive Income/(Loss) for the year	(12.62)	147.68	4.46	55.25
Total Comprehensive Income for the year	3,932.84	7,995.15	2,254.09	8,462.27
Earnings Per Equity Share of ₹10 each:				
-Basic & Diluted (in ₹)	22.48	45.33	13.16	49.17

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 the Appointees:

1. Background Details: Details form part of Annexure 2 of the AGM Notice
2. Past remuneration: Kindly refer MGT-9 (Annexure VI of the Board's Report) for details of remuneration paid to Executive Directors of the Company
3. Job Profile Suitability: Details form part of Annexure 2 of the AGM Notice
4. 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. Manish Mahendra Sabharwal, 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. Manish Mahendra Sabharwal, 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 drip in the same during the said tenure of appointment of Mr. Manish Mahendra Sabharwal or in future as well and as a precautionary measure, we have made the additional disclosures in the explanatory statement pertaining to the remuneration of the Whole Time Director and Vice Chairman, 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 drip in the same during the said tenure of appointment of Mr. Manish Mahendra Sabharwal 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, 2022.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Manish Mahendra Sabharwal to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends the resolution set forth in Item No. 6 for the approval of the members.

All the material documents pertaining to the above resolution including copy of the agreement between Mr. Manish Mahendra Sabharwal and the Company containing terms of his appointment referred in this Notice will be available for inspection without any fees by the Members up to the date of this Annual General Meeting. The Members may write an email to corporateaffairs@teamlease.com by mentioning "Request for Inspection" in the subject of the email.

ITEM NO.7

To appoint Ms. Rituparna Chakraborty (DIN: 07332241) as an Executive Director of the Company

The relevant details as required under Regulation 26 (4) & 36 (3) of 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 3 of this AGM Notice.

Ms. Rituparna Chakraborty (DIN: 07332241) was appointed as an Executive Director (Additional) of the Company for a period of five years commencing from May 18, 2022 for a period of five years, based on the recommendation of the Nomination and Remuneration Committee and in line with Nomination and Remuneration policy of the Company, subject to approval of Members.

As per the provisions of Section 161 of the Act, an Additional Director appointed by the Board shall hold office up to the date of the ensuing AGM and shall be appointed as a Director by the Members.

Ms. Rituparna Chakraborty's appointment is hereby placed for the approval of Members.

The Board approved the terms & conditions of the payment of remuneration to Ms. Rituparna Chakraborty, the details of which are given below:

Compensation Break Up		
Particulars	Compensation Per Month (in ₹)	Compensation Per Annum (in ₹)
Basic	3,58,333.00	42,99,996.00
HRA	1,43,333.00	17,19,996.00
Special Allowance	34,9168.00	41,90,016.00
LTA	2,000.00	24,000.00
Employer PF Contribution	43,000.00	5,16,000.00
Total (A)	8,95,834.00	1,07,50,008.00
Performance Pay (B)	-	1,00,00,000.00
Total Cost to Company (A+B)	8,95,834.00	2,07,50,008.00

The above said remuneration of Ms. Rituparna Chakraborty (DIN: 07332241) as the Executive Director of the Company is valid for a period of three years commencing with effect from April 01, 2022 to March 31, 2025.

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 Clause 23 of LODR Regulations 2015, under the applicable accounting standards, are not material related party transactions.

The Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013, from a Member signifying his intention to propose the candidature of Ms. Rituparna Chakraborty (DIN: 07332241) as the Executive Director, to be appointed as such under the provisions of Section 196 of the Companies Act, 2013.

The Company has received requisite consent/declarations like Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164 (2) of the Companies Act, 2013, confirming her eligibility for such appointment as required under the Act and rules made thereunder.

This explanatory statement and the resolution at Item No. 7 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 perquisites 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 abovementioned directors, the Company has no profits or its profits are inadequate, the remuneration by way of salary, commission and perquisites 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 Compensation Committee / Board may in its absolute discretion pay to the abovementioned

Directors lower/ higher remuneration and revise the same from time to time within the maximum limits stipulated above.

- iv. 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.
- v. If at any time the above mentioned Director cease to be in the employment of the Company for any cause whatsoever, she shall cease to be an Executive Director of the Company.
- vi. The Executive 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 Executive 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.

2. Date of commencement of commercial production: February 02, 2000.
3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial Performance based on given indicators:

Particulars	₹ in Lakhs			
	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	6,47,982.31	4,88,145.67	5,64,033.82	4,46,593.69
Other Income	1,972.63	3,471.86	3,250.96	4,819.43
Total Income	6,49,954.94	4,91,617.53	5,67,284.78	4,51,413.12
Profit before finance cost, depreciation, amortisation and taxes	16,209.57	13,322.53	11,803.25	11,224.34
Depreciation and Amortisation	4,078.66	3,370.50	1,821.17	1,512.05
Profit before Finance Cost and Taxes	12,130.91	9,952.03	9,982.08	9,712.29
Finance Cost	396.59	689.83	357.76	577.65
Profit before share of profit/(loss) from Associates	11,734.32	9,262.20	9,624.32	9,134.64
Share of (loss)/ profit from associates	-	(108.58)	NA	NA
Exceptional Item	(7,177.87)	(300.00)	(7,192.93)	-
Profit before tax	4,556.45	8,853.62	2,431.39	9,134.64
Income Tax (credit)/expense	610.99	1006.15	181.76	727.62
Net Profit for the year	3,945.46	7,847.47	2,249.63	8,407.02
Other Comprehensive Income/(Loss) for the year	(12.62)	147.68	4.46	55.25
Total Comprehensive Income for the year	3,932.84	7,995.15	2,254.09	8,462.27
Earnings Per Equity Share of ₹10 each:				
-Basic & Diluted (in ₹)	22.48	45.33	13.16	49.17

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 the Appointees:

1. Background Details: Details form part of Annexure 3 of the AGM Notice
2. Past remuneration: Kindly refer MGT-9 (Annexure VI of the Board's Report) for details of remuneration paid to Executive Directors of the Company
3. Job Profile Suitability: Details form part of Annexure 3 of the AGM Notice
4. 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 Ms. Rituparna Chakraborty (DIN: 07332241), 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 Ms. Rituparna Chakraborty, 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 drip in the same during the said tenure of Ms. Rituparna Chakraborty or in future as well and as a precautionary measure, we have made the additional disclosures in the explanatory statement

pertaining to the remuneration of the Executive 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 drip in the same during the said tenure of appointment of Ms. Rituparna Chakraborty or in future as well.

vii. 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, 2022.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Ms. Rituparna Chakraborty to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice.

The Board recommends the resolution set forth in Item No. 7 for the approval of the members.

All the material documents pertaining to the above resolution including copy of the agreement between Ms. Rituparna Chakraborty and the Company containing terms of her appointment referred in this Notice will be available for inspection without any fees by the Members up to the date of this Annual General Meeting. The Members may write an email to corporateaffairs@teamlease.com by mentioning "Request for Inspection" in the subject of the email.



TEAMLEASE SERVICES LIMITED

CIN: L74140KA2000PLC118395

Salarpuria Ascent, Koramangala Industrial Layout, Jyoti Nivas College Road, Koramangala, Bangalore – 560095, India
Tel.: + 91 80 6824 3000 Fax: + 91 80 6824 3001

corporateaffairs@teamlease.com | <https://group.teamlease.com/>

Twenty Second (22nd) Annual General Meeting – Friday, September 16, 2022

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 Second (22nd) AGM to be held on Friday, September 16, 2022, 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/investors/> 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 13, 2022 at 09:00 A.M. IST	Thursday, September 15, 2022 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 Second (22nd) AGM of the Company to be held on Friday, September 16, 2022.

Registered Office:
Salarpuria Ascent, Koramangala Industrial Layout,
Jyoti Nivas College Road,
Koramangala, Bangalore – 560095, India
Tel.: 91 80 6824 3000
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
<https://group.teamlease.com/>

Date: May 18, 2022

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, Members 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.

Members 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 Members 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) Members 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 Members (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 with a copy marked to <https://evoting.kfintech.com/> and it should reach the Company by email not later than Thursday, September 15, 2022 (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.

TEAMLEASE SERVICES LIMITED

- 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, Members 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, 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 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 13, 2022 (09:00 A.M. IST) and ends on Thursday, September 15, 2022 (05:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Friday, September 09, 2022 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 Members shall be in proportion to their share in the paid-up equity share capital of the Company as on Friday, September 09, 2022, being the cut-off date. Members 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 09, 2022, 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 evoting@kfintech.com.

KFintech shall send User ID and Password to those new Members whose e-mail IDs 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. Members who have already cast their votes by remote E-Voting are eligible to attend the AGM through VC/OAVM; however, these Members 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 FOR REGISTERING THE EMAIL ADDRESSES AND OBTAINING THE AGM NOTICE AND E-VOTING

INSTRUCTIONS FOR THE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES (IN CASE OF MEMBERS HOLDING SHARES IN DEMAT FORM) OR WITH KFINTECH (IN CASE OF MEMBERS HOLDING SHARES IN PHYSICAL FORM):

- I. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) by sending an

email request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the AGM Notice and the E-Voting instructions.

- II. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangements with KFintech for registration of email addresses of the Members in terms of the MCA Circulars. Eligible Members who have not submitted their email address to the Company or KFintech are required to provide their email address to KFintech, on or before 05:00 P.M. IST on September 09, 2022.

The process for registration of email address with KFintech for receiving the Notice of AGM and login ID and password for E-Voting is as under:

- i. Visit the link: https://ris.kfintech.com/email_registration/
- ii. Select the Company name viz. TeamLease Services Limited.
- iii. Enter the DP ID & Client ID / Physical Folio Number and PAN details. In the event the PAN details are not available on record for Physical Folio, Member shall enter one of the Share Certificate numbers.
- iv. Upload a self-attested copy of the PAN card for authentication. If PAN details are not available in the system, the system will prompt the Member to upload a self-attested copy of the PAN card for updation.

- v. Enter your email address and mobile number.
- vi. The system will then confirm the email address for receiving this AGM Notice. The Members may also visit the website of the Company <https://group.teamlease.com/> and click on the "email registration" and follow the registration process as guided thereafter. Please note that in case of shareholding in dematerialised form, the updation of email address will be temporary only upto AGM. After successful submission of the email address, KFintech will email a copy of this AGM Notice along with the E-Voting user ID and password. In case of any queries, Members are requested to write to KFintech.

III. Those Members who have already registered their email addresses are requested to keep their email addresses validated/updated with their DPs/Fintech to enable serving of notices/documents/Annual Reports and other communications electronically to their email address in future.

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
<ol style="list-style-type: none"> 1. Members who have already registered and opted for IDeAS facility to follow below steps: <ol style="list-style-type: none"> (i) Go to URL: https://eservices.nsdl.com (ii) Click on the "Beneficial Owner" icon under 'IDeAS' section. (iii) On the new page, enter the existing User ID and Password. Post successful authentication, click on "Access to e-Voting" (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 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> (i) To register click on link: https://eservices.nsdl.com (Select "Register Online for IDeAS") or https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp (ii) Proceed with completing the required fields. 	<ol style="list-style-type: none"> 1. Members who have already registered and opted for Easi / Easiest to follow below steps: <ol style="list-style-type: none"> (i) Go to URL: https://web.cdslindia.com/myeasi/home/ login ; or (ii) URL: www.cdslindia.com and then go to Login and select New System Myeasi (iii) Login with user id and password. (iv) The option will be made available to reach e-Voting page without any further authentication. (v) Click on company name or e-Voting service provider name to cast your vote during the remote e-Voting period 2. User not registered for Easi/Easiest <ol style="list-style-type: none"> (i) Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration (ii) Proceed with completing the required fields.

NSDL	CDSL
<p>3. First-time users can visit the e-Voting website directly and follow the process below:</p> <ul style="list-style-type: none"> (i) Go to URL: https://www.evoting.nsdl.com/ (ii) Click on the icon "Login" which is available under 'Shareholder/Member' section. (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. (iv) Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. (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>3. First-time users can visit the e-Voting website directly and follow the process below:</p> <ul style="list-style-type: none"> (i) Go to URL: www.cdslindia.com (ii) Click on the icon "E-Voting" (iii) Provide demat Account Number and PAN No. (iv) System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. (v) After successful authentication, the user will be provided links for the respective ESP where the eVoting is in progress. (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.

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.

BOARD'S REPORT

Dear Shareholder(s),

Your Directors have the pleasure in presenting the Twenty Second (22nd) 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, 2022 (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. A Fortune India 500 Company listed on BSE Limited and National Stock Exchange of India Limited since 2016, has its corporate headquarters at Bangalore.

2. Financial Summary and Highlights

A summary of the Company's Financial Results for the Financial Year 2021-22 is as under:

Particulars	₹ in Lakhs			
	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	6,47,982.31	4,88,145.67	5,64,033.82	4,46,593.69
Other Income	1,972.63	3,471.86	3,250.96	4,819.43
Total Income	6,49,954.94	4,91,617.53	5,67,284.78	4,51,413.12
Profit before finance cost, depreciation, amortisation and taxes	16,209.57	13,322.53	11,803.25	11,224.34
Depreciation and Amortisation	4,078.66	3,370.50	1,821.17	1,512.05
Profit before Finance Cost and Taxes	12,130.91	9,952.03	9,982.08	9,712.29
Finance Cost	396.59	689.83	357.76	577.65
Profit before share of profit/(loss) from Associates	11,734.32	9,262.20	9,624.32	9,134.64
Share of (loss)/ profit from associates	-	(108.58)	NA	NA
Exceptional Item	(7,177.87)	(300.00)	(7,192.93)	-
Profit before tax	4,556.45	8,853.62	2,431.39	9,134.64
Income Tax (credit)/expense	610.99	1006.15	181.76	727.62
Net Profit for the year	3,945.46	7,847.47	2,249.63	8,407.02
Other Comprehensive Income/(Loss) for the year	(12.62)	147.68	4.46	55.25
Total Comprehensive Income for the year	3,932.84	7,995.15	2,254.09	8,462.27
Earnings Per Equity Share of ₹10 each:				
-Basic & Diluted (in ₹)	22.48	45.33	13.16	49.17

3. Standalone and Consolidated Financial Statements

As mandated by the Ministry of Corporate Affairs, the Financial Statements for the year ended March 31, 2022, 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, 2022. 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, 2022 on a Standalone Basis has increased to ₹ 5,64,033.82 Lakhs from ₹ 4,46,593.69 Lakhs during the previous year. The Company achieved an EBIDTA (excluding other income and exceptional items) of ₹ 8,552.29 Lakhs during the current year as against the previous year EBIDTA (excluding other income and exceptional items) of ₹ 6,404.91 Lakhs. The net profit after tax of the Company for the year ended March 31, 2022 was ₹ 2,249.63 Lakhs as against the previous year profit after tax of ₹ 8,407.02 Lakhs.

Consolidated Operations

The Company's Revenue from Operations for the year ended March 31, 2022, on a Consolidated Basis has increased to ₹ 6,47,982.31 Lakhs from ₹ 4,88,145.67 Lakhs during the previous year. The Company achieved an EBIDTA (excluding other income and exceptional items) of ₹ 14,236.94 Lakhs during the current year as against the previous year EBIDTA (excluding other income exceptional items) of ₹ 9,742.09 Lakhs. The net profit after tax of the Company for the year ended March 31, 2022 was ₹ 3,945.46 Lakhs as against the previous year profit after tax of ₹ 7,847.47 Lakhs.

Number of Associate Employees as on the date of closure of Financial Year of the Company was ~285,230 (including the NETAP Trainees of 81,110) as against the previous year Associate employees of ~228,150 (including the NETAP Trainees of 61,086).

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. Global Pandemic - COVID-19 - Overview of the Economy & Impact

The outbreak of Coronavirus (COVID-19) pandemic globally and in India had caused significant disturbance and slowdown of economic activity. In many countries, businesses were being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services had triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. COVID-19 is significantly impacting business operations of the companies, by way of interruption in supply chain disruption, unavailability of personnel, closure / lockdown of facilities etc.

From the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus had immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers. From a highly centralized model consisting of work spaces set in physical locations capable of accommodating thousands of employees, the switch to work from home for employees all over, extending all the elements of the Company's working model, was carried out seamlessly. As of March 31, 2020, work from home was enabled to close to 90 percent of the employees to work remotely and securely. This response had reinforced customer confidence in TeamLease and many of them had expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions. TeamLease's working model ensures high quality and delivery certainty that the customers expect while addressing the issues around project management practices and systems.

Although there were uncertainties due to the pandemic and reversal of the positive momentum gained in the last quarter of FY 2020, the strong inherent resilience of the business model, position the Company in a positive place, to navigate the challenges ahead and gain market. As on date of signing of this Annual Report, the Company has been participating in various engagements with the policy makers to recommend mitigation policies. Similarly, the Company is closely engaging with its operating partners and stakeholders to assess the consequent impact and recalibrate the manner in which business is conducted, going forward. With the lifting

of the lockdown restrictions, the Company had started re-opening its office spaces in the non-containment zones, after establishing thorough and well-rehearsed safety protocols. The Company is taking utmost care of its staff and work place like sanitization, social distancing, mandatory mask wearing, thermal check at the gate, maintaining proper hygiene and overhead control measures to smoothly manage our operations. With a clear focus on a road map for recovery, the business processes and arrangements are being suitably realigned that includes an increased focus on health and safety of our employees, partners, stakeholders and associates. During this period of lockdown, the Company had taken various steps towards rethinking the 'new normal' for the business and gearing our offerings for the post COVID-19 lockdown world.

Fiscal 2021 and 2022 has seen the health crisis deepen and the world's attention is focused on India's response to it. Companies, along with delivering business continuity for clients, must, with renewed vigor, ensure the well-being of their employees and the communities in which they operate.

During the year 60% of TeamLease employees were working from home. With a more virulent surge of the pandemic in India, TeamLease has ramped up its efforts significantly to mitigate the impact of the virus.

Employee wellbeing checks are conducted frequently. In the event of an unfortunate turn, TeamLease offers support to the grieving family, including financial support reimbursements for medical expenses, salary advance and leave. Employees who have contracted it are allowed 14 days of additional paid leave to recuperate.

Comprehending the importance of the role played by vaccines in our fight against the virus, we had encouraged employees and their family members to get vaccinated. TeamLease had also initiated vaccine drives for its employees and family members. 100 percent of our employees are vaccinated.

Our focus on our client commitments remained unwavering through this period, reflecting in the record number of large deals we secured even while working remotely.

As an organization, our external communication has had transition to the new virtual models as well. Events such as the Board Meetings, quarterly results, analyst meetings and the Annual General Meeting have all been executed successfully.

At TeamLease, even amid an unprecedented global crisis, we continue to balance success as a business with exemplary governance and responsiveness to the needs of all our stakeholders.

6. 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/investors/>.

7. 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.

8. 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.

9. Subsidiaries and Joint Venture 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/investors/>. The Company has seven direct and indirect subsidiaries and one Public-Private Partnership as on March 31, 2022. There are no material subsidiaries of the Company for the Financial Year 2021-22.

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)** is a Section 8 Company (originally registered under Section 25 of the Companies Act, 1956), incorporated under the provisions of Companies Act, 2013. TLEF is a wholly-owned subsidiary of the Company. TLEF is the sponsor of TeamLease Skills University ("TLSU"), the country's first Skills University, established under the provisions of the Gujarat Private Universities Act, 2009.

Your Company plans to extend financial support to TLEF, till the operations of TLEF stabilize. The loan advanced to this wholly-owned subsidiary is at arm's length and will be charged with the appropriate rate of interest. TLEF, has in-turn, advanced monies to TLSU and the same is interest bearing.

TLEF is a National Employability Enhancement Mission ('NEEM') Agent as approved by the All India Council for Technical Education (AICTE). NEEM is an employability initiative of the Ministry of Human Resource Development, Government of India. TLEF has operationalized the NEEM initiative as National Employability through Apprenticeship Programme (NETAP) through TLSU.

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 your Company.
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 E-Hire. Your Company further acquired additional 21% stake and pursuant to such an investment, TL E-Hire 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. As on March 31, 2022, your Company held 100% Stake in IMSI. 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 1998 associates deployed on 50+ pan India projects with revenue of ₹ 6244.97 Lakhs and PBT of ₹ 293.33 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.

During the year 26,740 Equity Shares were issued under ESOP and 80,820 Shares were issued as Sweat Equity.

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.

Companies that ceased to be part of TeamLease during the year under review:

- During the year under review, Evolve Technologies & Services Private Limited (Evolve/Transferor), a step down Wholly Owned Subsidiary of TeamLease has been amalgamated into TeamLease Digital Private Limited (TDPL/Transferee), Wholly Owned Subsidiary of the Company vide NCLT Order dated November 24, 2021.
- Additionally, your Company had executed a Share Purchase Agreement for selling its entire shareholding in IIJT Education Private Limited, on December 02, 2021, and had completed the formalities comprised under the Share Purchase Agreement on December 03, 2021. With this sale, IIJT Education Private Limited ceased to be a wholly owned subsidiary of the Company and/or a group Company of TeamLease Group.

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/investors/>.

10. 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 208 to 215 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 171 to 207 of this Annual Report.

11. 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 2021-22 is set out in pages 124 to 170 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.

12. 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.

13. 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.

14. 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 including two Women Directors and the same is detailed in the Report on Corporate Governance, as set out in pages 124 to 170 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	Member (Independent Director)
3	Mr. Subramaniam Somasundaram	Member (Independent Director)

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 124 to 170 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 Mahendra Sabharwal	Whole Time Director & Vice Chairman
2	Mr. Ashok Reddy	Managing Director
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. Ashok Reddy (DIN: 00151814), Managing Director of the Company, retires by rotation at the forthcoming AGM and being eligible, offers himself for re-appointment. The details of Mr. Ashok Reddy 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:

- Executive Directors:
 - 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 Mahendra Sabharwal (DIN: 00969601) retired by rotation at the Twenty First (21st) AGM held on September 03, 2021 and being eligible, offered himself for re-appointment. The same was approved by the Members of the Company.
 - Mr. Manish Mahendra 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.

- c. Re-appointment of Mr. Manish Mahendra 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 is placed for Shareholders' approval at this Annual General Meeting.

ii. IDS:

- a. The Members at the Twenty First (21st) AGM of the Company held on September 03, 2021 approved the appointment of Mrs. Meenakshi Nevatia (DIN: 08235844), Mr. Subramaniam Somasundaram (DIN: 01494407) and Mr. Mekin Maheshwari (DIN: 03621431), as Independent Directors of the Company for first term for a period of five years till 2026.
- b. Mr. Narayan Ramachandran was appointed as Non-Executive Chairman of your Company with effect from July 28, 2021. He continues holding the position of Lead Independent Director.

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:

Ms. Ramani Dathi's designation changed from Deputy CFO to CFO w.e.f. July 28, 2021.

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.

15. 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.

16. 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.

As on March 31, 2022 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 Mahendra Sabharwal	Whole Time Director & Vice Chairman	27/02/2020	Voluntary	-
3	Mr. Ashok Reddy	Managing Director	Exempted	Exempted	-
4	Mrs. Latika Pradhan	Independent Director	20/12/2019	Mandatory	Successfully qualified on Dec 03, 2020

Sl. No.	Director	Designation	Date of Registration	Online Proficiency Test Requirement	Status of Online Proficiency Test
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	-

17. 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 2021-22 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 June 09, 2021 to assess the performance of the Board and committees as a whole and for the assessment of Executive Chairperson, Executive Director, Non-Executive Director, Board and Committees as a whole.

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.

18. 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 2021-22 met five (5) 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 124 to 170 of this Annual Report.

19. 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 22nd AGM, at a remuneration mutually agreed upon by the Board of Directors and Statutory Auditors.

Accordingly, M/s. S.R. Batliboi & Associates LLP will cease to be the Statutory Auditors of the Company effective from the conclusion of the ensuing AGM. The Board of Directors at their meeting held on May 18, 2022 have 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 ensuing AGM basis the recommendation of Audit Committee.

M/s. S.R. Batliboi & Associates LLP are eligible for re-appointment for a further period of 5 years. M/s. S.R. Batliboi & Associates LLP have given their consent for their re-appointment as Statutory Auditors of the Company and has issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder.

In this regard, your Board proposes to re-appoint M/s. S.R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company for the second and final term of five consecutive years, who shall hold office from the conclusion of this 22nd AGM till the conclusion of the 27th AGM of the Company.

Proposal relating to their re-appointment along with requisite details forms part of Notice convening the 22nd AGM.

Statutory Auditor's Report

The Auditor's Report on the Financial Statements of the Company for the year ended March 31, 2022 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 21-22.

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 2021-22 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.

The Board of Directors at their meeting held on May 18, 2022, has appointed Mr. Mukesh Siroya, M Siroya & Company, Practicing Company Secretaries, Mumbai, bearing Membership Number: 5682 as the Secretarial Auditor for FY 2022-23.

c. Internal Auditors and Internal Audit System

Your Company has continued its engagement with M/s. Grant Thornton India 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 Grant Thornton India LLP. Your Company conducted 5 (Five) meetings of the Audit Committee during the year under review.

d. Secretarial Compliance Report of TeamLease Services Limited for the year ended March 31, 2022

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/investors/>.

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, there was no qualification, reservation or adverse remark in the report by the Secretarial Auditors, save and except disclaimer made by them in discharge of their professional obligation.

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.

2021-22 till the date of this Report, which would affect the financial position of your Company: NIL

B. The following changes and commitments have occurred after the closure of the Financial Year 2021-22 till the date of this Report, which would not materially impact the financial position of your Company but have been disclosed here for information:

1. With effect from July 01, 2022, the Registered Office of the Company has shifted from the premises of 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore – 560095 to Salarpuria Ascent, Koramangala Industrial Layout, Jyoti Nivas College Road, Koramangala, Bangalore – 560095.
2. The National Assessment and Accreditation Council (NAAC) conducts assessment and accreditation of Higher Educational Institutions (HEI) such as Colleges, Universities or other recognised institutions to derive an understanding of the “Quality Status” of the institution. In this regard, TeamLease Skills University (TLSU) has been awarded grade B from NAAC.
3. Ms. Rituparna Chakraborty has been appointed as an Executive Director w.e.f. May 18, 2022. Her appointment is proposed for Shareholders’ approval at this Annual General Meeting.
4. Mr. Narayan Ramachandran (Chairman & Lead Independent Director) and Mr. Manish Mahendra 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 has been re-designated as Chairman of the Risk Management Committee w.e.f. May 18, 2022. Ms. Rituparna Chakraborty has been appointed as a member of Risk Management Committee w.e.f. May 18, 2022.

20. 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.

A. The following material changes and commitments have occurred after the closure of the Financial Year

21. 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:

SL. NO.	FY 2021-22
1	Your Company further acquired a final stake of ~6.06% in IMSI on July 24, 2021 bringing the total investment to 100% as on March 31, 2022. IMSI now stands as the Wholly Owned Subsidiary of your Company.
2	Your Company acquired ~21.34% Equity stake in TL Regtech by way of purchase of shares from its promoters on April 03, 2021. Additionally, a further acquisition of ~1.91% on July 13, 2021 and ~2.90% on November 01, 2021 in Equity stake of TL Regtech was made by your Company through participation in Rights Issue.
3	Further, on February 07, 2022 the CCPS allotted to your Company in TL Regtech was converted into Equity. 56,000 Equity Shares were issued in lieu of 3,07,018 CCPS.

22. 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 ₹ 31.44 Lakhs towards expenditure in foreign currencies and earned Nil Lakhs towards export of services.

23. 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.

24. 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/investors/>.

25. 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. Narayan Ramachandran	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	Mr. Manish Mahendra Sabharwal (Appointed w.e.f. July 29, 2021)	Member Executive Director
6	Dr. V. Raghunathan (Appointed w.e.f. July 29, 2021)	Member Independent Director
7	Mr. Mekin Maheshwari (Appointed w.e.f. July 29, 2021)	Member Independent Director
8	Mrs. Meenakshi Nevatia (Appointed w.e.f. July 29, 2021)	Member Independent Director
9	Mr. Subramaniam Somasundaram (Appointed w.e.f. July 29, 2021)	Member Independent Director

Note:

- Mr. Narayan Ramachandran (Chairman & Lead Independent Director) and Mr. Manish Mahendra 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 has been re-designated as Chairman of the Risk Management Committee w.e.f. May 18, 2022.
- Ms. Rituparna Chakraborty has been appointed as a Member of Risk Management Committee w.e.f. May 18, 2022.

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.

26. 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 Prohibition of 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.

27. 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, 2022, the Board consists of Nine 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. 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.

28. 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/investors/>.

29. 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. During the year under review, the Company formally structured its CSR activity. Today, the Company spans its CSR efforts to promote social and economic inclusion for the marginalized communities with its integrated system.

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/investors/>.

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 ₹ 187.94 Lakhs towards CSR. The entire amount of ₹ 187.94 Lakhs has been spent this Financial Year on CSR towards Research Initiatives of NCAER.

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**.

30. 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/investors/>. It not only covers the various aspects on preservation, but also archival of documents.

31. 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 2021-22 is set out in pages 171 to 207 and forms an integral part of this Annual Report.

32. 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/investors/>. 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.

33. 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.

34. 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 forming part of the extracts of Annual Return (Form MGT-9) as on March 31, 2022 is furnished in **Annexure VI** of the Board's Report. The Annual Return is also placed on Company's Website under the link <https://group.teamlease.com/investors/>.

35. 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 2021-22 and they are as below:

Line of Credit of TeamLease Services Limited (LOC) for ₹ 175.00 crore	Long-term outstanding rating of ICRA A and short-term outstanding rating of ICRA A1 for ₹ 150.00 crore LOC and a long-term rating of ICRA A and short-term rating of ICRA A1 to the additional limit of ₹ 25.00 crore is assigned by ICRA Limited. The Outlook on the long-term rating continues to be Stable.
Bank loan rating for ₹ 175 Crore bank facilities	Long-term rating of CRISIL A/ Stable and short-term rating of CRISIL A1 is assigned by CRISIL.

36. 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, 2022.

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, 2022, 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, 2022 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.

37. 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.

38. Listing on Stock Exchange

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

39. Suspension of Securities of the Company

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

40. 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.

41. Shares

a. Share Capital

As on March 31, 2022, 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 any shares of the Company. However, the promoters offloaded the shares of the Company as tabled below:

Sl. No.	Promoter	No. of Shares Held as on 01/04/2021	% of Holding as on 01/04/2021	No. of Shares Sold During The Year	% of Shares Sold	No. of Shares Held as on 31/03/2022	% of Holding as on 31/03/2022
1	HR Offshoring Ventures Pte Ltd.	43,15,328	25.24	2,56,452	1.50%	40,58,876	23.74
2	NED Consultants LLP	13,67,965	8.00	1,70,968	1.00%	11,96,997	7.00

None of the Non-Executive Directors except Mr. Narayan Ramachandran; Non-Executive Chairman and Lead Independent Director and Mr. Subramaniam Somasundaram; Independent Director held Shares in the Company during the year ended March 31, 2022. Mr. Narayan Ramachandran held 10,000 Shares and Mr. Subramaniam Somasundaram held 57 Shares, respectively as on March 31, 2022.

As on March 31, 2022, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company. There was no instance during the year under review where the Company failed to implement any corporate action within the specified time limit.

b. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

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 at March 31, 2022, the ESOP Trust held 12,100 Equity Shares of the Company. During the year ended March 31, 2022, there has been no material change in the Company's existing plan and the plan is in compliance with SBEB Regulations. Note 35 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.

- 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
- 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 that the Scheme 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 made 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/investors/>.

42. 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 VII** 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.

43. 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 2021-22:	0
No. of complaints received during the Financial Year 2021-22:	9
No. of complaints disposed off during the Financial Year 2021-22:	9
No. of complaints pending at the end of the Financial Year 2021-22:	0

44. 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/investors/>.

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.

45. 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 VIII**.

46. 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.

47. Cyber Security

In the light of the COVID-19 pandemic, fiscal 2022 was a challenging year for businesses globally. At TeamLease, while our employees operated efficiently as a remote workforce, we continue to keep a close tab on our cyber security posture. We continued our efforts to keep ourselves up to date with cyber security events globally so as to achieve higher compliance and its continued

sustenance. We continue to be certified against the Information Security Management System (ISMS) Standard ISO 27001:2013. During the year, our focus on our cyber security personnel's training and reskilling went ahead as planned, together with our initiatives on improving cyber security processes and technologies.

48. 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 2021-22 as set out in Corporate Governance Report in pages 124 to 170 of this Annual Report.

49. 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.

50. MOA & AOA

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

51. 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.

52. 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.

53. 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

Place: Bangalore
Date: May 18, 2022

Ashok Reddy
Managing Director
DIN: 00151814

Latika Pradhan
Independent Director
DIN: 07118801

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.
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/investors/>.

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);

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	TeamLease Education Foundation	TeamLease Digital Private Limited	Keystone Business Solutions Private Limited	TeamLease HRTech Private Limited (Formerly TeamLease E-Hire Private Limited)	I.M.S.I Staffing Private Limited	TeamLease Edtech Limited ('TLEL') (Formerly School Guru Eduserve Private Limited)	TeamLease Regtech Private Limited (Formerly Avantis Regtech Private Limited)
2	Date of Acquisition/Incorporation	27.06.2011	04.07.2016	01.02.2017	01.08.2018	12.11.2019	09.09.2020	03.04.2021 (Subsidiary)
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	₹	₹	₹	₹	₹	₹	₹
5	Share capital	1.00	473.50	4.26	1.11	531.80	110.99	2.08
6	Reserves & surplus (includes other comprehensive income and securities premium)	(217.45)	(3,468.81)	1,062.83	(1051.46)	1,604.98	1,659.01	781.24
7	Total assets	5,437.31	23,596.68	1,161.24	398.06	3,046.04	3,885.37	1,076.61
8	Total Liabilities (excluding share capital and reserves and surplus)	5,653.77	26,591.99	94.16	1,448.42	909.26	1,721.66	237.08
9	Investments (excludes investment in subsidiaries)	NIL	NIL	NIL	NIL	Nil	Nil	Nil
10	Turnover (include inter-company transactions)	24,604.99	46,401.98	634.80	1,070.93	6,262.66	7,104.41	884.37
11	Profit/(loss) before taxation	92.97	1,505.78	-25.95	(237.25)	293.33	936.46	-254.78
12	Provision for taxation	NIL	525.17	(3.58)	(279.17)	77.12	236.80	-124.18
13	Profit/(Loss) after taxation	92.97	980.61	-22.37	(279.17)	216.22	699.66	-130.60
14	Proposed Dividend	-	-	-	-	-	-	-
15	% of shareholding	100%	100%	100%	100%	100%*	77.67%	61.5%**

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – None.
- Names of subsidiaries which have been liquidated or sold during the year: One.

On December 02, 2021, the Company entered into a sale agreement with a third party, for sale of 100% equity stake in IIJT Education Private Limited ('IIJT') at an agreed consideration of ₹ 470 Lakhs. Accordingly, IIJT ceased to be subsidiary of the Company w.e.f. December 02, 2021. Refer note 8(1) to the standalone financial statements.

*During the Financial Year 2021-22, the Company has acquired the final 6.06% stake in IMSI on July 23, 2021, and IMSI stands as a wholly owned subsidiary of the Company.

**During the Financial Year 2021-22, the Company entered into a definitive agreement and acquired additional equity stake in TeamLease Regtech Private Limited ('TRPL') (formerly known as Avantis Regtech Private Limited) at an agreed consideration, thereby increasing the total stake in TRPL to 61.50% on fully diluted basis. Accordingly, TRPL has been accounted as a subsidiary with effect from April 03, 2021. During the quarter ended March 31, 2022, all compulsory convertible preference shares have been converted into equity shares of ₹ 1 each at a premium of ₹ 1,301.59 per share. Refer note 8(5) to the standalone financial statements.

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

Place: Bangalore
Date: May 18, 2022

Latika Pradhan

Independent Director
DIN: 07118801

Ramani Dathi

Chief Financial Officer

Alaka Chanda

Company Secretary
M.No. F10911

Annexure III

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[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, 2022. 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, 2022, 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, 2022 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; and
- (g) 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; and
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India as amended time to time.

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

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 Women 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) Mr. Mekin Maheshwari was appointed as an Additional (Independent Director) Director of the Company w.e.f. June 9, 2021 and the members approved the appointment at their meeting held on September 03, 2021;
- (ii) Mrs. Meenakshi Nevatia was appointed as an Additional (Independent Director) Director of the Company w.e.f. July 28, 2021 and the members approved the appointment at their meeting held on September 03, 2021;
- (iii) Mr. Subramaniam Somasundaram was appointed as an Additional (Independent Director) Director of the Company w.e.f. July 28, 2021 and the members approved the appointment at their meeting held on September 03, 2021; and
- (iv) Mr. Manish Mahendra Sabharwal was re-appointed as an Executive Vice Chairman and Whole Time Director of the Company w.e.f. April 01, 2022.

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 and in certain cases meetings were held through shorter notice after due compliance of the applicable provisions, 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 not undertaken any significant & material corporate events/actions which may have a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For M Siroya and Company
Company Secretaries

Mukesh Siroya

Proprietor
FCS No.: 5682
CP No.: 4157
UDIN: F005682D000338190

Date: May 18, 2022
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.

Annexure A

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.

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: F005682D000338190

Date: May 18, 2022
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 me 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 me or at various points of me 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 dues;
- 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 me 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/investors/>.

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. A brief outline of the Company's CSR Policy

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 by contributing to the social and economic development of the communities in which it operates.

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 Company through its CSR Policy aims to bring improvements in the lives of the communities in and around our operations with an objective to energize and enable them to realize their potential. 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.

1. 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 CSR activities of the Company shall continuously evolve for a long-term sustainability of business, society and environment at large. CSR shall further align and integrate social wellbeing, economic growth and environmental sustainability with the Company's core values, operations and growth.

a. Brief outline on CSR Policy of the Company:

- To lay down guidelines to make CSR a key business process for sustainable development of the society.
- To directly/indirectly undertake projects & programs, which will enhance the quality of life and economic well-being of the communities in and around our plant and society at large.
- To generate goodwill and recognition among all stake holders of the company.

b. 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. The Composition of the 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. Web-link 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/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable to the Company.
5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.	Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable to the Company.
6. Average net profit of the Company for last three Financial Years	9,396.95 Lakhs
7. a. Prescribed CSR Expenditure (two per cent of average net profit of the Company as per Section 135(5))	187.94 Lakhs
b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	NIL
c. Amount required to be set off for the financial year, if any:	NIL
d. Total CSR obligation for the financial year (7a+7b+7c)	187.94 Lakhs
8. Details of CSR Financial Year spent during the Financial Year	
a. Total amount spent for the Financial Year	187.94 Lakhs
b. Amount unspent, if any	NIL
c. Manner in which the amount spent during the Financial Year is detailed below	Annexed in Note 1 of this Annual Report on Corporate Social Responsibility (CSR) Activities.
7. The reasons and details for not spending the entire prescribed CSR amount during the preceding three Financial Year under review	Your Company had proposed and spent the entire prescribed amount of 187.94 Lakhs during the Financial Year 21-22. Annexed in Note 2 of this Annual Report on Corporate Social Responsibility (CSR) Activities.
8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company	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.
9. (a) Amount spent in Administrative Overheads	NIL
(b) Amount spent on Impact Assessment, if applicable	NA
(c) Total amount spent for the Financial Year	187.94
(d) Excess amount for set off, if any:	NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – (asset-wise details)	NA
Date of creation or acquisition of the capital asset(s):	NA
Amount of CSR spent for creation or acquisition of capital asset:	NA
Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:	NA
Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):	NA
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):	NIL

Note 1

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project	Amount spent for the project (₹ In Lakhs).	Mode of implementation - Direct (Yes/ No).
01	NCAER National Council of Applied Economic Research is India's oldest and largest independent, non-profit, economic policy research think tank. Established in New Delhi in 1956, it acquired considerable national and international standing within only a few decades of its founding.	ii	No	Pan-India	187.94	Yes
TOTAL					187.94	

Note 2

Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NA							

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 18, 2022

Annexure VI

Form No. MGT-9

EXTRACTS OF ANNUAL RETURN

As on Financial Year ended March 31, 2022

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

i. CIN	L74140KA2000PLC118395
ii. Registration Date	02.02.2000
iii. Name of the Company	TeamLease Services Limited
iv. Category/Sub-category of the Company	Category - Public Listed Company - Limited by shares Sub-category - Indian Non-Government Company
v. Address of the Registered office and contact details	6 th Floor, BMTC Commercial Complex, 80Ft Road, Koramangala, Bangalore - 560 095 (Till June 30, 2022) Salarpuria Ascent, Koramangala Industrial Layout, Jyoti Nivas College Road, Koramangala, Bangalore – 560095, Karnataka, India (From July 01, 2022) Tel.:+91 80 6824 3000 Fax: +91 080 6824 3001 E-mail: corporateaffairs@teamlease.com Website: https://group.teamlease.com/
vi. Whether listed company	Yes
vii. Name, Address and Contact details of Registrar & Transfer Agent, if any	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), ('KFin') Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Telangana, India. Tel: +91 040 6716 2222 Fax: +91 040 2300 1153 Email: einward.ris@kfintech.com Website : www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Employment Activities	78200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	IIJT Education Private Limited* Office No.6, 3 rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	U72200MH2006PTC218082	Subsidiary	100%	2 (87)
2	TeamLease Education Foundation 6 th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560 095	U80903KA2011NPL130127	Subsidiary	100%	2 (87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
3	TeamLease Digital Private Limited (Formerly known as TeamLease Staffing Services Private Limited) Office No.6, 3 rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	U74999MH2016PTC283227	Subsidiary	100%	2 (87)
4	Keystone Business Solutions Private Limited Office No.6, 3 rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	U72200MH2009PTC304689	Subsidiary	100%	2 (87)
5	Evolve Technologies & Services Private Limited** Office No.6, 3 rd Floor, C Wing, Laxmi Towers, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	U50404MH1991PTC310808	Subsidiary	100%	2 (87)
6	TeamLease HRTech Private Limited (Formerly known as TeamLease E-Hire Private Limited) 8 th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore - 560 095	U72200KA2005PTC113117	Subsidiary	100%	2 (87)
7	I.M.S.I Staffing Private Limited Suite No 2410, Doon Express Business Park, Opp Transport Nagar, Subhash Nagar, Dehradun - 248 001	U74999UR2018PTC008906	Subsidiary	100%	2 (87)
8	TeamLease Edtech Limited (Formerly known as School Guru Eduserve Private Limited) Unit No. 903, 9 th Floor, Western Edge- II, Western Express Highway, Borivali (East), Mumbai - 400 066	U80301MH2010PTC211390	Subsidiary	77.67%	2 (87)
9	TeamLease Regtech Private Limited*** (Formerly known as Avantis Regtech Private Limited) 1 st Floor, Nuclues Mall, 1, Church Road, Camp, Near Commissinoner Office, Pune - 411 001	U74999PN2018PTC179553	Subsidiary	61.50%	2 (87)

*Ceased to be Subsidiary of the Company with effect from December 03, 2021.

**Evolve Technologies & Services Private Limited got merged into TeamLease Digital Private Limited (Formerly known as TeamLease Staffing Services Private Limited) pursuant to the Scheme of Amalgamation and NCLT Order dated November 24, 2021.

***Subsidiary of the Company with effect from February 07, 2022.

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2021]				No. of Shares held at the end of the year [As on March 31, 2022]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	14,99,707	-	14,99,707	8.77	13,28,739	-	13,28,739	7.77	(1.00)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	14,99,707	-	14,99,707	8.77	13,28,739	-	13,28,739	7.77	(1.00)
(2) Foreign									
a) NRI Individuals	43,15,328	-	43,15,328	25.24	40,58,876	-	40,58,876	23.74	(1.50)
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	43,15,328	-	43,15,328	25.24	40,58,876	-	40,58,876	23.74	(1.50)
TOTAL (A)	58,15,035	-	58,15,035	34.01	53,87,615	-	53,87,615	31.51	(2.50)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	19,00,945	-	19,00,945	11.12	23,24,939	-	23,24,939	13.60	2.48
b) Banks / FI	317	-	317	0.00	-	-	-	-	(0.00)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs/FPIs	64,67,518	-	64,67,518	37.83	63,99,813	-	63,99,813	37.43	(0.40)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (AIFs, QIBs)	10,08,417	-	10,08,417	5.90	12,97,724	-	12,97,724	7.59	1.69
Sub-total (B)(1):-	93,77,197	-	93,77,197	54.85	1,00,22,476	-	1,00,22,476	58.62	3.77
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	8,92,797	-	8,92,797	5.22	3,07,325	-	3,07,325	1.80	(3.42)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	5,73,308	1,051	5,74,359	3.36	9,06,176	1,051	9,07,227	5.31	1.95
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	3,33,260	-	3,33,260	1.95	3,40,193	-	3,40,193	1.99	0.04
c) Others (specify)									
Non Resident Indians	11,842	-	11,842	0.07	33,266	-	33,266	0.19	0.13
Clearing Members	10,124	-	10,124	0.06	5,149	-	5,149	0.03	(0.03)
Trusts	18,155	-	18,155	0.11	12,224	-	12,224	0.07	(0.03)
Non Resident Indian Non Repatriable	51,659	-	51,659	0.30	62,969	-	62,969	0.37	0.07
HUF	12,341	-	12,341	0.07	18,325	-	18,325	0.11	0.04
Sub-total (B)(2):-	19,03,486	1,051	19,04,537	11.14	16,85,627	1,051	16,86,678	9.87	(1.27)
Total Public (B)	1,12,80,683	1,051	1,12,81,734	65.99	1,17,08,103	1,051	1,17,09,154	68.49	2.50
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,70,95,718	1,051	1,70,96,769	100.00	1,70,95,718	1,051	1,70,96,769	100.00	(0.00)

(ii) Shareholding of Promoters[^]

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	HR Offshoring Ventures Pte. Ltd.	43,15,328	25.24	-	40,58,876	23.74	-	(1.50)
2	NED Consultants LLP	13,67,965	8.00	-	11,96,997	7.00	-	(1.00)
3	MKS Management Consultancy Services LLP	300	0.00	-	300	0.00	-	-
4	Hansini Management Consultants Private Limited	1,31,442	0.77	-	1,31,442	0.77	-	-
5	Arati Menon	-	-	-	-	-	-	-

[^] Includes Shareholding of Promoter Group also.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	HR Offshoring Ventures Pte. Ltd.						
	At the beginning of the year			43,15,328	25.24		
	Changes during the year	06/08/2021	Sale	(85,484)	(0.50)	42,29,844	24.74
		24/09/2021	Sale	(85,484)	(0.50)	41,44,360	24.24
		04/02/2022	Sale	(85,484)	(0.50)	40,58,876	23.74
	At the end of the year					40,58,876	23.74
2	NED Consultants LLP						
	At the beginning of the year			13,67,965	8.00		
	Changes during the year	06/08/2021	Sale	(85,484)	(0.50)	12,82,481	7.50
		04/02/2022	Sale	(85,484)	(0.50)	11,96,997	7.00
	At the end of the year					11,96,997	7.00
3	MKS Management Consultancy Services LLP						
	At the beginning of the year			300	0.00		
	Changes during the year			-	-	300	0.00
	At the end of the year					300	0.00
4	Hansini Management Consultants Private Limited						
	At the beginning of the year			1,31,442	0.77		
	Changes during the year			-	-	1,31,442	0.77
	At the end of the year					1,31,442	0.77
7	Arati Menon						
	At the beginning of the year			-	-		
	Changes during the year			-	-	-	-
	At the end of the year					-	-

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	INVESCO INDIA FLEXI CAP FUNDA						
	At the beginning of the year			2,32,019	1.36		
	Changes during the year	09/04/2021	Purchase	17,103	0.10	2,49,122	1.46
		14/05/2021	Sale	(1,516)	(0.01)	2,47,606	1.45
		11/06/2021	Sale	(12,861)	(0.08)	2,34,745	1.37
		02/07/2021	Purchase	6,653	0.04	2,41,398	1.41
		09/07/2021	Sale	(25,457)	(0.15)	2,15,941	1.26
		20/08/2021	Sale	(10,598)	(0.06)	2,05,343	1.20
		24/09/2021	Sale	(5,785)	(0.03)	1,99,558	1.17
		08/10/2021	Sale	(10,000)	(0.06)	1,89,558	1.11
		15/10/2021	Sale	(13,075)	(0.08)	1,76,483	1.03
		29/10/2021	Sale	(4,735)	(0.03)	1,71,748	1.00
		26/11/2021	Purchase	14,169	0.08	1,85,917	1.09
		03/12/2021	Purchase	10,000	0.06	1,95,917	1.15
		31/12/2021	Purchase	83,846	0.49	2,79,763	1.64
		14/01/2022	Purchase	45,958	0.27	3,25,721	1.91
		28/01/2022	Purchase	12,864	0.08	3,38,585	1.98
		04/02/2022	Purchase	1,30,713	0.76	4,69,298	2.74
		11/02/2022	Purchase	1,36,431	0.80	6,05,729	3.54
		18/02/2022	Purchase	32,450	0.19	6,38,179	3.73
		25/02/2022	Purchase	44,546	0.26	6,82,725	3.99
		04/03/2022	Purchase	11,615	0.07	6,94,340	4.06
		11/03/2022	Purchase	12,443	0.07	7,06,783	4.13
		18/03/2022	Purchase	2,481	0.01	7,09,264	4.15
		31/03/2022	Purchase	3,684	0.02	7,12,948	4.17
	At the end of the year	31/03/2022				7,12,948	4.17
2	MAX LIFE INSURANCE COMPANY LIMITED A/C - ULIF0022						
	At the beginning of the year			4,10,292	2.40		
	Changes during the year	09/04/2021	Purchase	48,069	0.28	4,58,361	2.68
		16/04/2021	Sale	(8,827)	(0.05)	4,49,534	2.63
		30/04/2021	Purchase	1,391	0.01	4,50,925	2.64
		14/05/2021	Sale	(35)	(0.00)	4,50,890	2.64
		28/05/2021	Sale	(20)	(0.00)	4,50,870	2.64
		18/06/2021	Sale	(23,192)	(0.14)	4,27,678	2.50
		25/06/2021	Sale	(66)	(0.00)	4,27,612	2.50
		30/06/2021	Purchase	43	0.00	4,27,655	2.50
		09/07/2021	Sale	(19,446)	(0.11)	4,08,209	2.39
		16/07/2021	Sale	(3,879)	(0.02)	4,04,330	2.36
		06/08/2021	Purchase	1,50,697	0.88	5,55,027	3.25
		06/08/2021	Sale	(2,169)	(0.01)	5,52,858	3.23
		20/08/2021	Purchase	650	0.00	5,53,508	3.24
		03/09/2021	Purchase	20,120	0.12	5,73,628	3.36
		10/09/2021	Purchase	3,857	0.02	5,77,485	3.38
		17/09/2021	Purchase	1,073	0.01	5,78,558	3.38

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
		22/10/2021	Sale	(5,254)	(0.03)	5,73,304	3.35
		12/11/2021	Sale	(61)	(0.00)	5,73,243	3.35
		10/12/2021	Purchase	163	0.00	5,73,406	3.35
		17/12/2021	Sale	(10)	(0.00)	5,73,396	3.35
		24/12/2021	Purchase	19	0.00	5,73,415	3.35
		07/01/2022	Sale	(29)	(0.00)	5,73,386	3.35
		11/02/2022	Sale	(55,737)	(0.33)	5,17,649	3.03
		04/03/2022	Sale	(774)	(0.00)	5,16,875	3.02
		18/03/2022	Sale	(5)	(0.00)	5,16,870	3.02
		31/03/2022	Purchase	48,196	0.28	5,65,066	3.31
	At the end of the year	31/03/2022				5,65,066	3.31
3	T. ROWE PRICE INTERNATIONAL DISCOVERY FUND						
	At the beginning of the year			6,75,075	3.95		
	Changes during the year	22/10/2021	Sale	(22,957)	(0.13)	6,52,118	3.81
		29/10/2021	Sale	(39,115)	(0.23)	6,13,003	3.59
		05/11/2021	Sale	(9,677)	(0.06)	6,03,326	3.53
		12/11/2021	Sale	(14,140)	(0.08)	5,89,186	3.45
		19/11/2021	Sale	(29,194)	(0.17)	5,59,992	3.28
		03/12/2021	Sale	(228)	(0.00)	5,59,764	3.27
		24/12/2021	Sale	(10,767)	(0.06)	5,48,997	3.21
	At the end of the year	31/03/2022				5,48,997	3.21
4	INDUS INDIA FUND (MAURITIUS) LIMITED						
	At the beginning of the year			4,32,660	2.53		
	Changes during the year	09/04/2021	Purchase	9,076	0.05	4,41,736	2.58
		16/04/2021	Sale	(4,571)	(0.03)	4,37,165	2.56
		23/04/2021	Sale	(1,973)	(0.01)	4,35,192	2.55
		30/04/2021	Sale	(13,199)	(0.08)	4,21,993	2.47
		03/09/2021	Purchase	9,853	0.06	4,31,846	2.53
		10/09/2021	Purchase	16,494	0.10	4,48,340	2.62
		05/11/2021	Purchase	2,406	0.01	4,50,746	2.64
		12/11/2021	Purchase	684	0.00	4,51,430	2.64
		03/12/2021	Purchase	3,447	0.02	4,54,877	2.66
		07/01/2022	Purchase	11,849	0.07	4,66,726	2.73
		14/01/2022	Purchase	1,366	0.01	4,68,092	2.74
		04/02/2022	Purchase	4,436	0.03	4,72,528	2.76
		11/02/2022	Sale	(1,740)	(0.01)	4,70,788	2.75
	At the end of the year	31/03/2022				4,70,788	2.75
5	GOLDMAN SACHS FUNDS - GOLDMAN SACHS EMERGING MARKETS EQUITY PORTFOLIO						
	At the beginning of the year			4,46,760	2.61		
	Changes during the year	30/04/2021	Purchase	10,161	0.06	4,56,921	2.67
		28/05/2021	Purchase	70	0.00	4,56,991	2.67
		04/06/2021	Purchase	108	0.00	4,57,099	2.67
		27/08/2021	Purchase	4,57,099	2.67	9,14,198	5.35
		27/08/2021	Sale	(4,57,099)	(2.67)	4,57,099	2.67

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
		08/10/2021	Purchase	18,876	0.11	4,75,975	2.78
		15/10/2021	Purchase	4,772	0.03	4,80,747	2.81
		11/02/2022	Sale	(33,969)	(0.20)	4,46,778	2.61
		18/02/2022	Sale	(7,329)	(0.04)	4,39,449	2.57
	At the end of the year	31/03/2022				4,39,449	2.57
6	GOLDMAN SACHS TRUST - GOLDMAN SACHS EMERGING MARKETS EQUITY FUND						
	At the beginning of the year			3,42,202	2.00		
	Changes during the year	30/04/2021	Purchase	4,866	0.03	3,47,068	2.03
		28/05/2021	Purchase	9,406	0.06	3,56,474	2.09
		08/10/2021	Purchase	13,466	0.08	3,69,940	2.16
		15/10/2021	Purchase	24,750	0.14	3,94,690	2.31
		10/12/2021	Purchase	3,94,690	2.31	7,89,380	4.62
		10/12/2021	Sale	(3,94,690)	(2.31)	3,94,690	2.31
		24/12/2021	Purchase	10,844	0.06	4,05,534	2.37
		11/02/2022	Sale	(21,589)	(0.13)	3,83,945	2.25
		18/02/2022	Sale	(4,658)	(0.03)	3,79,287	2.22
		18/03/2022	Purchase	20,028	0.12	3,99,315	2.34
	At the end of the year	31/03/2022				3,99,315	2.34
7	FIL INVESTMENTS (MAURITIUS) LTD						
	At the beginning of the year			5,65,872	3.31		
	Changes during the year	05/11/2021	Sale	(20,173)	(0.12)	5,45,699	3.19
		19/11/2021	Sale	(175)	(0.00)	5,45,524	3.19
		26/11/2021	Sale	(42,829)	(0.25)	5,02,695	2.94
		04/02/2022	Sale	(66,012)	(0.39)	4,36,683	2.55
		11/02/2022	Sale	(38,519)	(0.23)	3,98,164	2.33
	At the end of the year	31/03/2022				3,98,164	2.33
8	UTI - REGULAR SAVINGS FUND^						
	At the beginning of the year			3,32,438	1.94		
	Changes during the year	16/04/2021	Purchase	11,000	0.06	3,43,438	2.01
		23/04/2021	Purchase	6,433	0.04	3,49,871	2.05
		13/08/2021	Purchase	4,546	0.03	3,54,417	2.07
		14/01/2022	Purchase	23,997	0.14	3,78,414	2.21
		21/01/2022	Purchase	2,084	0.01	3,80,498	2.23
		04/02/2022	Purchase	535	0.00	3,81,033	2.23
		11/02/2022	Purchase	2,500	0.01	3,83,533	2.24
		18/02/2022	Purchase	1,460	0.01	3,84,993	2.25
		11/03/2022	Purchase	3,700	0.02	3,88,693	2.27
		18/03/2022	Purchase	34	0.00	3,88,727	2.27
		31/03/2022	Sale	(1,504)	(0.01)	3,87,223	2.26
	At the end of the year	31/03/2022				3,87,223	2.26
9	KOTAK FUNDS - INDIA MIDCAP FUND						
	At the beginning of the year			4,47,830	2.62		
	Changes during the year	09/04/2021	Sale	(40,608)	(0.24)	4,07,222	2.38
		28/05/2021	Sale	(2,354)	(0.01)	4,04,868	2.37
		11/06/2021	Sale	(3,851)	(0.02)	4,01,017	2.35
		20/08/2021	Sale	(6,078)	(0.04)	3,94,939	2.31

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
		10/09/2021	Sale	(6,525)	(0.04)	3,88,414	2.27
		17/09/2021	Sale	(1,918)	(0.01)	3,86,496	2.26
		24/09/2021	Sale	(3,720)	(0.02)	3,82,776	2.24
		30/09/2021	Sale	(475)	(0.00)	3,82,301	2.24
		08/10/2021	Sale	(201)	(0.00)	3,82,100	2.23
		15/10/2021	Sale	(7,810)	(0.05)	3,74,290	2.19
	At the end of the year	31/03/2022				3,74,290	2.19
10	J P MORGAN FUNDS^						
	At the beginning of the year			3,39,044	1.98		
	Changes during the year	16/04/2021	Sale	(2,816)	(0.02)	3,36,228	1.97
		23/04/2021	Sale	(2,237)	(0.01)	3,33,991	1.95
		28/05/2021	Sale	(5,165)	(0.03)	3,28,826	1.92
		04/06/2021	Sale	(2,219)	(0.01)	3,26,607	1.91
		11/06/2021	Sale	(3,881)	(0.02)	3,22,726	1.89
		25/06/2021	Sale	(4,808)	(0.03)	3,17,918	1.86
		29/10/2021	Sale	(2,433)	(0.01)	3,15,485	1.85
		12/11/2021	Sale	(6,055)	(0.04)	3,09,430	1.81
		19/11/2021	Sale	(2,810)	(0.02)	3,06,620	1.79
		26/11/2021	Sale	(1,336)	(0.01)	3,05,284	1.79
		07/01/2022	Purchase	11,000	0.06	3,16,284	1.85
		18/02/2022	Sale	(4,686)	(0.03)	3,11,598	1.82
		25/02/2022	Sale	(3,960)	(0.02)	3,07,638	1.80
		18/03/2022	Sale	(9,581)	(0.06)	2,98,057	1.74
	At the end of the year	31/03/2022				2,98,057	1.74
11	EMERGING MARKETS GROWTH FUND, INC. #						
	At the beginning of the year			3,55,773	2.08		
	Changes during the year	14/01/2022	Sale	(25,100)	(0.15)	3,30,673	1.93
		25/02/2022	Sale	(33,300)	(0.19)	2,97,373	1.74
	At the end of the year	31/03/2022				2,97,373	1.74
12	FRANKLIN INDIA SMALLER COMPANIES FUND #						
	At the beginning of the year			3,94,766	2.31		
	Changes during the year	09/04/2021	Sale	(6,482)	(0.04)	3,88,284	2.27
		06/08/2021	Sale	(10,177)	(0.06)	3,78,107	2.21
		27/08/2021	Sale	(5,157)	(0.03)	3,72,950	2.18
		03/09/2021	Sale	(9,843)	(0.06)	3,63,107	2.12
		19/11/2021	Sale	(833)	(0.00)	3,62,274	2.12
		26/11/2021	Sale	(15,000)	(0.09)	3,47,274	2.03
		03/12/2021	Sale	(5,000)	(0.03)	3,42,274	2.00
		10/12/2021	Sale	(2,497)	(0.01)	3,39,777	1.99
		17/12/2021	Sale	(12,503)	(0.07)	3,27,274	1.91
		07/01/2022	Sale	(5,999)	(0.04)	3,21,275	1.88
		21/01/2022	Sale	(2,982)	(0.02)	3,18,293	1.86
		04/02/2022	Sale	(36,019)	(0.21)	2,82,274	1.65
		04/03/2022	Sale	(6,449)	(0.04)	2,75,825	1.61
		11/03/2022	Sale	(551)	(0.00)	2,75,274	1.61
	At the end of the year	31/03/2022				2,75,274	1.61

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
13	DHANA MANAGEMENT CONSULTANCY LLP #						
	At the beginning of the year			7,90,520	4.62		
	Changes during the year	02/04/2021	Sale	(5,580)	(0.03)	7,84,940	4.59
		25/06/2021	Sale	(10,483)	(0.06)	7,74,457	4.53
		30/06/2021	Sale	(12,246)	(0.07)	7,62,211	4.46
		02/07/2021	Sale	(4,863)	(0.03)	7,57,348	4.43
		09/07/2021	Sale	(83,006)	(0.49)	6,74,342	3.94
		16/07/2021	Sale	(2,013)	(0.01)	6,72,329	3.93
		30/07/2021	Sale	(1,026)	(0.01)	6,71,303	3.93
		06/08/2021	Sale	(4,288)	(0.03)	6,67,015	3.90
		30/09/2021	Sale	(1,432)	(0.01)	6,65,583	3.89
		08/10/2021	Sale	(47,720)	(0.28)	6,17,863	3.61
		15/10/2021	Sale	(2,291)	(0.01)	6,15,572	3.60
		22/10/2021	Sale	(14,888)	(0.09)	6,00,684	3.51
		29/10/2021	Sale	(16,968)	(0.10)	5,83,716	3.41
		05/11/2021	Sale	(30,546)	(0.18)	5,53,170	3.24
		12/11/2021	Sale	(28,762)	(0.17)	5,24,408	3.07
		19/11/2021	Sale	(14,152)	(0.08)	5,10,256	2.98
		26/11/2021	Sale	(35,752)	(0.21)	4,74,504	2.78
		03/12/2021	Sale	(2,664)	(0.02)	4,71,840	2.76
		10/12/2021	Sale	(23,944)	(0.14)	4,47,896	2.62
		17/12/2021	Sale	(1,426)	(0.01)	4,46,470	2.61
		31/12/2021	Sale	(1,24,899)	(0.73)	3,21,571	1.88
		07/01/2022	Sale	(1,01,915)	(0.60)	2,19,656	1.28
		14/01/2022	Sale	(69,677)	(0.41)	1,49,979	0.88
		21/01/2022	Sale	(1,441)	(0.01)	1,48,538	0.87
		28/01/2022	Sale	(8,362)	(0.05)	1,40,176	0.82
		04/02/2022	Sale	(50,000)	(0.29)	90,176	0.53
	At the end of the year	31/03/2022				90,176	0.53

^ Not in the list of Top 10 shareholders as on 01/04/2021. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2022 or during the year.

Ceased to be in the list of Top 10 shareholders as on 31/03/2022. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01/04/2021 or during the year.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Narayan Ramachandran - Independent Director						
	At the beginning of the year			2,500	0.01		
	Changes during the year	31/03/2022	Purchase	7,500	0.04	10,000	0.06
	At the end of the year					10,000	0.06
2	Mr. Subramaniam Somasundaram* - Independent Director						
	At the beginning of the year			-	-		
	Changes during the year	09/07/2021	Purchase	17	0.00	17	0.00
		16/07/2021	Purchase	38	0.00	55	0.00
		23/07/2021	Purchase	2	0.00	57	0.00
	At the end of the year					57	0.00
3	Ms. Ramani Dathi - Chief Financial Officer						
	At the beginning of the year			984	0.01		
	Changes during the year	24/09/2021	Allotment under ESOP	1,219	0.01	2,203	0.01
	At the end of the year					2,203	0.01
4	Ms. Alaka Chanda - Company Secretary & Compliance Officer						
	At the beginning of the year						
	Changes during the year	04/03/2022	Purchase	1	0.00	1	0.00
	At the end of the year					1	0.00

Note: None of the Directors and KMP's of the Company (excluding as reported above) held any Shares during the year.

*Appointed as Independent Director w.e.f July 28, 2021.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	₹ in Lakhs
				Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1.38	-	-	1.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1.38	-	-	1.38
Change in Indebtedness during the financial year				
Addition	2,516.84	-	-	2,516.84
Reduction	(1.38)	-	-	(1.38)
Net Change	2,516.84	-	-	2,516.84
Indebtedness at the end of the financial year				
i) Principal Amount	2,516.84	-	-	2,516.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,516.84	-	-	2,516.84

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Ashok Reddy	Mr. Manish Mahendra Sabharwal	
		Managing Director	Vice Chairman & Whole Time 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	145.92
	(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)	75.00	55.00	130.00
	Total (A)	155.92	120.00	275.92
	Ceiling as per the Companies Act, 2013			286.83

Note: Gross Salary mentioned in the table is the amount accrued during the FY 2021-22.

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mrs. Latika Pradhan	Mr. Narayan Ramachandran	Dr. V. Raghunathan	Mr. Zarir Batliwala	Mr. Mekin Maheshwari [^]	Mr. Subramaniam Somasundaram ^{^^}	Mrs. Meenakshi Nevatia ^{^^}	
1	Independent Directors								
	Fee for attending board committee meetings	14.60	13.00	14.60	13.00	8.00	7.00	6.20	76.40
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	14.60	13.00	14.60	13.00	8.00	7.00	6.20	76.40
2	Other Non-Executive Directors								
	Fee for attending board committee meetings	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	-
	Total (B)=(1+2)	14.60	13.00	14.60	13.00	8.00	7.00	6.20	76.40
	Total Managerial Remuneration*								352.32
	Overall Ceiling as per the Act								Sitting Fees is within the limits specified under the Act.

* Total Remuneration to Managing Director, Whole Time Director and other Directors (Being the total of A and B).

[^] Appointed as Independent Director w.e.f. from June 09, 2021.

^{^^} Appointed as Independent Directors w.e.f. from July 28, 2021.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		₹ in Lakhs
		Ms. Ramani Dathi	Ms. Alaka Chanda	Total Amount
		CFO	CS	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Fixed Component)	81.95	28.57	110.52
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	20.47	6.82	27.29
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	13.61	2.55	16.16
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify (Variable Component)	25.00	2.93	27.93
	Total	141.03	40.87	181.90

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					
There were no penalties/punishments/compounding of offences for the year ended March 31, 2022.					

Annexure VII

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 and Designation	Other Equity			
		Remuneration of Directors/ KMPs for the Financial Year 2021-22	Median Salary	Ratio of the remuneration of each Director to the median remuneration of the employees	% increase in Remuneration in the Financial Year 2020-21
I & II	Mr. Ashok Reddy, Managing Director*	1,55,91,996	3,88,000	40.19	185.0%
	Mr. Manish Mahendra Sabharwal, Whole Time Director & Vice Chairman**	1,20,00,004	3,88,000	30.93	189.1%
	Mrs. Latika Pradhan, Independent Director	14,60,000	3,88,000	3.76	4.3%
	Mr. Narayan Ramachandran, Lead Independent Director & Non Executive Chairman	13,00,000	3,88,000	3.35	-4.4%
	Dr. V. Raghunathan, Independent Director	14,60,000	3,88,000	3.76	4.3%
	Mr. Zarir Batliwala, Independent Director	13,00,000	3,88,000	3.35	8.3%
	Mr. Mekin Maheshwari, Independent Director #	8,00,000	3,88,000	2.06	Non Comparable
	Subramaniam Somasundaram, Independent Director##	7,00,000	3,88,000	1.80	Non Comparable
	Mrs. Meenakshi Nevatia, Independent Director ##	6,20,000	3,88,000	1.60	Non Comparable
	Ms. Ramani Dathi, Chief Financial Officer***	1,41,02,781	3,88,000	36.35	45.2%
Ms. Alaka Chanda, Company Secretary & Compliance Officer	40,87,467	3,88,000	10.53	74.0%	
III	Percentage increase in the median remuneration of employees in the financial year	Median Remuneration during the year was ₹ 3,88,000. The median remuneration increased by 30.4%.			
IV	Number of permanent employees on the rolls of company	1,138 Core Employees as on March 31, 2022			
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 – 30.31%. b) Average increase in remuneration of Managerial Personnel – 186.81%.			
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*	80,91,996.00	75,00,000.00
2	Mr. Manish Mahendra Sabharwal, Whole Time Director & Vice Chairman**	65,00,004.00	55,00,000.00

***Ms. Ramani Dathi was appointed as CFO of the Company w.e.f. July 28, 2021.

Mr. Mekin Maheshwari is appointed as an Independent Director w.e.f. June 09, 2021.

Ms. Meenakshi Nevatia and Mr. Subramaniam Somasundaram is appointed as an Independent Director w.e.f. July 28, 2021.

Annexure VIII

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI LODR Regulations, 2015)

To,
The Members of
TeamLease Services Limited
6th Floor, BMTC Commercial Complex,
80 Feet Road, Koramangala,
Bangalore - 560095

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 6th Floor, BMTC Commercial Complex, 80 Feet Road, Koramangala, Bangalore – 560095 (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 Director Identification Number (DIN) status at the portal 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, 2022 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.	Name of Directors	DIN	Date of appointment in Company
1	Mr. Ashok Kumar Nedurumalli	00151814	03.09.2015
2	Dr. V. Raghunathan	00254091	09.07.2015
3	Mr. Manish Mahendra Sabharwal	00969601	02.02.2000
4	Mr. Zarir Batliwala	01028343	29.03.2019
5	Mr. Subramaniam Somasundaram	01494407	28.07.2021
6	Mr. Narayan Ramachandran	01873080	09.07.2015
7	Mr. Mekin Maheshwari	03621431	09.06.2021
8	Mrs. Latika Pradhan	07118801	09.07.2015
9	Mrs. Meenakshi Nevatia	08235844	28.07.2021

Ensuring the eligibility of 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: F005682D000338245

Date: May 18, 2022

Place: Mumbai

CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI LODR Regulations, 2015

For years, TeamLease 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/investors/>.

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 Services Limited (TeamLease/ the Company), 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, 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 subcommittees 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/investors/>. The Policy was last updated on May 18, 2022.

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/investors/>. The Policy was last updated on May 18, 2022.

B. 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.

C. 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.

D. 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.

E. Composition of the Board

As on March 31, 2022, the Board of Directors has nine members, consisting of seven Independent Directors and two Executive Directors. Mr. Narayan Ramachandran is the Non Executive Chairman and Lead Independent Director, Mr. Manish Mahendra Sabharwal is the Executive Vice Chairman and 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 general 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) as on March 31, 2022:

Sl. No.	Name of the Director	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	Non-Executive Chairman & Lead Independent Director	Independent Director	-	-	-
2.	Mr. Manish Mahendra Sabharwal	Whole Time Director & Vice Chairman	Promoter & Executive Director	1 • Pennar Industries Limited Designation: Director	-	-
3.	Mr. Ashok Reddy	Managing Director	Promoter & Executive Director	-	-	-
4.	Mrs. Latika Pradhan	Independent Director	Independent Director	3 • Mafatlal Industries Limited Designation: Independent Director • Fulford India Limited Designation: Director • Atul Bioscience Limited Designation: Additional Director	2 Mafatlal Industries Limited, Audit Committee Fulford India Limited, Audit Committee	-
5.	Dr. V. Raghunathan	Independent Director	Independent Director	-	-	-
6.	Mr. Zarir Batliwala	Independent Director	Independent Director	-	-	-
7.	Mr. Mekin Maheshwari	Independent Director	Independent Director	-	-	-
8.	Mrs. Meenakshi Nevatia	Independent Director	Independent Director	-	-	-

Sl. No.	Name of the Director	Designation	Category	No. of Directorship(s) and Committee(s) Membership(s)/ Chairpersonship(s) (excluding the Company)		
				Other Directorship(s)*	Committee Membership**	Committee Chairpersonship
9.	Mr. Subramaniam Somasundaram	Independent Director	Independent Director	-	-	-

* Excludes Directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

** 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).

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 Serves as Director or as an Independent Directors ("ID") in more than seven listed companies; and The Executive Directors serves as IDs 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, 2022.
- No director has any inter-se relationship with other Directors.

F. Changes in the Composition of the Board

- The Members at the Twenty First (21st) AGM of the Company held on September 03, 2021 had re-appointed Mr. Manish Mahendra Sabharwal (DIN: 00969601), Executive Vice Chairman 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.
- The Members at the Twenty First (21st) AGM of the Company held on September 03, 2021 based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors had approved the appointment of Mr. Mekin Maheshwari (DIN: 03621431) as an Independent Director of the Company for a term of five years commencing from June 09, 2021 to June 08, 2026 and further appointed Mrs. Meenakshi Nevatia (DIN: 08235844) and Mr. Subramaniam Somasundaram (DIN: 01494407) as Independent Directors of the Company for a term of five years commencing from July 28, 2021 to July 27, 2026.
- Re-appointment of Mr. Manish Mahendra 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 is placed for shareholders' approval at this Annual General Meeting.

Resignations or removal of the Directors, if any:

None of the Directors resigned during the year under review.

G. 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/investors/>.

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 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.

H. 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.

As on March 31, 2022 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 Mahendra Sabharwal	Whole Time Director & Vice Chairman	27/02/2020	Voluntary	-
3	Mr. Ashok Reddy	Managing Director	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	-

I. 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.

J. 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**.

K. 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.

L. 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:



Mr. Manish Mahendra Sabharwal

Whole Time Director &
Vice Chairman
DIN: 00969601

Diversity	Y
Age	52 yrs
Overall Experience as Director	24 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
DIN: 00151814

Diversity	Y
Age	52 yrs
Overall Experience as Director	25 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	67 yrs
Overall Experience as Director	08 yrs
Director in TeamLease since	2015
Current Term	2 nd - 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

Lead Independent Director
& Non-Executive Chairman
DIN: 01873080

Diversity	Y
Age	59 yrs
Overall Experience as Director	18 yrs
Director in TeamLease since	2015
Current Term	2 nd - 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	67 yrs
Overall Experience as Director	18 yrs
Director in TeamLease since	2015
Current Term	2 nd - 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	72 yrs
Overall Experience as Director	16 yrs
Director in TeamLease since	2019
Current Term	1 st - 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	41 yrs
Overall Experience as Director	11 yrs
Director in TeamLease since	2021
Current Term	1 st - 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	51 yrs
Overall Experience as Director	05 yrs
Director in TeamLease since	2021
Current Term	1 st - 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	61 yrs
Overall Experience as Director	15 yrs
Director in TeamLease since	2021
Current Term	1 st - 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

Executive Director
DIN: 07332241

Diversity	Y
Age	47 yrs
Overall Experience as Director	05 yrs
Director in TeamLease since	2022
Current Term	1 st - Till May 17, 2027 (Subject to Shareholder's Approval)

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

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 cybersecurity 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.

M. 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) as on March 31, 2022 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 Mahendra Sabharwal	Pennar Industries Limited	L27109AP1975PLC001919	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	-	-	-	-	-
9	Mr. Subramaniam Somasundaram	-	-	-	-	-

N. 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, 2022

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: (Mr. Ashok Reddy & Mr. Manish Mahendra Sabharwal)

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 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 formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and sub-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, 2021 to March 31, 2022, the Board of Directors met five (5) 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	June 09, 2021
2	Board Meeting	July 28, 2021
3	Board Meeting	November 12, 2021
4	Board Meeting	January 25, 2022
5	Board Meeting	March 23, 2022

*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	No. of Board Meetings		Attendance at last AGM (September 03, 2021)
		Held during Directorship	Attended	
1	Mr. Manish Mahendra Sabharwal	5	5	No
2	Mr. Ashok Reddy	5	5	Yes
3	Mrs. Latika Pradhan	5	5	Yes
4	Mr. Narayan Ramachandran	5	5	Yes
5	Dr. V. Raghunathan	5	5	Yes
6	Mr. Zarir Batliwala	5	5	Yes
7	Mr. Mekin Maheshwari*	4	4	No
8	Mrs. Meenakshi Nevatia**	3	3	No
9	Mr. Subramaniam Somasundaram**	3	3	Yes

*Appointed as Director w.e.f. June 09, 2022.

**Appointed as Director w.e.f. July 28, 2022.

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 Members 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 and Mr. Subramaniam Somasundaram; Independent Director held any Shares in the Company during the year ended March 31, 2022. Mr. Narayan Ramachandran held 10,000 Shares and Mr. Subramaniam Somasundaram held 57 Shares, respectively as on March 31, 2022.

B. Executive Directors

None of the Executive Directors held any Shares directly in the Company during the year ended March 31, 2022. Ms. Rituparna Chakraborty was appointed as an Executive Director (Additional) of your Company on May 18, 2022. As on the date of appointment, Ms. Rituparna Chakraborty held 1,06,770 Shares.

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 June 09, 2021 without the presence of Non-Independent Directors and members 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/investors/>.

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/investors/>.

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/investors/>.

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/investors/>.

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 2021-22 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 June 09, 2021 to assess the performance of the Board and committees as a whole and for the assessment of Executive Chairperson, Executive Director, Non-Executive Director, Board and Committees as a whole.

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	 Invitees  Secretary	Audit Committee	Nomination And Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee
		Mrs. Latika Pradhan (Independent Director)				
Mr. Narayan Ramchandran (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 Mahendra Sabharwal (Executive Director)						
Mr. Ashok Reddy (Executive Director)						
Ms. Rituparna Chakraborty (Executive Director)						
Ms. Ramani Dathi (Chief Financial Officer)						
Ms. Alaka Chanda (Company Secretary and Compliance Officer)						
Ms. Priya Gopalakrishnan (Head - Human Resources)						

*Date of formation of all the committees - 09/07/2015

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:

Mrs. Latika Pradhan	Chairperson (Independent Director)
Dr. V. Raghunathan	Member (Independent Director)
Mr. Subramaniam Somasundaram	Member (Independent Director)

Note:

- Mr. Narayan Ramachandran (Chairman & Lead Independent Director) and Mr. Zarir Batliwala (Independent Director) ceased to be Members of the Audit Committee w.e.f. July 29, 2021.
- Mr. Subramaniam Somasundaram (Independent Director) was inducted as a Member of the Audit Committee w.e.f. July 29, 2021.

Objectives of the Audit Committee:

The primary objective of the Committee is to assist the Board with oversight of:

- The accuracy, integrity and transparency of the Company's financial statements with adequate and timely disclosures;
- Compliance with legal and regulatory requirements;
- The Company's independent auditors' professional qualifications and independence;
- The performance of the Company's independent auditors and internal auditors; and
- 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/investors/>.

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 particular reference to:
 - 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 rupees 100 crore 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/investors/>.

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 five (5) times during the Financial Year ended March 31, 2022 on June 09, 2021; July 28, 2021; November 12, 2021, January 25, 2022 and March 23, 2022. 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 prior to July 29, 2021:

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mrs. Latika Pradhan	Chairperson	2	2
Dr. V. Raghunathan	Member	2	2
Mr. Narayan Ramachandran	Member	2	2
Mr. Zarir Batliwala	Member	2	2

Details of members and their attendance at the Audit Committee meetings post July 29, 2021*:

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mrs. Latika Pradhan	Chairperson	3	3
Dr. V. Raghunathan	Member	3	3
Mr. Subramaniam Somasundaram	Member	3	3

* There has been a change in the Composition of the Committees effective July 29, 2021.

Mr. Narayan Ramachandran (Chairman & Lead Independent Director) and Mr. Zarir Batliwala (Independent Director) ceased to be Members of the Audit Committee w.e.f. July 29, 2021.

Mr. Subramaniam Somasundaram (Independent Director) was inducted as a Member of the Audit Committee w.e.f. July 29, 2021.

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:

- Assist the Board in discharging its responsibilities relating to compensation of the Company's executive directors, Key Managerial Personnel (KMP) and senior management.
- Evaluate and approve the adequacy of the compensation plans, policies, programs and succession plans for the Company's executive directors, KMP and senior management.
- Formulate criteria for determining Board composition, Board effectiveness, Board succession, and independent functioning of the Board.
- 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.

- Recommend the appointment and removal of directors, for approval at the AGM.
- Evaluate the performance of the Board, including committees and individual directors.
- Leadership development and succession planning of the organization.
- Develop and maintain corporate governance policies applicable to the Company.
- 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/investors/> 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)

Note:

- Dr. V. Raghunathan (Independent Director) and Mrs. Latika Pradhan (Independent Director) ceased to be Members of the Nomination and Remuneration Committee w.e.f. July 29, 2021.
- Mr. Mekin Maheshwari (Independent Director) and Mrs. Meenakshi Nevatia (Independent Director) were inducted as a Members of the Nomination and Remuneration Committee w.e.f. July 29, 2021.
- Mr. Zarir Batliwala (Independent Director) was re-designated as Chairman and Mr. Narayan Ramachandran (Chairman & Lead Independent Director) was re-designated as Member w.e.f. July 29, 2021.

Extracts of Terms of Reference of Nomination and Remuneration Committee Charter:

- 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;
- Formulating of criteria for evaluation of the Independent Directors and the Board;

Details of members and their attendance at the meetings prior to July 29, 2021:

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Narayan Ramachandran	Chairman	3	3
Mr. Zarir Batliwala	Member	3	3
Mrs. Latika Pradhan	Member	3	3
Dr. V. Raghunathan	Member	3	3

Details of members and their attendance at the meetings post July 29, 2021*:

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Zarir Batliwala	Chairman	2	2
Mr. Narayan Ramachandran	Member	2	2
Mrs. Meenakshi Nevatia	Member	2	2
Mr. Mekin Maheshwari	Member	2	2

* There has been a change in the Composition of the Committees effective July 29, 2021.

- Devising a policy on Board Diversity;
- 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;
- 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;
- 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;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 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.
- 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 April 09, 2021, June 08, 2021, July 27, 2021, November 11, 2021 and March 23, 2022.

Dr. V. Raghunathan (Independent Director) and Mrs. Latika Pradhan (Independent Director) ceased to be Members of the Nomination and Remuneration Committee w.e.f. July 29, 2021.

Mr. Mekin Maheshwari (Independent Director) and Mrs. Meenakshi Nevatia (Independent Director) were inducted as a Members of the Nomination and Remuneration Committee w.e.f. July 29, 2021.

Mr. Zarir Batliwala (Independent Director) was re-designated as Chairman and Mr. Narayan Ramachandran (Chairman & Lead Independent Director) was re-designated as Member w.e.f. July 29, 2021.

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)

Note:

- Mr. Ashok Reddy (Managing Director) and Mr. Manish Mahendra Sabharwal (Executive Vice Chairman & Whole Time Director) ceased to be Members of the Stakeholders' Relationship Committee w.e.f. July 29, 2021.
- Mrs. Latika Pradhan (Independent Director) and Mr. Zarir Batliwala (Independent Director) were inducted as a Members of the Stakeholders' Relationship Committee w.e.f. July 29, 2021.
- Mrs. Latika Pradhan (Independent Director) was re-designated as Chairman and Dr. V. Raghunathan (Independent Director) was re-designated as Member w.e.f. July 29, 2021.

Objectives & Responsibilities of Stakeholders' Responsibility Committee:

- Redressal of Shareholders'/Investors' Grievances;
- Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/ consolidation/renewal;
- 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;
- Carrying out any other function as prescribed under Listing Obligations and Disclosure Requirements, Regulations, 2015 issued by SEBI; and
- 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/investors/>.

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 June 08, 2021. Details of members and their attendance at the meetings are as follows:

Details of members and their attendance at the meetings prior to July 29, 2021:

Name	Designation	No. of Committee Meetings	
		Held	Attended
Dr. V. Raghunathan	Chairman	1	1
Mr. Ashok Reddy	Member	1	1
Mr. Manish Mahendra Sabharwal	Member	1	1

Details of members and their attendance at the meetings post July 29, 2021*: NIL

* There has been a change in the Composition of the Committees effective July 29, 2021.

Mr. Ashok Reddy (Managing Director) and Mr. Manish Mahendra Sabharwal (Executive Vice Chairman & Whole Time Director) ceased to be Members of the Stakeholders' Relationship Committee w.e.f. July 29, 2021.

Mrs. Latika Pradhan (Independent Director) and Mr. Zarir Batliwala (Independent Director) were inducted as a Members of the Stakeholders' Relationship Committee w.e.f. July 29, 2021.

Mrs. Latika Pradhan (Independent Director) was re-designated as Chairman and Dr. V. Raghunathan (Independent Director) was re-designated as Member w.e.f. July 29, 2021.

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)

Note:

- Mr. Ashok Reddy (Managing Director) and Mr. Manish Mahendra Sabharwal (Executive Vice Chairman & Whole Time Director) ceased to be Members of the CSR Committee w.e.f. July 29, 2021.
- Mrs. Latika Pradhan (Independent Director) and Mr. Mekin Maheshwari (Independent Director) were inducted as a Members of the CSR Committee w.e.f. July 29, 2021.

During the year under review the Committee met once (1) i.e., on January 25, 2022. Details of members and their attendance at the meetings are as follows:

Details of members and their attendance at the meetings prior to July 29, 2021: NIL**Details of members and their attendance at the meetings post July 29, 2021*:**

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

* There has been a change in the Composition of the Committees effective July 29, 2021.

Mr. Ashok Reddy (Managing Director) and Mr. Manish Mahendra Sabharwal (Executive Vice Chairman & Whole Time Director) ceased to be Members of the CSR Committee w.e.f. July 29, 2021.

Mrs. Latika Pradhan (Independent Director) and Mr. Mekin Maheshwari (Independent Director) were inducted as a Members of the CSR Committee w.e.f. July 29, 2021.

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. 106.

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:

- i. 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.
- ii. To monitor and approve the enterprise risk management framework and associated practices of the Company.
- iii. To periodically assess risks to the effective execution of business strategy by reviewing key leading indicators in this regard.
- iv. 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 (Executive Director)

Note:

- a. Mr. Narayan Ramachandran (Chairman & Lead Independent Director) and Mr. Manish Mahendra Sabharwal (Executive Vice Chairman & Whole Time Director) have ceased to be the Members of the Risk Management Committee w.e.f. May 18, 2022.
- b. Mr. Subramaniam Somasundaram has been re-designated as Chairman of the Risk Management Committee w.e.f. May 18, 2022.
- c. Ms. Rituparna Chakraborty has been appointed as a member of Risk Management Committee w.e.f. May 18, 2022.

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/investors/>.

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 three (3) times i.e., on July 27, 2021, November 12, 2021 and March 23, 2022.

Details of members and their attendance at the meetings are as follows:

Name	Designation	No. of Committee Meetings	
		Held	Attended
Mr. Narayan Ramachandran	Chairman	3	3
Mr. Ashok Reddy	Member	3	3
Mrs. Latika Pradhan	Member	3	3
Mr. Zarir Batliwala	Member	3	3
Mr. Manish Mahendra Sabharwal (Appointed w.e.f. July 29, 2021)	Member	2	2
Dr. V. Raghunathan (Appointed w.e.f. July 29, 2021)	Member	2	2
Mr. Mekin Maheshwari (Appointed w.e.f. July 29, 2021)	Member	2	2
Mrs. Meenakshi Nevatia (Appointed w.e.f. July 29, 2021)	Member	2	2
Mr. Subramaniam Somasundaram (Appointed w.e.f. July 29, 2021)	Member	2	2

*There has been a change in the Composition of the Committees effective July 29, 2021.

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 Ms. Alaka Chanda at 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, 2022, was none. There were no complaints outstanding as on March 31, 2022. The number of pending share transfers and pending requests for dematerialization as on March 31, 2022 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, 2022.

Complaints pending as on April 01, 2021	0
Complaints received during the year	0
Complaints resolved during the year	0
Complaints pending as on March 31, 2022	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 2021-22, 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. Kindly refer MGT-9 (**Annexure VI** of the Board's Report) for details of remuneration paid to Directors and KMP(s) of the Company.

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/>. Presently, the Company does not have a stock options scheme for its Directors.

Kindly refer MGT-9 (**Annexure VI** of the Board's Report) for details of remuneration paid to Executive Directors of the Company. The same is also presented below:

Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Ashok Reddy	Mr. Manish Mahendra Sabharwal	
		Managing Director	Vice Chairman & Whole Time Director	
(₹ In Lakhs)				
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	145.92
	(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)	75.00	55.00	130.00
	Total (A)	155.92	120.00	275.92
	Ceiling as per the Companies Act, 2013			286.83

Note: Gross Salary mentioned in the table is the amount accrued during the FY 2021-22.

D. Service Contracts, Notice and Severance Fees

As on date of this report, the Board comprised ten members including three Executive Directors and seven Non-Executive Independent Directors. 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 Passed
2018-19	August 23, 2019	03:00 P.M. IST	Hotel "The Paul Bangalore" 139/28, Opposite Embassy Golf Links, Domlur Layout, Off Intermediate Ring Road, Bangalore 560071, Karnataka, India	<ol style="list-style-type: none"> To adopt TeamLease Services Limited - Employee Stock Appreciation Rights (ESAR) Plan 2019 and to create fresh ESAR pool of 1.5% of paid-up share capital of the Company To approve grant of ESARs to the Employees/ Directors of the Subsidiary Company(ies)/ of the Company under - ESAR Plan 2019 To alter the Articles of Association of the Company with respect to removal of common seal clause
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"> To re-appoint Mrs. Latika Pradhan (DIN: 07118801) as an Independent Director of the Company. To re-appoint Mr. Narayan Ramachandran (DIN: 01873080) as an Independent Director of the Company. To re-appoint Dr. V. Raghunathan (DIN: 00254091) as an Independent Director of the Company. To amend the TeamLease Services Limited - Employee Stock Appreciation Rights (ESAR) Plan 2019 adopted by the Company at the Nineteenth (19th) AGM of the company held on August 23, 2019.
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"> To amend the TeamLease Services Limited - Employee Stock Appreciation Rights (ESAR) Plan 2019 adopted by the Company at the Nineteenth (19th) AGM of the company held on August 23, 2019.

B) Postal Ballot conducted during the year 2021-22 :NIL

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 members. Members whose names shall appear on the Register of Members as on September 09, 2022 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 members who have not already cast their vote by remote E-Voting can exercise their vote at the Annual General Meeting.

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/>.

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/investors/>.

3. Presentations to Institutional Investors/Analysts

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/investors/> 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')

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 members 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 2021-22

Pursuant to Circular issued by Ministry of Corporate Affairs ('MCA') General Circular 20/2020 dated May 05, 2020 read together with MCA General Circular Nos. 02/2021, 19/2021, 21/2021 and 02/2022 dated January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 respectively, 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 (hereinafter collectively referred to as "the Circulars"), 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. Members 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, Members 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. In case of any query and/or help, in respect of attending AGM through VC/OAVM, Members may refer to the Help & Frequently Asked Questions (FAQs) and VC/ OAVM user manual available at the download Section of evoting@kfintech.com (KFinTech Website) or contact at 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 evoting@kfintech.com or call KFinTech's toll free No.: 1- 800-309-4001 for any further clarifications.

Day, date and time	: Friday, September 16, 2022, 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, 2021 to March 31, 2022
Cut-off date for determining the names of Shareholders eligible to get Notice of Annual General Meeting	: Friday, August 05, 2022
Cut-off date for determining the names of Shareholders eligible to vote	: Friday, September 09, 2022
Remote E-Voting start time and date	: Tuesday, September 13, 2022 (09:00 A.M. IST)
Remote E-Voting end time and date	: Thursday, September 15, 2022 (05:00 P.M. IST)
Remote E-Voting website of KFinTech	: evoting@kfinotech.com
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
Email Registration & Contact Updation Process	: Demat Shareholders: Contact respective Depository Participant. Physical Shareholders: Contact Company's Registrar and Transfer Agents, KFin Technologies Limited by sending an email request at inward.ris@kfinotech.com along with signed scanned copy of the request letter providing the email address, mobile number, self- attested copy of the PAN card and copy of the Share Certificate
Email Registration on Registrar and Transfer Agent's website	: Members may visit the following Website and follow the Registration Process as guided therein: • KFinTech's Website https://ris.kfinotech.com/email_registration/ .
Participation through Video-Conferencing	: Members can login from 02:45 P.M. IST on the date of AGM at https://emeetings.kfinotech.com
Helpline Number for VC participation	: Call KFinTech's toll free No.: 1- 800-309-4001
Submission of Questions / Queries Before AGM	: Questions/queries shall be submitted 48 hours before the time fixed for AGM i.e., by 03:00 P.M. IST on September 14, 2022, by any of the following process: <ul style="list-style-type: none"> • Email to corporateaffairs@teamlease.com mentioning name, demat account no./folio number, email ID, mobile number, etc. • Members holding shares as on the cut- off date i.e., Friday, September 09, 2022, may also visit https://emeetings.kfinotech.com 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.
Speaker Registration Before AGM	: Visit https://emeetings.kfinotech.com and click on "Speaker Registration" and register as Speaker until 48 hours before the time fixed for AGM i.e., from Monday, September 12, 2022 (09:00 A.M. IST) upto Wednesday, September 14, 2022 (03:00 P.M. IST).
Recorded transcript	: Will be made available post AGM at https://group.teamlease.com/investors/

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, www.nseindia.com	TEAMLEASE	INE985S01024
2.	BSE Limited	Floor 25, PJ Towers, Dalal Street, Mumbai – 400-001 www.bseindia.com	539658	

Payment of Listing Fees:

Annual listing fee for the Financial Year 2022-23 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

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.

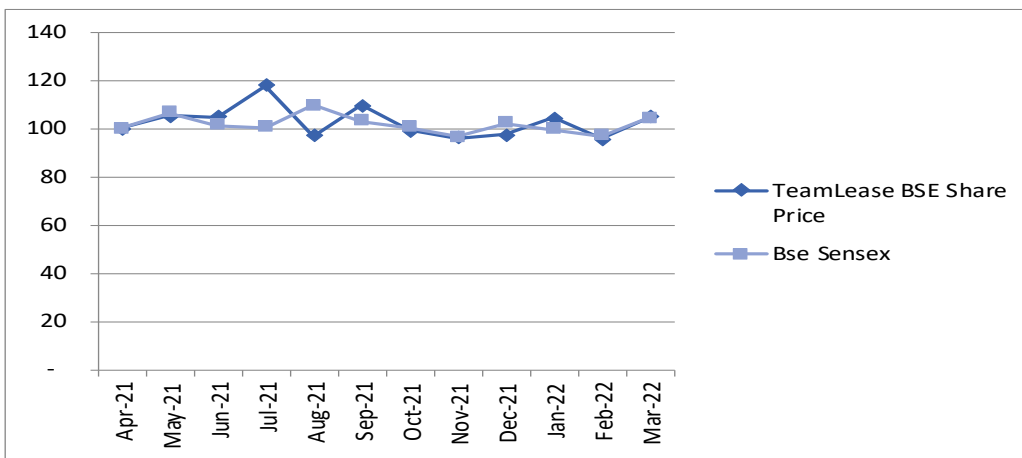
C. Market Price Data:

High, Low (based on daily closing prices) and number of equity shares traded during each month in the year 2021-22 on National Stock Exchange of India Limited and BSE Limited:

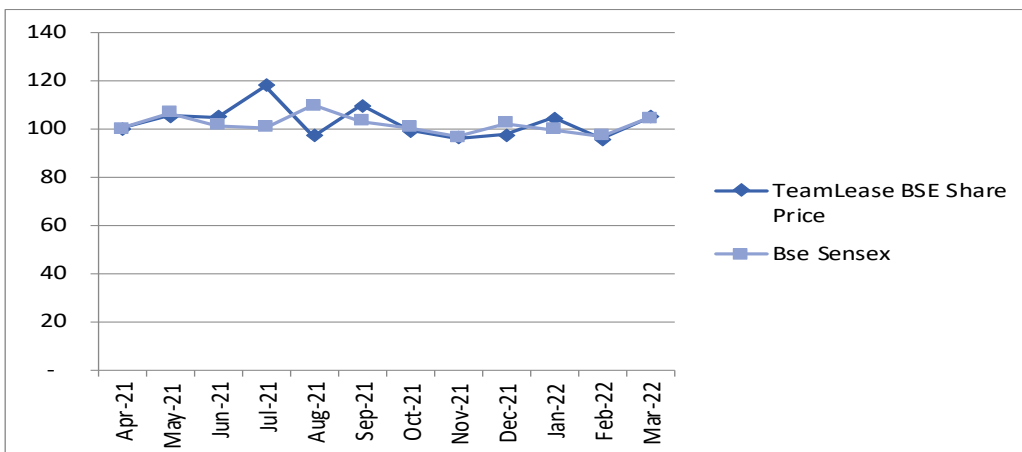
Month	NSE			BSE		
	High (₹)	Low (₹)	Total number of equity shares traded	High (₹)	Low (₹)	Total number of equity shares traded
Apr-21	3,892.00	2,764.65	6,41,036	3,884.10	2,777.20	24,258
May-21	3,675.00	3,149.45	2,29,945	3,666.10	3,147.55	16,670
Jun-21	4,097.70	3,378.50	7,50,964	4,064.95	3,380.00	33,648
Jul-21	4,505.65	3,560.00	7,87,703	3,951.75	3,560.05	36,669
Aug-21	4,290.55	4,111.05	5,50,190	4,264.15	3,690.50	4,30,527
Sep-21	4,850.00	4,085.70	5,59,302	4,844.50	4,090.00	1,16,191
Oct-21	5,550.00	4,400.00	5,59,154	5,544.10	4,422.00	34,901
Nov-21	5,022.55	3,726.30	7,92,107	5,007.00	3,746.85	37,543
Dec-21	4,343.90	3,621.85	6,93,838	4,332.60	3,632.60	59,136
Jan-22	4,400.00	3,708.00	9,49,384	4,392.65	3,721.05	33,401
Feb-22	4,688.00	3,805.00	6,89,521	4,668.15	3,749.95	49,906
Mar-22	4,388.05	3,655.05	5,36,189	4,385.95	3,653.55	66,548

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

Website : 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 IDs namely corporateaffairs@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, 2021 to March 31, 2022.

I. Shareholding as on March 31, 2022

a. Distribution of Equity Shareholding as on March 31, 2022:

Sl. No	Category (Shares)	No. of Shares	% To Holders	No. of Holders	% To Equity
1	1 – 500	6,35,148	97.33	19,343	3.72
2	501 – 1000	1,36,668	0.98	194	0.80
3	1001 – 2000	1,69,860	0.59	117	0.99
4	2001 – 3000	90,948	0.18	36	0.53
5	3001 – 4000	56,465	0.08	16	0.33
6	4001 – 5000	65,504	0.08	15	0.38
7	5001 – 10000	2,74,999	0.20	39	1.61
8	10001 – 20000	3,86,948	0.13	26	2.26
9	20001 – 50000	9,81,446	0.15	30	5.74
10	50001 – 100000	19,46,535	0.13	25	11.39
11	100001 & Above	1,23,52,248	0.17	33	72.25
	TOTAL:	1,70,96,769	100.00	19,874	100.00

b. Category wise Shareholding as on March 31, 2022:

Category	Number of Equity Shares Held	Percentage of Holding
Promoter & Promoter Group	53,87,615	31.51%
Mutual Funds	23,24,939	13.60%
FII/FPI	63,99,813	37.43%
Financial Institutions/Banks/AIFs	3,96,229	2.32%
Retail (Individual/HUF/NRI)	13,61,980	7.97%
Bodies Corporates	12,08,820	7.07%
Clearing Members	5,149	0.03%
ESOP Trust	12,100	0.07%
Trusts	124	0.00%
Grand Total	1,70,96,769	100.00%

c. Top Ten Equity Shareholders of the Company as on March 31, 2022

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	T. Rowe Price International Discovery Fund	5,48,997	3.21%
4	Indus India Fund (Mauritius) Limited	4,70,788	2.75%
5	Goldman Sachs Funds - Goldman Sachs Emerging Markets Equity Portfolio	4,39,449	2.57%
6	Goldman Sachs Trust - Goldman Sachs Emerging Markets Equity Fund	3,99,315	2.34%
7	FIL Investments (Mauritius) Ltd	3,98,164	2.33%
8	Kotak Funds - India Midcap Fund	3,74,290	2.19%
9	Invesco India Contra Fund	3,13,114	1.83%
10	JP Morgan Funds	2,98,057	1.74%

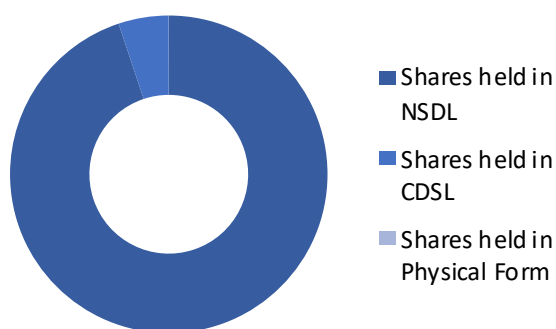
d. Dematerialization of Shares and Liquidity:

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, 2022.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE985S01024.

e. Shares held in dematerialized status as on March 31, 2022:

Status of Dematerialisation	No. of Shares	% of Total Shares
Shares held in NSDL	1,62,22,117	94.88%
Shares held in CDSL	8,73,601	5.11%
Shares held in Physical Form	1,051	0.01%
Total	1,70,96,769	100



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/investors/>.

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/investors/>.

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/investors/>.

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/investors/>.

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, 2022. 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 Mahendra Sabharwal is the Whole Time Director & Vice Chairman of the Company till March 31, 2022 and his re-appointment for a period of 5 years is proposed for approval of the Members at the forthcoming AGM. Mr. Ashok Reddy is the Managing Director 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, 2022. 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/investors/>. 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/investors/>. The Policy was last updated on January 29, 2019.

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 (UPS) 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/investors/>.

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/investors/>.

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. Ashok Reddy (DIN: 00151814), Managing 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, 2022, 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. 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, 2022 is NIL.

xxvii. 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.

xxviii. 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.

xxix. 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.

xxx. 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 32 to the Standalone Financial Statements and Consolidated Financial Statements under Other Expenses.

xxxi. 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, 2022 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 2021-22:	0
No. of complaints received during the Financial Year 2021-22:	9
No. of complaints disposed off during the Financial Year 2021-22:	9
No. of complaints pending at the end of the Financial Year 2021-22:	0

xxvii. Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

xxviii. 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 2021-22 and they are as below:

Line of Credit of TeamLease Services Limited (LOC) for ₹ 175.00 crore	Long-term outstanding rating of ICRA A and short-term outstanding rating of ICRA A1 for ₹ 150.00 crore LOC and a long-term rating of ICRA A and short-term rating of ICRA A1 to the additional limit of ₹ 25.00 crore is assigned by ICRA Limited. The Outlook on the long-term rating continues to be Stable.
Bank loan rating for ₹ 175 Crore bank facilities	Long-term rating of CRISIL A/ Stable and short-term rating of CRISIL A1 is assigned by CRISIL.

xxiv. 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/>.

xxv. Address for Correspondence:

Corporate Governance & Compliance

Ms. Alaka Chanda
Company Secretary and Compliance Officer
Tel: +91 80 6824 3406
E-mail id: alaka.dhawan@teamlease.com

Financial Disclosure

Ms. Ramani Dathi
Chief Financial Officer
Tel: +91 80 6824 3330
E-mail id: ramani.dathi@teamlease.com

Investor Relations (Institutional Investors & Research Analysts)

Ms. Ramani Dathi
Chief Financial Officer
Tel: +91 80 6824 3330
E-mail id: 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: einward.ris@kfintech.com
Website : 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 Second (22nd), 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/>.

- a. Form SH-13
- b. Form SH-14
- c. Forms ISR- 4, 3, 2 and 1

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 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 2021-22. 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	https://group.teamlease.com/investors/
TeamLease Familiarization Policy	https://group.teamlease.com/investors/
TeamLease Nomination and Remuneration Policy	https://group.teamlease.com/investors/
TeamLease Code of Conduct and Business Ethics	https://group.teamlease.com/investors/
TeamLease Learning and Development Policy	https://group.teamlease.com/investors/
TeamLease Corporate Social Responsibility Policy	https://group.teamlease.com/investors/
TeamLease Policy on Related Party Transactions	https://group.teamlease.com/investors/
TeamLease Policy for determining Material Subsidiaries	https://group.teamlease.com/investors/
TeamLease Whistle Blower and Vigil Mechanism Policy	https://group.teamlease.com/investors/
TeamLease Preservation of Documents and Archival Policy	https://group.teamlease.com/investors/
TeamLease Prevention of Sexual Harassment Policy	https://group.teamlease.com/investors/
TeamLease Code of Conduct for Prohibition of Insider Trading	https://group.teamlease.com/investors/
TeamLease Anti-Bribery and Corruption Policy	https://group.teamlease.com/investors/
TeamLease Risk Management Policy	https://group.teamlease.com/investors/
TeamLease Policy on Board Diversity	https://group.teamlease.com/investors/
TeamLease Performance Evaluation of Directors Policy	https://group.teamlease.com/investors/
TeamLease Policy on Determination of Legitimate Purposes for sharing of UPSI	https://group.teamlease.com/investors/
TeamLease Policy on Inquiry Procedure in case of UPSI Leak	https://group.teamlease.com/investors/
TeamLease Policy for Determination of Materiality for Disclosure of Events or Information	https://group.teamlease.com/investors/
TeamLease Business Responsibility Policy	https://group.teamlease.com/investors/

Policy/Code	Weblink
TeamLease Code of Ethics for Directors	https://group.teamlease.com/investors/
TeamLease Audit Committee Charter	https://group.teamlease.com/investors/
TeamLease Policy on Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market	https://group.teamlease.com/investors/
TeamLease Human Rights Policy	https://group.teamlease.com/investors/
TeamLease SRC Terms of Reference	https://group.teamlease.com/investors/
TeamLease Investor Grievance Redressal Policy	https://group.teamlease.com/investors/

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	Brief Descriptions of the Regulations	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), (7) & (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	NA

Sl. No.	Particulars	Regulations	Brief Descriptions of the Regulations	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
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	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, 2022, 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 18, 2022

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, Mr. Ashok Reddy, Managing Director and Ms. 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, 2022 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, 2022 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 18, 2022

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 Members,
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, 2022, 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: F005682D000338291

Date: May 18, 2022

Place: Mumbai

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

[As per Regulation 34 (2) (f) of the SEBI LODR 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, 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 for 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 endeavor to provide a safe and healthy working environment, to use resources effectively and efficiently, and to be accountable and transparent regarding the impacts 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 impacts 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:

[As per Regulation 34 (2) (f) of the SEBI LODR Regulations, 2015]

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.

Section A	General Disclosures
Section B	Management and Process Disclosures
	Principle-Wise Performance Disclosure
	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
Section C	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	Salarpuria Ascent, Koramangala Industrial Layout, Jyoti Nivas College Road, Koramangala, Bangalore – 560095, India
5	Website	https://group.teamlease.com/
6	E-mail Id	corporateaffairs@teamlease.com
7	Telephone	+ 91 80 6824 3000
8	Name of Stock Exchange where Shares are listed	BSE & NSE
9	Financial Year Reported	April 01, 2021 to March 31, 2022
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 3330 / +91 80 6824 3001 Email ID: alaka.dhawan@teamlease.com
12	Reporting boundary	Disclosures made in this report are on a standalone basis and pertain only to TeamLease

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	99.46%
b.	HRTech Consulting	0.54%

IV. Total number of locations where business activity is undertaken by the Company:

a.	Number of International Locations	None
b.	Number of National Locations	13

V. Markets served by the Company: Pan India

VI. Financial Details of the Company

₹ in Lakhs

Sl. No.	PARTICULARS	2021-22	
		Standalone	Consolidated
1	Paid-up Capital	1,709.68	1,709.68
2	Total Turnover	5,67,284.78	6,49,954.94
	Revenue from Operations	5,64,033.82	6,47,982.31
	Other Income	3,250.96	1,972.63
3	Profit After Tax	2,249.63	3,945.46

VII. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

1. Average net profit of the Company for last three Financial Years – 9396.95 Lakhs
2. Prescribed CSR Expenditure – 187.94 Lakhs
3. 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, 2022

Sl. No.	Particulars	Total Employees	Male		Female	
			No	%	No	%
1	Permanent	1929	1229	63.7%	700	36.3%
2	Other than permanent	214	127	59.3%	87	40.7%
3	Total	2143	1356	63.3%	787	36.7%

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	9	2	22.2%
Key Management Personnel	2	2	100%

C. Turnover rate for permanent employees

Permanent Employees	FY22			FY21			FY20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	48%	51%	49%	57%	61%	58%	54%	58%	55%

IX. Holding, subsidiary and associate companies

a. As on March 31, 2022 the Company has 6 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 3330
5	Email ID	corporateaffairs@teamlease.com

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)	FY 22			FY 21		
		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/investors/>.

In addition, there are internal policies placed on the intranet of the Company.

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>Principle 1</p> <p>Ethics, Transparency and Accountability [P1]</p> <p>Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.</p>	<p>Principle 2</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>Principle 3</p> <p>Employees' Well-being [P3]</p> <p>Businesses should promote the well-being of all Employees.</p>
<p>Principle 4</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>Principle 5</p> <p>Human Rights [P5]</p> <p>Businesses should respect and promote Human Rights.</p>	<p>Principle 6</p> <p>Environment [P6]</p> <p>Businesses should respect, protect, and make efforts to restore the Environment.</p>

Principle 7**Policy Advocacy [P7]**

Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8**Inclusive Growth [P8]**

Businesses should support inclusive growth and equitable development.

Principle 9**Customer Value [P9]**

Businesses should engage with and provide value to their customers in a responsible manner.

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
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 TeamLease Prevention of Sexual Harassment Policy Code of Conduct for Prohibition of Insider Trading TeamLease Anti-Bribery and Corruption Policy TeamLease Policy on Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market TeamLease Vigil Mechanism and Whistle-Blower Policy	https://group.teamlease.com/investors/ .
2	2	TeamLease Code of Conduct and Business Ethics	https://group.teamlease.com/investors/ .
3	3	TeamLease Prevention of Sexual Harassment Policy TeamLease Vigil Mechanism and Whistle-Blower Policy	https://group.teamlease.com/investors/ .

Note	Principle	Policy	Website Link
4	4	TeamLease Corporate Social Responsibility Policy TeamLease Vigil Mechanism and Whistle-Blower Policy	https://group.teamlease.com/investors/ .
5	5	TeamLease Code of Conduct and Business Ethics TeamLease Vigil Mechanism and Whistle-Blower Policy	https://group.teamlease.com/investors/ .
6	6	TeamLease Code of Conduct and Business Ethics	https://group.teamlease.com/investors/ .
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 TeamLease Vigil Mechanism and Whistle-Blower Policy	https://group.teamlease.com/investors/ .
9	9	TeamLease Code of Conduct and Business Ethics TeamLease Vigil Mechanism and Whistle-Blower Policy	https://group.teamlease.com/investors/ .

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

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 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. In 2022, we added three new directors with relevant and board experience.

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 three Executive Directors and seven Independent Directors as on date. The Seven non-executive directors (70%), including the Chairman, are independent directors under the applicable SEBI (LODR) Regulations, 2015. Our Board has an average tenure of approximately 5 years. Three of our non-executive directors have been members of the Board one year or less.

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)	No & Names of Committee membership including TeamLease	No & Names of Committee Chairmanship including TeamLease	Clause 17A compliance	Clause 26 compliance
1.	Mr. Narayan Ramachandran	Lead Independent Director and Non-Executive Chairman	-	-	-	Y	Y
2.	Mr. Manish Mahendra Sabharwal	Promoter & Executive Vice Chairman	1. Pennar Industries Limited	-	-	Y	Y
3.	Mr. Ashok Reddy	Managing Director	-	-	-	Y	Y
4.	Mrs. Latika Pradhan	Independent Director	1. Mafatlal Industries Limited	1. Mafatlal Industries Limited- Audit Committee 2. Fulford (India) 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	-	-	-	Y	Y
9.	Mr. Subramaniam Somasundaram	Independent Director	-	1. TeamLease Services Limited- Audit Committee	-	Y	Y
10.	Ms. Rituparna Chakraborty	Executive Director (Additional)	-	-	-	Y	Y

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 Mahendra Sabharwal

Whole Time Director &
Vice Chairman
DIN: 00969601

Diversity	Y
Age	52 yrs
Overall Experience as Director	24 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
DIN: 00151814

Diversity	Y
Age	52 yrs
Overall Experience as Director	25 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	67 yrs
Overall Experience as Director	08 yrs
Director in TeamLease since	2015
Current Term	2 nd - 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

Lead Independent Director
& Non-Executive Chairman
DIN: 01873080

Diversity	Y
Age	59 yrs
Overall Experience as Director	18 yrs
Director in TeamLease since	2015
Current Term	2 nd - 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	67 yrs
Overall Experience as Director	18 yrs
Director in TeamLease since	2015
Current Term	2 nd - 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	72 yrs
Overall Experience as Director	16 yrs
Director in TeamLease since	2019
Current Term	1 st - 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	41 yrs
Overall Experience as Director	11 yrs
Director in TeamLease since	2021
Current Term	1 st - 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	51 yrs
Overall Experience as Director	05 yrs
Director in TeamLease since	2021
Current Term	1 st - 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	61 yrs
Overall Experience as Director	15 yrs
Director in TeamLease since	2021
Current Term	1 st - 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

Executive Director
DIN: 07332241

Diversity	Y
Age	47 yrs
Overall Experience as Director	05 yrs
Director in TeamLease since	2022
Current Term	1 st - Till May 17, 2027 (Subject to Shareholder's Approval)

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

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 to 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/investors/>.

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 Services Limited 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 Services Limited 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 KMPs of the Company spent approximately 18 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 KMPs	All employees of the Company undergo various training programmes throughout the year. Owing to the pandemic, during the year, 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 man days per employee: 2 man 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	-	-	-	-	-	-
Total	-	-	-	-	-	-

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	-	-	-	-	-	-
Total	-	-	-	-	-	-

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/investors/>.

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
	FY 22	FY 21
Directors	-	-
KMPs	-	-
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/investors/>.

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 including Joint Ventures and Associate Companies and 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
	FY 22	FY 21
Directors	-	-
KMPs	-	-
Employees	-	-

VI. 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.

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 BCM 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 FY22, capex incurred towards IT hardware and software (including capital work in progress), which facilitated the enhanced digital initiatives of the Company was 0.19% 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)? If yes, provide details in the following format?

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 40%. 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.

RESPONDING TO COVID-19

TeamLease has always prioritized the health and safety of our team members. Throughout the pandemic, we have monitored developments, consulted external experts, and worked with TeamLease leaders to establish and maintain stringent protocols to safeguard team members on a local, regional, and PAN India level.

SAFEGUARDING OUR HEALTH

Vaccinations are a crucial weapon in the fight against COVID-19. In the first half of 2021, as several countries launched their vaccination programs, case counts improved in several parts of the world but, sadly, worsened in others. In India, for example, record-high case numbers rapidly overwhelmed the medical system. To assist our India team members and their families, we acted quickly. In all locations, TeamLease continues to encourage vaccination through local government and health resources.

SUPPORTING OUR COLLEAGUES

Team members have worked in several ways to support their colleagues, families, and communities during the pandemic. Every month we shared information, tips, and best practices focused on a specific theme of well-being.

For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers. From a highly centralized model consisting of work spaces set in physical locations capable of accommodating thousands of employees, the switch to work from home for employees all over, extending all the elements of the Company's working model, was carried out seamlessly.

Employee wellbeing checks are conducted frequently. In the event of an unfortunate turn, TeamLease offers support to the grieving family, including financial support reimbursements for medical expenses, salary advance and leave. Employees who have contracted it were allowed 14 days of additional paid leave to recuperate.

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. In 2022, we will continue to follow the advice of health organizations, doctors, and scientists as we plan for the balance of our workforce to return to the office. 2021 was a difficult year, particularly as we mourn the loss of colleagues, family, and friends to the virus. To the TeamLease team, we express our admiration for their resilience and for the care and concern they've shown for others throughout the pandemic. This compassion and sense of community are among the company's greatest assets.

A. Essential Indicators pertaining to Principle 3

- I. Please indicate the total number of employees - 1937
- II. Please indicate the total number of employees hired on temporary/contractual and casual basis - 98
- III. Please indicate the number of permanent women employees - 701
- 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

Category	Total	Permanent employees									
		Health		Accident		Maternity		Paternity		Day Care Facilities	
		NO	%	NO	%	NO	%	NO	%	NO	%
Male	1356	1356	100%	1356	100%	-	-	1356	100%	-	-
Female	787	787	100%	787	100%	787	100%	-	-	787	100%
Total	2143	2143	100%	2143	100%	787	37%	1356	63%	787	37%
Other Than Permanent Employees											
Male	127	69	54%	69	54%	-	-	69	54%	-	-
Female	87	35	40%	35	40%	35	40%	-	-	35	40%
Total	214	104	49%	104	49%	35	16%	69	32%	35	16%

VI. Details of retirement benefits for the current and previous financial year

Benefits	FY 22		FY 21	
	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	96%	Y	93%	Y
Gratuity	100%	N.A	100%	N.A
Employee State Insurance (ESI)	22%	Y	27%	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.

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	100%
Female	90%	90%
Total	190%	190%

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	9	0

XIII. Details of training given to employees

Category	FY 22					FY 21				
	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	1954	934	47.80%	273	13.97%	1722	381	22.13%	956	55.52%
Female	1204	647	53.74%	102	8.47%	1023	217	21.21%	617	60.31%
Total	3158	1581	50.06%	375	11.87%	2745	598	21.79%	1573	57.30%

XIV. Details of performance and career development reviews of employees

Category	FY 22			FY 21		
	Total	Employees		Total	Employees	
		No	%		No	%
Male	1954	1698	86.9%	1722	1581	91.8%
Female	1204	1043	86.6%	1023	936	91.5%
Total	3158	2741	86.8%	2745	2517	91.7%

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. Training programmes on the safety of women employees at the workplace is mandatory for all employees. During the year, there were no accidents of any employee of the Company whilst on duty. Owing to COVID-19 induced pandemic, health and safety issues became paramount for both, employees/visitors in the office premises and for field staff, details of which are given elsewhere in this report.

- 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. However, in light of the pandemic, the Company recognises the risks of infections that could take place in the office premises. To minimise these risks, the Company took necessary precautions at the offices, which included sanitisation of all office premises, removal of biometric scanners, installation of facial biometric scanners, thermal scanners, daily communication updates, restricted movements in common areas, closure of recreational facilities and avoidance of large gatherings. The Company also adhered to all the government directives and issued travel and health advisories to its employees and advised all its employees to work from home as required or on a rotational basis to ensure employee safety and business continuity.

- 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. However, in light of the pandemic, the Company recognises the risks of infections that could take place in the office premises. To minimise these risks, the Company took necessary precautions at the offices, which included sanitisation of all office premises, removal of biometric scanners, installation of facial biometric scanners, thermal scanners, daily communication updates, restricted movements in common areas, closure of recreational facilities and avoidance of large gatherings. The Company also adhered to all the government directives and issued travel and health advisories to its employees and advised all its employees to work from home as required or on a rotational basis to ensure employee safety and business continuity. The Company has organised vaccination camps for its employees in an endeavour to urge all employees and their families to get vaccinated.

- 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	FY22	FY21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)		-	-
Total recordable work-related injuries	Permanent Employees	-	-
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. To prevent the spread of COVID-19, the Company took necessary precautions at all its offices, which included sanitisation facilities, social distancing, installation of thermal scanners, removal of biometric scanners and installation of air purifiers which do not use chemicals or produce ozone. Detailed standard operating procedures and guidelines/advisories were issued periodically to the employees of the Company. The Company adhered to directives issued by the government/local authorities pertaining to COVID-19. 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	FY 22			FY 21		
	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. An all-India COVID-19 taskforce team has been set up to extend assistance to infected staff /family for quarantine facilities, medical emergencies and hospitalisation.

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 Q11 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	
	FY 22	FY 21	FY 22	FY 21
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 endeavor 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. Despite COVID-19 and pandemic-related challenges, we've continued to engage with our customers in a variety of ways.

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, concalls, video-conference	Need based	Discussions with regard to various regulations and amendments, inspections, approvals
Research Analysts	No	Email/ concalls, 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 fulfills a critical social objective. The Company engages with various stakeholders in helping to expand the job market and enable more Indians to become jobowners. 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 must be ensured of their well-being and health and safety during a pandemic
- Employees must not be discriminated against, regardless of pandemic circumstances
- Employees must be 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	FY 22					FY 21				
	Equal to minimum wages			More than minimum wages		Equal to minimum wages			More than minimum wages	
	Total	No	%	No	%	Total	No	%	No	%
Permanent	3158	-	-	3158	100%	2754	-	-	2754	100%
Male	1954	-	-	1954	100%	1722	-	-	1722	100%
Female	1204	-	-	1204	100%	1023	-	-	1023	100%
Other than Permanent	350	-	-	350	100%	304	-	-	304	100%
Male	206	-	-	206	100%	181	-	-	181	100%
Female	144	-	-	144	100%	123	-	-	123	100%

IV. Details of remuneration/salary

Category	Male		Female	
	Total	Median remuneration/ salary/ wages of respective category	Total	Median remuneration/ salary/ wages of respective category
Board	2	150.00 Lakhs	-	-
KMP	-	-	2	81.80 Lakhs
Employees other than Board/KMP	1952	4.54 Lakhs	1202	3.56 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	FY 22			FY 21		
	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	9	0	NA	5	0	NA
Discrimination at workplace	NA	NA	NA	NA	NA	NA
Child Labour	NA	NA	NA	NA	NA	NA
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

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 value chain partners (by value of business done with such partners) that were assessed
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 BCM 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. • Transformed CBSE's board exams towards competency-based assessment systems • Provided Lenovo V350 desktops to students in Gujarat and Madhya Pradesh • Arranged Industrial FDM 3D printers for educational facilities in Gujarat and Madhya Pradesh • 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 elsewhere 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.

- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No) – No
- From which marginalised /vulnerable groups do you procure? Not Applicable
- 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.

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	FY 22			FY 21		
	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.

Yes. The Company has in place board approved policies such as Cyber Security Policy, Social Media Security Policy and Information Security Policy to ensure sufficient safeguards are in place to prevent any data leakage. The policies are also aligned with the Master Direction – Information Technology Framework for the NBFC Sector, ISO 27001 and the National Institute of Standards & Technology guidelines.

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://group.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. Owing to COVID-19 related disruptions, customers were intimated of the same through the electronic communications or through the Company's website. The online portals also ensured that customers could continue to be served during the lockdowns.

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

- a. Number of instances of data breaches along with impact - NIL
- b. 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 economy

The global economy is recovering although the extent and pace of recovery is divergent across geographies. However, with countries, organizations and individuals experiencing different economic realities, the recovery is slightly uneven. Central Banks across the world kept their monetary policies accommodative but there is a rise in inflation across geographies. The spiralling inflation can be partly attributed to supply chain shortages in the pandemic along with rise in unemployment.

According to the International Monetary Fund (IMF), global economic growth is expected to moderate from 5.9% in CY2021 to 4.4% in CY2022 and further drop at 3.8% in CY2023.

In CY2021, there was a substantial rise in inflation as a result of hike in commodity prices and is likely to remain strong in the short term, averaging at 3.9% in advanced economies, 5.9% in emerging markets and developing economies in CY2022. However, it expects moderation in CY2023. Decrease in higher inflation can be owed to receding supply chain disruptions, tightening of monetary policy, and demand shifts from goods-intensive spending toward services; provided the expected medium-term inflation is correct along with the easing of pandemic.

As a result of increased commodity price, labour markets in the Gulf Cooperation Council (GCC) countries have recovered faster than in non-GCC countries. Although labour force participation in GCC countries is predicted to approach pre-crisis levels by CY2022, it is expected to remain below 2019 levels in non-GCC countries through CY2023.¹

Countries need to adapt to a pandemic influenced labour market. Therefore, it is important to retool and reskill workers to effectively contribute and make the most of an increasing digital economy. Pandemic offers a unique opportunity to accelerate digitization by adopting advanced technologies. Affordable technologies and effective transportation have made it easier for multinational companies from advanced economies to outsource several industrial operations from EMDEs. These offshore operations can be used as a source of employment and growth.

Pandemic

stimulating digitization.

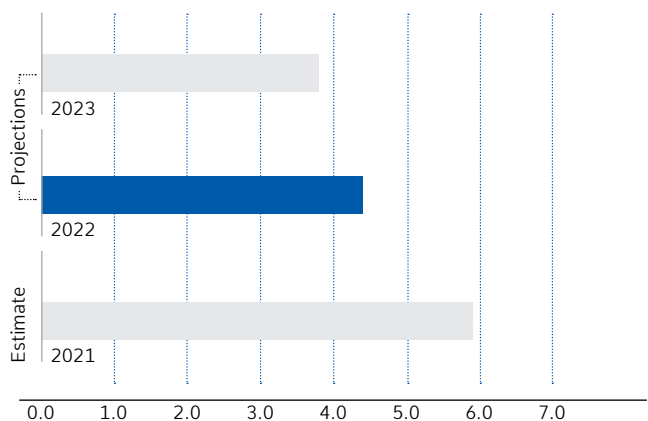
Outlook

International Labour Organization predicted that the overall working hours, across the world would be lower by a little more than 2% in CY2022, in comparison to the pre-pandemic levels.

Despite the significant improvement over 2021, when hours worked adjusted for population growth fell by the equivalent of 125 million full-time jobs (assuming a 48-hour work week), it remains extraordinarily high. The employment-to-population ratio is expected to be 55.9% in CY2022, which is 1.4% points lower than in CY2019.

It is expected that the shocks that slowed down global growth in CY2022 will eventually peter out, and global economic output will pick up faster in CY2023. Predicted improvements in credit growth followed by increasing public and private investments and consumption is likely to improve prospects for emerging and developing economies going forward.

World Output



Indian economy

The Indian economic recovery is driven by several reforms in the fiscal, monetary and health policies. To promote a durable and sustainable economic growth, the government is planning a major rise in capital investment and supply-side reforms as well.

Following a contraction of 7.3% in FY2020-21, the Indian economy is expected to grow by 9.2% in real terms in 2021-22 (according to initial advanced projections). In real terms, GDP is also expected to expand by 8 to 8.5% in 2022-23.²

¹World Employment and Social Outlook | Trends 2022

²MOSPI – NSO press release dated 29th November 2021

RBI implemented initiatives to provide additional liquidity, including the G-Sec Acquisition Program and Special Long-Term Repo Operations, resulting in the Repo rate remaining at 4% in FY2021-22. From 6.6% in FY2020-21 to 5.2% in 2021-22 (April-December), CPI-Combined inflation moderated to 5.2%. Throughout the year, effective supply-side management kept the prices of most essential commodities under control. Retail core inflation (inflation excluding 'food and drinks' and 'fuel and light' - the index's transitory components) has been on the rise this fiscal year. The average core inflation rate for April to December 2021 was 5.9%, compared to 5.4 percent in the same period previous year, and it remained below 6% in most months.

With the economic recovery, employment statistics in the last quarter of 2020-21 returned to pre-pandemic levels. According to EPFO data, Covid influenced formalisation of jobs in the second wave but the influence of Covid on job formalisation was significantly less in comparison to the first wave.

According to data from the quarterly Periodic Labour Force Survey (PFLS) up to March 2021, employment in the pandemic-affected urban sector has nearly restored to pre-pandemic levels. MGNREGS allocation rose to 73,000 crores in FY 2021-22, up from 61,500 crore in FY 2020-21.

The allocation for FY 2021-22 has been increased to Rs 98000 crore. In FY2022, 8.70 crore people and 6.10 crore

households have been employed so far. The trade sector along with hospitality sector accounted for slightly more than 22% of new workers, and thus keeping up with the statistics of last year (more than 28% workers).

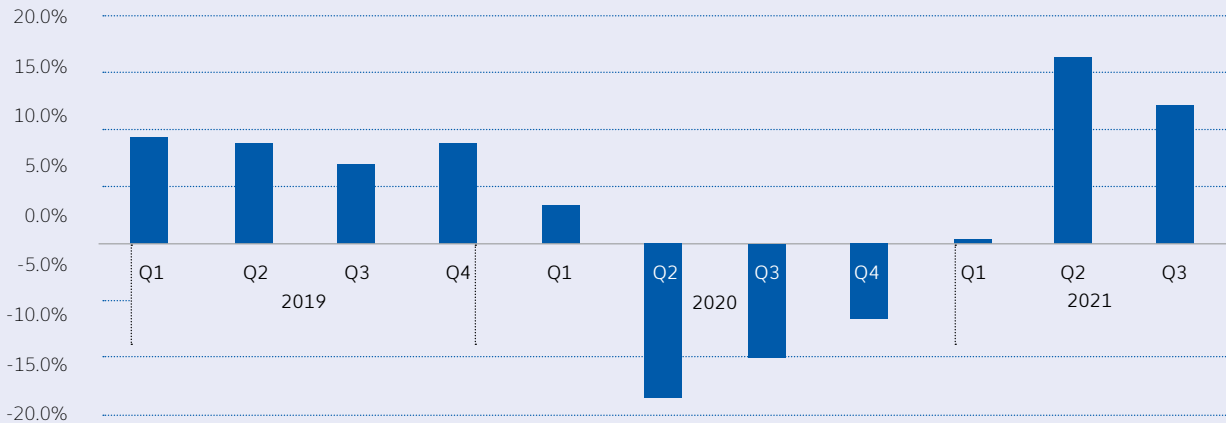
In 2021-22, the overall service sector GVA is predicted to expand by 8.2%, while agriculture sector is predicted to grow by 3.9% and industry sector by 11.8%. In 2021-22, the subsectors 'Trade, hotels, transportation, communication & broadcasting services,' 'Financial, real estate & professional services,' and 'Public administration, defence & other services,' are expected to grow by 11.9%, 4%, and 10.7%, respectively.

Outlook

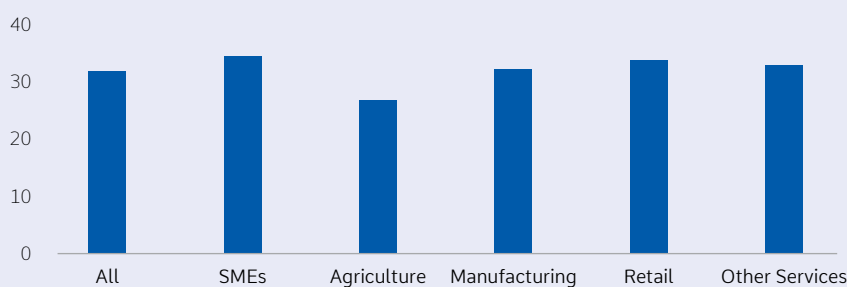
According to IMF, India's projected GDP is 9% and 7.1% for FY22 and FY23, respectively and thus making India a part of the fastest growing major economies in the world. Despite the global upheavals, India's balance of payments has remained in surplus for the past two years.

Notwithstanding to the stressful times, Indian financial markets have performed remarkably well. Thus, allowing Indian corporations to raise record amounts of risk capital. Indicators of macroeconomic stability imply that the Indian economy is well positioned to overcome the challenges of CY2022-23. With the financial system supporting the Indian economic recovery, the private investments are expected to grow.

GDP (Year on Year) Growth



Share of firms that reduced working hours (%)



Source: World Bank.

Note: SMEs = average for small and medium-sized firms. Simple averages. Calculations are based on the data from the Business Pulse Surveys, wave 1 responses of firms in 2020. The sample includes 32 emerging market and developing economies (EMDEs).

Global staffing industry

The global staffing industry is expected to rebound by 12% in 2021 to USD 445 billion (EUR 390 billion), following a slowdown of 11% in 2020. Moving forward to 2022, research predicts moderate revenue growth of 8% and major European and Asian staffing markets are likely to increase by double digits.

Although Covid is slowly easing out, many countries continue to encounter difficulties like concerns rising from the spread of diverse regional variants. When comparing global staffing markets in 2021 with 2019 (year before pandemic), the outlook is ambiguous. However, mostly all countries are expected to recover by 2022.

The total revenue from staffing in Europe, the Middle East, and Africa was USD 178 billion (EUR 157 billion) in 2020. The Americas (North and South) garnered USD 152 billion (EUR 133 billion), while Asia Pacific collected a revenue of USD 115 billion (EUR 101 billion).³

The rise in inflation can be attributed to the tension in global supply chains followed by lack of labour availability and various fiscal and monetary measures of governments across the world. The United States and India are experiencing the highest inflation rates (both at 4.78%) in 2022, followed by the United Kingdom (at 4.39 percent), as a result of Brexit.

Staffing agencies are now dealing with standards that vary by jurisdiction and organisation. They also invest in methods and technology to create a vaccinated workforce in order to deal with exemptions, and to monitor a reliable testing regime. In addition to the increased rate of tax, rise in inflation will put pressure on people with minimum wage. However, the minimum wage is predicted to rise in most nations by 2022.

According to a report by the National Employment Law Project (NELP), the minimum wage climbed to unprecedented levels in 21 US states and 35 cities and counties on 1st January, 2022. The minimum wage hit a \$15 per hour in 33 of these jurisdictions and is expected to increase as staffing firms seek safety in diversification and leverage on fresh growth prospects.

The pandemic exceptionally influenced diverse employment sectors. While it wrecked some industries (catering/hospitality), others (healthcare/agriculture) have thrived. Weaker sectors are likely to recover but may face relatively higher risks.

Last year, healthcare followed by information technology recorded maximum activity as a staffing sector. The amount of money spent on non-staffing activities by staffing firms has been remarkable for the mergers and acquisitions front. In fact, more than half (54%) of acquisitions in 2021 will be in non-staffing related industries, with talent acquisition technologies being the most significant. Staffing organisations are aiming to consistently invest in technology, continue including platform-related business models in 2022.

The market upheaval has positively compelled the firms to sharpen up. In comparison to 2019, the staffing business in 2022 is more resilient, automated, efficient, sensitive, and experiencing increased demand.

Indian staffing industry

A GDP prediction of 8.5% for 2022 has sparked widespread optimism across industries. The increasing hiring intent comes following a k-shaped recovery (various sectors rebounding at considerably different rates) and the formal economy delivering on higher demand. Despite the upheavals on worldwide business, India's organised staffing industry has continued to expand at an unprecedented rate. In the previous year, the staffing market has demonstrated exceptional performance through its durability and stability. Indian workforce now recognises the future potential of organised business along with enormous benefits from social security and protections.

The development of countries is directly proportional to their share of formal employment. This can be attributed to demand side variables such as expanding share of organised economy, desire for quality services, compliance, and supply side factors such as rising education levels, urbanisation, and so on.

The government's new National Education Policy (NEP2020) is a thrust is towards vocational and skill education of students to prepare employable youth for the country. Government's policies like demonetisation, GST rollout, and UPI payments, demonstrate its commitment to the formalisation of the economy. To promote it further, the current Indian government has initiated changes, that are motivated by labour and social welfare concerns, improved governance, and revenue maximisation. These labour changes are currently being implemented and will be a major driver of workforce formalisation in the future years.

The goal of formalising jobs is to drive productivity to ultimately fuel the economy. Formal staffing employs an inclusive strategy to create quality jobs across sectors and thus improve prospects. With the 'New Normal,' the workforce has enablers that are resulting in a significantly broader representation for the future workforce.

The organised staffing industry in India is evolving and rapidly becoming prominent across diverse industries. Information technology staffing, e-commerce, logistics, and manufacturing encountered a rise in the previous year. The momentum is likely to remain favourable in the staffing industry despite the shift in growth in Q1FY22 in comparison to Q4FY21.

There is a huge demand surge in technology, IT consulting and services as digitalisation got a massive boost across all sectors, and this trend is likely to persist. This further drives the demand for talent.

The IT function has become extremely crucial, owing to remote hiring and hybrid employment. Expanded IT and sales function along with rise in attrition across departments and industries are some of the strong hiring determinants. The augmented hiring intent aims to secure both operational as well as growth frontiers.

³<https://www2.staffingindustry.com/eng/Editorial/Daily-News/World-Global-staffing-industry-revenue-set-to-grow-12-this-year-SIA-57816>

The formal staffing industry is increasingly becoming responsible to bridge the skill-employment gap and to address concerns in the Indian workforce. Further streamlining of labour laws, rules, and better regulatory oversight facilitates the staffing industry as well as India's economic and employment growth in the future.

Increased capacity utilisation mitigates the supply interruptions caused by the Covid-19 variants. This further promotes private investment and creates more employment opportunities. High-frequency indicators along with consistent well-being and positive credit growth collectively contribute to the total hiring intent.

Major employment trends in 2022⁴

- **AI and machine learning**

The demand for AI and Machine Learning is expected to surge and thus creating more job opportunities. With rapid digitisation of industries and sectors like IT and BFSI, the role of AI and machine learning will only grow in 2022.

According to industry projections, AI/Machine Learning investments in India would expand at a CAGR of 33.49% until 2023.

- **Chatbots**

Chatbots is expected to be the new customer support service. To improve customer engagement and keep up with the times, more businesses are implementing chatbots. The chatbots predicted to power about 45% of customer support services by 2022.

This will further increase the demand for roles in learning and development, travel, consumer analysis, and lead nurturing.

- **FinTech**

The Indian FinTech business is experiencing rapid growth, and is expected to become the world's third largest market by 2025. FinTech expansion would be seen in 2022 as well.

Increased digitization and fast digital adaptability are going to be crucial along with a finer understanding of required skills in the business.

- **IT**

IT never ceased to hire, even during the pandemic. This tendency is expected to continue in 2022 as well and thus surging the demand for IT talent.

The IT industry is expected to grow by 7% this year, with a gross personnel addition of roughly 450,000 expected in the second half of FY22.

- **Big data analytics**

It has been observed that 96% of organisations want to acquire new employees with relevant skills to meet

the growing demand of big data analytics-related opportunities in 2022.

In 2022, this will increase exponentially in demand. The e-recruitment market was dominated by roles in data science, cloud computing, and machine learning.

- **Digital skills**

In industries like BFSI and with emerging areas like cryptocurrencies, demand for qualified and digitally-skilled workforce is expected to increase consistently over time.

Data science, cloud computing, artificial intelligence, blockchain, and machine learning are the top skills that companies are looking for.

- **Salespeople**

Sales experts are expected to be in higher demand, particularly in businesses like FinTech, Retail, E-commerce, and Social Commerce.

- **Logistics staff**

Owing to increased demand, ecommerce companies intend to increase their hiring of delivery and supply chain personnel.

It has resulted in the establishment of job opportunities in tier II and tier III cities, with the participation of workers with even the most basic qualifications. This could result in a shift in engagement models, such as an increase in temporary and contractual employment during peak seasons.

- **Future unbound by geography**

The future is the hybrid mode of working. This is aligned with location-agnostic working and is crucial for tech organisations with huge workforces.

With more employees preferring remote work, more companies are now considering smaller facilities in tier-2 cities or opting for co-working spaces to provide greater resources and better technological access to their employees.

Tier-2 cities will experience a rise in demand in terms of hiring.

- **Fresher hiring**

Fresher hiring has increased in the last three months of the year, and is expected to grow further in 2022. The continued growth of start-ups will add to the demand for entry-level employees in a variety of fields so there is a positive outlook for new hires.

Flexi staffing industry

Flexi Staffing has repositioned itself in the Indian labour market. Around 72% of Flexi workers want retain their positions, and 85% of Flexi workers are satisfied with the existing situation.⁵ This indicates that the long-term

⁴<https://www.indiatoday.in/education-today/latest-studies/story/9-major-employment-trends-for-2022-monster-report-1899762-2022-01-13>

⁵ISF Report 2021

endeavour to transform temporary staffing into a mainstream job powerhouse has been assessed by the mid-level, senior, and aspiring professionals.

Flexi work grew by an additional 31% in India in 2021, compared to other employment types. Working in a temporary arrangement has significantly gained traction from flexi employees, while work-from-home and hybrid modes received mainstream traction.

The formalisation of workforce is predicted to grow exponentially in India over the next decade. This development can be attributed to the measures initiated by the Indian government like 'Make in India' along with a keen focus on increasing GDP per capita. It is expected to rise to 30.3% in 2025 and 38.3% in 2030.

A formalised workforce is one of the key growth drivers for the Flexi staffing business. The business is expecting to develop to 1.6% by 2025 and 2.7% by 2030, from 0.7% in 2018. Over the coming decade, shorter product life cycles, disruptive innovation, and a shifting competitive climate will necessitate greater employee flexibility. The flexi staffing market is predicted to grow at a 15% CAGR from 4.4 million to 15.4 million people between 2021 and 2030.

Women's participation

Temporary staffing engagement has been very uneven with women engagement increasing by 6% and men engagement dropping by 4%. The rise in women participation can be owed to a hybrid working environment, which accommodates simultaneous exploring of other career options.

Last year, majority of flexi staffing options shifted from outdoor sales to critical delivery services.

Youth employment

The youth are actively engaging in temporary positions. In India, an average of 4% of students joined flexi jobs during the final year. 2021 experienced an additional 21% more flexi employees with higher education and 11% more with higher skills than in 2020.

Nearly 70% of temporary worker profiles were graduates and above. This can be owed to the need of skill sets in technological industries, created by the rising use of digital services.

Sectoral growth drivers

Healthcare, IT & ITeS, Pharma, Edutech, and E-commerce grew in the previous year, with employment growth exceeding 35%. Because of the extensive digital integration and tech firms investing in automation, the majority of growth is projected in the IT & ITeS industry. These IT organisations are focusing on entry-level talent, particularly in temporary roles, which attracts more freshers to this work structure.

Over the next ten years, workers employed by leading flexi staffing firms are predicted to rise at a rate of 5.9%, or a 9.3% compound annual growth rate (CAGR). Other significant drivers of long-term growth would include an increase in overall workforce and market share of prominent staffing firms.

IT flexi staffing industry

Pandemic has resulted in firms being extremely reliant in technology. The exponential growth in IT investments remain a testament to that. The IT employment has increased a lot and continues to grow over the time, as a result of an improved outlook.

The increase in hiring intent is led by IT and Sales function roles, demonstrating that firms focus on both operations and expansion. IT functions are now thriving as a result of the hybrid working environment.

According to LinkedIn research, globally, the IT job requirement lies at 149 million between 2020 and 2025, representing a 29% CAGR. Industries adopting advance technologies and multiple cyber security breaches drives the rising demand and further growth.

According to Gartner's 2022 CIO and Technology Executive Survey, information security is most likely to attract investments. The BLS predicts that information security analysts will be the fastest growing profession in the US from 2020 to 2030, and the 19th fastest growing occupation among the US BLS's 800 occupations.⁶

The sector's unemployment rate declined to 1.7% a year later after peaking at 4.2% in Q3 2020, matching a pre-pandemic low. IT staffing firms have both possibilities and challenges as a result of the continuous skills shortage as well as constant demand for new skills.⁷ Despite the optimism of the IT staffing market, growth drivers along with appropriate strategies will be required to capitalise on new opportunities.

Surging competition and investing in advanced technologies are likely to contribute more towards the promising future of the IT staffing .

Online recruitment industry

Covid-19 has had an impact on global business processes, especially hiring. It was critical for firms to employ and adapt to newer recruitment processes. To ensure the well-being, organisations have moved to remote operations and rethinking strategies to hire new talent.

Several companies have successfully transformed from physical to virtual and HR managers are looking to change recruitment tactics in the aftermath of the outbreak. Technology has played a major role in mitigating risks while acquiring talent. Organisations are increasingly using virtual and online recruitment programmes to safeguard both their personnel and their candidates.

According to an analysis, the market is predicted to expand at a CAGR of 7.1% from 2021 to 2028, from US\$ 29292.3 million in 2021 to US\$ 47315.0 million in 2028.⁸

Recruitment organisations are integrating data analytics-driven solutions for their applicant tracking procedures to leverage on virtual hiring. This data-driven strategy uses a variety of algorithms and data sources to address both enterprise-wide and employee recruiter preferences.

⁶BLS Employment Highlights 2022

⁷<https://www2.staffingindustry.com/eng/Editorial/IT-Staffing-Report/Jan.-6-2022/IT-staffing-growth-drivers-firmly-in-place-in-2022-and-beyond>

Recruitment organisations are now developing technological alliances to enhance online recruitment. These help with candidate identification, recruitment, engagement, and conversion into applicants and thus increases the efficiency of the process.

A rising number of businesses are incorporating artificial intelligence into their hiring processes. Various technologies, such as applicant tracking software, interviewing software, and candidate relationship management software, are improving global virtual recruitment. These factors along with the global availability of various recruiting solutions, are encouraging the adoption of online recruitment processes, thus, driving the market.

Edtech and employability industry

Significant technical breakthroughs, a large influx of foreign capital, and other macroeconomic pressures have changed the industry demand. This transformation has set the stage for India's economic progress to the next phase. To keep up with the changing economic realities and along with digital-first approach the Indian workforce needs to be rigorously upskilled

In 2022, the intention to upskill has reached a new high, with 79% of professionals (including freshers) expecting to do so, up from an already high number in 2021.

In 2021 and 2022, professionals from Mumbai, Delhi, and Hyderabad expressed the greatest interest in upskilling. However, according to Great Learning, Bangalore, Chennai, and Hyderabad are the preferable locations for tech and data fields demand. With the development of remote working and online hiring, tier 2 and 3 cities like Nagpur, Ernakulam, Mysore, Jaipur, Indore, and etc have demonstrated a strong desire to upskill

The National Skill Qualification Framework would be aligned with the evolving industrial needs, according to the measures stated in the Union Budget 2022-23. The productivity-linked incentive schemes (implemented across 14 sectors), will have the potential to create 60 lakh new work opportunities, boosts new job and skilling opportunities.⁹

Due to rising digital transformation and the dynamic nature of the industry, the IT, BFSI, and consulting sectors continue to thrive. Professionals in healthcare and education are trying to upskill in data and technological skills. Globally, 2021 was a year of new benchmarks in online learning and upskilling, and it appears that this interest in learning would only keep growing and persist in the future year. Upskilling is gaining traction in smaller Indian cities, indicating how geographical barriers are being broken.

RegTech (regulatory technology)

Demand for digital financial services along with rising criminal cases drive the need the RegTech industry. The industry uses big data, cloud computing, and machine learning algorithms to aid heavily regulated enterprises and regulatory bodies. These operations are executed through a set of automated risk management systems, regulatory reporting solutions, and the operation of internal compliance procedures.

By 2026, the global RegTech market is anticipated to be worth \$33.1 billion dollars.¹⁰ The RegTech solution's first phase is focused on fraud prevention and regulatory compliance. Companies can now expect solutions that can deliver a better level of analysis connected with risk and performance using existing information, as AI, big data, and NLP are the primary drivers of this market.

RegTech firms raised \$13.5 billion in 320 deals in the first nine months of 2021, with major transactions over \$100 million driving the total and thus indicating a growing demand in the financial sector.

This year, RegTech industry demonstrated exceptional performance. This can be owed to the maturing market and online trading platforms becoming moderately cautious from being moderately aggressive. The industry now places a greater emphasis on regulatory compliance than ever before.

The cumulative effect of previous regulatory moves is beginning to have a big impact. RegTech solutions are allowing businesses to comply with the law without losing customers and the sector has embraced those regulations in large numbers. RegTech is no longer solely connected with financial services; solutions for compliance will continue to spread across a range of regulated industries, including energy, education, pharmaceuticals, and healthcare.

Company overview

A prominent provider of HR services, TeamLease Services offers 3500+ client organisations a variety of solutions for their hiring, productivity, and scale-related challenges. TeamLease, a Fortune India 500 company listed on the NSE and BSE, has hired more than 19 lakh individuals in the past two decades. TeamLease, one of India's fastest growing employers, also administers India's first Vocational University and the country's fastest growing Apprenticeship Program. The Company provides solutions for the 3Es of employment, employability, and ease of doing business to large, medium, and small clients over 60 industries. The Company established TeamLease Skills University (TLSU) in Vadodara, which is India's first vocational university, in collaboration with the Gujarat government. The Company currently employs approximately 2.9+ lakhs associates and trainees in more than 7500 locations spread throughout 28 states.

⁸<https://www.businesswire.com/news/home/20210812005607/en/Insights-on-the-Online-Recruitment-Global-Market-to-2028---by-Job-Type-Application-and-Geography---ResearchAndMarkets.com>

⁹<https://hr.economicstimes.indiatimes.com/news/workplace-4-0/learning-and-development/budget-2022-23-govt-to-renominate-national-skill-qualification-framework-launch-digital-ecosystem-for-skilling/89288274>

¹⁰<https://bcubeanalytics.com/blog/post/regtechs-top-challenges-in-2022>

Opportunities and Threats

Opportunities

- Alternative employment forms are gaining popularity
- With the severity in skill shortage, Teamlease helps in securing a competent and skilled workforce
- Emerging markets are experiencing strong structural growth
- New technologies promise increased operational efficiency, sophistication, and cost optimisation
- Diverse workforce approaches are gaining in popularity and sophistication
- Positive legislative changes are taking place

Threats

- Execution of market opportunity
- Disruption of technology
- Emerging and alternative modes of staffing such as direct contracts
- Public perceptions of the gig economy are negative
- Downturns in the economy
- Legislative developments that are detrimental
- Low entry barriers

Financial Highlights

Key Financial Ratios	FY 2021-22	FY 2020-21	Remarks
Revenue from Operations	6,47,982.31	4,88,145.67	[]
EBITDA	14,236.94	9,742.08	[]
PAT	3,945.46	7,847.47	[]
EPS	22.48	45.33	[]
Debtor's Turnover	20.02	17.02	[]
Current Ratio	1.43	1.52	[]
Net Debt Equity Ratio	1.20	2.00	[]
Net Profit Margin	0.61%	1.60%	[]
Return on Net Worth	5.69%	11.89%	[]

Risk Management

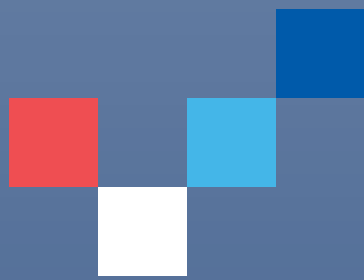
Key Financial Ratios	Risk Description	Mitigation Strategy
Workplace safety	The employees might be subjected to unsafe work conditions, which might increase absenteeism, trigger strikes, and raise medical expenses.	A comprehensive employee health and safety policy has been implemented by the company. This policy intends to advance employee health and safety, with a particular emphasis on health awareness and safety precautions during the pandemic.
Technological risk	The conventional staffing and recruitment sector is under stress from technological innovation. New distribution channels and unconventional competitors are gradually gaining traction.	The Company has created a technology-driven business strategy that enables it to adapt to changing consumer needs while maintaining a competitive edge.
Talent acquisition and retention	For the business to succeed, the Company must be able to find and keep employees and associates with the training and experience needed to meet a variety of client requirements.	The company uses both conventional and internet recruitment tools to identify the best talent. The organisation also provides options for retraining and upskilling, as well as training programmes, to ensure career growth.
Regulatory risk	The legal framework in which the HR solutions market operates is designed to be advantageous to the government, workers, private employment agencies, and their clients. The business model of the Company could be impacted by ineffective or uneven regulation brought on by a shifting political environment.	The Company complies with all applicable laws and regulations and is responsible to all of its stakeholders for fulfilling its obligation. It attempts to uphold ethics and accountability while making sure that all of its actions are completely transparent.

Key Financial Ratios	Risk Description	Mitigation Strategy
Macroeconomic risk	Macroeconomic instability and economic downturns brought on by geopolitical unrest have an impact on the creation of jobs and talent mobility, which raises expenses and decreases customer demand for the company.	In order to manage the business effectively, the Company takes a flexible approach to responding to shifting business dynamics and works hard to maintain positive relationships with clients and candidates.
Financial risk	Geopolitical unrest and the COVID-19 pandemic both pose significant risks to revenue and company profitability.	The Company is following prudent financial management to maintain a healthy balance sheet.
Credit risk	Higher working capital expenses and interest costs could result from customer payment delays.	The Company adheres to stringent credit monitoring and invoicing procedures. Regular reporting and monitoring of the collection status take into account expected credit loss.

Cautionary Statement

The statements made in this report describing the Company's objectives, estimations, expectations, projections, outlooks, constitute forward-looking statements within the meaning of applicable securities laws and regulations. Actual results may differ from such expectations, projections, among others, whether expressed or implied. The statements are based

on certain assumptions and future events over which the Company has no direct control. The Company assumes no responsibility to publicly amend, modify and revise any of the statements on the basis of any subsequent developments, information or events.



Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of TeamLease Services Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of TeamLease Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 Ind AS 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 Ind AS 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, 2022, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key audit matters

How our audit addressed the key audit matter

A. Revenue recognition and recoverability of trade receivables

The Company's revenue for the financial year ended March 31, 2022 is ₹ 564,022.82 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 ₹ 24,204.18 Lakhs represent significant portion of total assets as at March 31, 2022. 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.

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 and forward-looking estimates taking into account the possible effect of post effect of current economic environment arising from Covid-19 situation.

Key audit matters

Refer Note 28 and Note 16 to the standalone IND AS financial statements for the Company's disclosures on revenues and trade receivables respectively.

B. Investment / Loans and advances to group companies

As at March 31, 2022, the Company has non-current investments in subsidiaries of ₹ 32,404.65 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.

The key inputs and assumptions used in the aforesaid model are following:

- Revenue Growth Rate
- Operating Margins
- Long term Growth Rate
- Discount Rate

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.

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.

Refer to Note 8 and Note 10 to the standalone Ind AS financial statements.

How our audit addressed the key audit matter

We assessed the disclosures in the standalone Ind AS financial statements for compliance with the disclosures 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 including impairment assessment for investments and loans. 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.

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 taking into account the possible effect of COVID-19 situation.

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.

We obtained and read the audited financial statements of the subsidiaries and joint venture to understand the net worth, cash flows and other financial information.

We assessed the disclosures in the standalone Ind AS financial statements for compliance with the disclosure requirements.

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 Report and Report on Management Discussion and Analysis included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2022 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 Ind AS 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 Ind AS 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, 2022 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 Ind AS financial statements – Refer Note 46 to the standalone Ind AS 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, other than as disclosed in the note 53 to the standalone Ind AS 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, other than as disclosed in the note 53 to the standalone Ind AS financial statements, no funds have been received by the Company from any person 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.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 22056102AJDYR1795

Place: Bengaluru

Date: May 18, 2022

ANNEXURE 1

referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" to the Independent Auditor's Report of even date on the Standalone Ind AS 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, 2022.
- (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:

Particulars	(₹ In Lakhs)		
	Loans	Debenture Application Money	Guarantee
Aggregate amount granted during the year			
Subsidiaries	3,325.50	1,320	1,000
Other related party	-	-	450
Balance outstanding as at balance sheet date in respect of above cases			
Subsidiaries	1,743	1,320	2,200
Other related party	-	-	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 income-tax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in remittance of employee state insurance and professional tax in few cases and serious delays in remittance of provident fund dues in many 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'ble High Court of Kolkata
Finance Act, 1994	Service Tax	463.03	October 2010 to July 2017	The Commissioner of Service Tax, Bengaluru
Maharashtra State Employment Act, 1975	Professional Tax	66.78	Assessment Year 2018-19	Assistant Commissioner of Professional Tax, Mumbai
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	0.64	Assessment Year 2019-20	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	29.65	Assessment Year 2013-14	The Commissioner of Income Tax (Appeals)

net of amount paid ₹ 442.46 lakhs

*net of amount paid ₹ 12.21 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 wilful 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(xiv) 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) 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) 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 51 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(xxii) 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: 22056102AJDYRJ1795

Place: Bengaluru

Date: May 18, 2022

ANNEXURE 2

to the Independent Auditor's Report of even date on the Standalone Ind AS 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 Ind AS financial statements of TeamLease Services Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these standalone Ind AS 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 Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

A company's internal financial controls with reference to standalone Ind AS 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 Ind AS 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 Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS 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 Ind AS financial statements and such internal

financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2022, 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

per **Navin Agrawal**

Partner

Membership Number: 056102

UDIN: 22056102AJDYRJ1795

Place: Bengaluru

Date: May 18, 2022

STANDALONE BALANCE SHEET

as at 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	869.43	815.20
Right of use assets	5	2,483.93	1,852.35
Other intangible assets	6	424.42	121.95
Intangible assets under development	7	1,628.28	1,441.31
Financial assets			
(i) Investments	8	32,404.65	31,388.48
(ii) Loans	10	1,743.00	1,873.36
(iii) Others	12	12,385.04	10,578.73
Deferred tax assets (net)	13	691.51	794.74
Income tax assets (net)	14	11,318.51	6,654.93
Other non-current assets	15	-	58.76
Total non-current assets		63,948.77	55,579.81
Current assets			
Financial assets			
(i) Investments	9	5,034.65	6,011.73
(ii) (a) Trade receivables	16	24,204.18	21,594.23
(ii) (b) Unbilled revenue	11	10,512.89	9,136.32
(iii) Cash and cash equivalents	17	15,382.64	23,896.47
(iv) Bank balances other than cash and cash equivalents	17	8,709.34	2,506.20
(v) Others	12	7,134.35	5,315.51
Other current assets	18	2,690.41	1,458.17
Assets classified as held for sale	50	-	450.52
Total current assets		73,668.46	70,369.15
Total assets		1,37,617.23	1,25,948.96
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	19	1,709.68	1,709.68
Other equity	20	66,141.89	63,728.97
Total equity		67,851.57	65,438.65
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	24	1,909.01	1,399.06
(ii) Other financial liabilities	26	133.97	-
Employee defined benefit liabilities	21	10,587.70	8,592.21
Other non-current liabilities	22	421.90	421.90
Total non-current liabilities		13,052.58	10,413.17
Current liabilities			
Financial liabilities			
(i) Borrowings	23	2,516.84	1.38
(ii) Lease liabilities	24	904.14	705.79
(iii) Trade payables	25		
(a) Total outstanding dues of micro enterprises and small enterprises		74.37	101.41
(b) Total outstanding dues other than micro enterprises and small enterprises		1,930.49	2,205.92
(iv) Other financial liabilities	26	23,302.55	21,266.24
Employee defined benefit liabilities	21	6,168.19	5,019.80
Other current liabilities	27	21,816.50	20,791.63
Liabilities associated with assets classified as held for sale	50	-	4.97
Total current liabilities		56,713.08	50,097.14
Total liabilities		69,765.66	60,510.31
Total equity and liabilities		1,37,617.23	1,25,948.96
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: 18 May 2022

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: 18 May 2022

Latika Pradhan
Director
DIN: 07118801
Alaka Chanda
Company Secretary
F10911

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	28	5,64,033.82	4,46,593.69
Other income	29	3,250.96	4,819.43
Total income		5,67,284.78	4,51,413.12
Expenses			
Employee benefits expense	30	5,48,599.31	4,32,731.73
Finance costs	31	357.76	577.65
Depreciation and amortization expense	32	1,821.17	1,512.05
Other expenses	33	6,882.22	7,457.05
Total expenses		5,57,660.46	4,42,278.48
Profit before exceptional items and tax		9,624.32	9,134.64
Exceptional items	34	(7,192.93)	-
Profit before tax		2,431.39	9,134.64
Tax expense:			
- Current tax	14	80.03	16.10
- Tax provision for earlier years		-	135.00
Deferred tax			
Deferred tax charge	13	101.73	576.52
Income tax expense		181.76	727.62
Net Profit for the year		2,249.63	8,407.02
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gains on defined benefit obligations	36	5.96	73.84
Income tax effect		(1.50)	(18.59)
Other comprehensive income for the year, net of tax		4.46	55.25
Total comprehensive income for the year, net of tax		2,254.09	8,462.27
Earnings per equity share:			
Basic and diluted (amount in ₹)	35	13.16	49.17
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: 18 May 2022

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: 18 May 2022

Latika Pradhan
Director
DIN: 07118801
Alaka Chanda
Company Secretary
F10911

STANDALONE STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

Notes	As at 31 March 2022	As at 31 March 2021
Operating activities		
Profit before tax	2,431.39	9,134.64
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization	1,821.17	1,512.05
Finance costs	357.76	577.65
Interest income	(1,877.49)	(2,996.97)
Profit on disposal of property, plant and equipment (net)	-	(5.12)
Fair value adjustments (net)	(10.53)	-
Liabilities/ provisions no longer required written back	(901.12)	(1,535.10)
Bad debts written off	128.34	813.34
Sundry balances written off	19.85	-
Provision for expected credit loss/(reversal)	(224.64)	578.13
Provision for doubtful advances	-	69.09
Share-based payment expenses (net)	104.62	96.75
Gain on sale of current investments (net)	(305.99)	(63.67)
Net fair value gains on current investments (net)	(34.65)	(11.73)
Net fair value gain on assets held for sale (net)	(27.69)	(173.37)
Exceptional items (net)	7,192.93	-
Working capital adjustments		
(Increase)/decrease in trade receivables	(2,513.65)	989.96
(Increase)/decrease in other assets	(1,183.75)	(82.67)
(Increase)/decrease in unbilled revenue and other financial assets	(4,770.86)	(4,988.81)
Increase/(decrease) in trade payables and other financial liabilities	2,102.48	5,337.74
Increase/(decrease) in other liabilities (including for PF Trust)	(4,241.39)	3,051.79
Increase/(decrease) in net employee defined benefit liabilities	3,149.84	1,850.27
	1,216.62	14,153.97
Income tax (payments)/refunds	(4,923.86)	11,660.65
Net cash flows (used in)/ from operating activities	(3,707.24)	25,814.62
Investing activities		
Purchase of property, plant and equipment	(477.22)	(187.02)
Purchase of intangible assets (including intangibles under development)	(428.35)	(547.50)
Proceeds from sale of property, plant and equipment	0.80	30.94
Sale/(purchase) of current investments	1,317.71	(5,936.33)
Share application money pending allotment	(1,320.00)	(1,460.00)
Loans and advances given to subsidiaries	(3,325.50)	(5,536.11)
Loans and advances repaid by subsidiaries	3,455.86	12,394.02
Investment in subsidiaries etc	(1,248.98)	(2,111.21)
(Investments in)/Maturity of fixed deposits (net)	(6,179.84)	294.82
Interest received	1,858.75	3,344.58
Sale of investments in subsidiary	473.24	-
Net cash flows (used in)/from investing activities	(5,873.53)	286.19
Financing activities		
Proceeds from issue on exercise of stock options	0.36	0.61
Proceeds from /(repayment of) borrowings (net)	-	(2,000.00)
Repayment of principal portion of lease liabilities	(1,091.13)	(1,212.49)
Finance costs	(357.76)	(544.00)
Net cash flows (used in)/from financing activities	(1,448.53)	(3,755.88)
Net (decrease)/increase in cash and cash equivalents	(11,029.30)	22,344.93
Cash and cash equivalents at the beginning of the year	23,895.09	1,550.16
Cash and cash equivalents at the end of the year	12,865.79	23,895.09
Summary of significant accounting policies	17 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

For and on behalf of the Board of Directors

TeamLease Services Limited

Ashok Reddy

Managing Director

DIN: 00151814

Ramani Dathi

Chief Financial Officer

Latika Pradhan

Director

DIN: 07118801

Alaka Chanda

Company Secretary

F10911

Place: Bangalore

Date: 18 May 2022

Place: Bangalore

Date: 18 May 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

a. Equity share capital:

Issued, subscribed and fully paid share capital

	Numbers	Amount (in ₹ Lakhs)
Equity shares of ₹ 10 each:		
At 1 April 2020	1,70,96,769	1,709.68
Additions during the year	-	-
At 31 March 2021	1,70,96,769	1,709.68
Additions during the year	-	-
At 31 March 2022	1,70,96,769	1,709.68

b. Other equity

Particulars	Attributable to equity shareholders of the Company			Total other equity
	Reserves and surplus			Total
	Securities premium	Share based payment reserves	Retained earnings	
As at 1 April 2020	23,972.72	796.24	30,400.99	55,169.95
Net Profit for the year	-	-	8,407.02	8,407.02
Other comprehensive income	-	-	55.25	55.25
Total comprehensive income	23,972.72	796.24	38,863.26	63,632.22
Share based payment expense	-	96.75	-	96.75
Exercise/ lapse of stock options	682.29	(714.15)	31.86	-
As at 31 March 2021	24,655.01	178.84	38,895.12	63,728.97
As at 1 April 2021	24,655.01	178.84	38,895.12	63,728.97
Net Profit for the year	-	-	2,249.63	2,249.63
Other comprehensive income	-	-	4.46	4.46
Total comprehensive income	24,655.01	178.84	41,149.21	65,983.06
Share based payment expense	-	104.62	-	104.62
Share based payment cost receivable from Subsidiaries	-	54.21	-	54.21
Exercise/ lapse of stock options	109.28	(109.28)	-	-
As at 31 March 2022	24,764.29	228.39	41,149.21	66,141.89

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: 18 May 2022

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: 18 May 2022

Latika Pradhan
Director
DIN: 07118801
Alaka Chanda
Company Secretary
F10911

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. 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, BMTCC 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 18 May 2022.

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 (₹), 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.

- 1) Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

- 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, regardless of when the payment is being made. 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 in the contracts with customers.

Recruitment and other services

Revenue from permanent recruitment services, temporary recruitment services, skills and development, regulatory services and payroll is recognized on accrual basis on performance of the services as agreed in the customer contracts.

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, 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.

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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.

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 Assets held for sale

The Company 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 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 3.9 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 exemption to leases for which the underlying asset is of low value. Lease payments on

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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. 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.

3.8 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 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.

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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 years	Acquired/Internally generated

3.9 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.

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 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 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.

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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. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

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, 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.

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(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.

3.11 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.

3.12 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.

3.13 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.

3.14 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 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 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:

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- 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.

Contribution to TeamLease Provident Fund

The Company had a defined benefit plan for post employment benefits in the form of provident fund. The Company made contribution for provident fund to the trust set up by the Company and administered by the trustees. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, to be made good by the Company. The Company's liability was actuarially determined (deterministic approach) at the end of the year. Actuarial losses/ gains were recognized in the Statement of Profit and Loss in the year in which they arise. Effective March 2022, PF contribution has been remitted to Employee Provident Fund Organisation (EPFO) by the Company basis exemption granted under para 27 read with section 17(2) of the Employees Provident Fund Act by EPFO. Also refer Note 49.

(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.

3.15 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

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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.

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.

3.16 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.

3.17 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.

3.18 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 Operations, Temporary Recruitment and Payroll & NETAP.
- b) Other HR Services - Comprises of Permanent Recruitment, Regulatory Compliance and Training Operations.

3.19 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.

The charge in respect of periodic depreciation/ amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end. The lives are based on technical advice, prior asset usage experience and the risk of technological obsolescence.

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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 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.

Covid-19 pandemic related uncertainty

Refer Note 54 in respect of disclosure relating to likely impact of Covid-19 on the future cash flows and going concern assessments made by the management.

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Note 4: Property, plant and equipment

	Office equipment	Computers	Furniture & fixtures	Vehicles	Leasehold Improvements	Total
Gross block						
As at 1 April 2020	425.65	451.32	154.16	26.40	469.89	1,527.42
Additions	30.71	92.58	0.92	15.35	47.46	187.02
Disposals	(23.02)	(8.47)	(13.63)	(10.54)	(18.74)	(74.40)
As at 31 March 2021	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)
As at 31 March 2022	493.33	788.09	141.49	31.21	658.57	2,112.69
Accumulated depreciation						
As at 1 April 2020	199.32	161.81	52.10	11.65	102.66	527.54
Charge during the year	69.35	149.46	18.93	4.24	103.90	345.88
Disposals	(21.76)	(3.86)	(7.43)	(7.94)	(7.59)	(48.58)
As at 31 March 2021	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)
As at 31 March 2022	322.90	468.79	90.27	13.00	348.30	1,243.26
Net block						
As at 31 March 2021	186.43	228.02	77.85	23.26	299.64	815.20
As at 31 March 2022	170.43	319.30	51.22	18.21	310.27	869.43

Note 5: Right of Use Assets

	Buildings
Gross block	
As at 1 April 2020	7,487.89
Additions	264.89
Disposals	(2,360.06)
As at 31 March 2021	5,392.72
Additions	3,034.17
Disposals	(1,958.57)
As at 31 March 2022	6,468.32
Accumulated depreciation	
As at 1 April 2020	3,832.21
Charge during the year	1,111.17
Disposals	(1,403.01)
As at 31 March 2021	3,540.37
Charge during the year	1,294.73
Disposals	(850.71)
As at 31 March 2022	3,984.39
Net block	
As at 31 March 2021	1,852.35
As at 31 March 2022	2,483.93

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 6: Intangible assets

	Buildings
Gross block	
As at 1 April 2020	878.66
Additions	146.65
Disposals	-
As at 31 March 2021	1,025.31
Additions	406.82
Disposals	-
As at 31 March 2022	1,432.13
Accumulated amortisation	
As at 1 April 2020	848.36
Charge during the year	55.00
Disposals	-
As at 31 March 2021	903.36
Charge during the year	104.35
Disposals	-
As at 31 March 2022	1,007.71
Net block	
As at 31 March 2021	121.95
As at 31 March 2022	424.42

Note 7: Intangible assets under development

As at 31 March 2022

Intangible assets under development

	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
Total	533.97	305.24	582.15	206.92	1,628.28

As at 31 March 2021

Intangible assets under development

	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	Total
Projects in progress	423.95	767.41	249.95	-	1,441.31
Total	423.95	767.41	249.95	-	1,441.31

The Company do not have any assets whose completion is overdue or has exceeded its cost compared to its original budgets.

Note 8: Investments

	31 March 2022	31 March 2021
Non current, Unquoted (at cost, less impairment)		
(A) Investment in Equity Shares		
Subsidiaries		
IIJT Education Private Limited (IIJT)		
Nil (31 March 2021: 8,000,000) equity shares of ₹ 10 each, fully paid (Refer note 1 below)	-	-
TeamLease Education Foundation (TLEF)		
10,000 (31 March 2021: 10,000) equity shares of ₹ 10 each, fully paid	1.00	1.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 8: Investments (Contd..)

	31 March 2022	31 March 2021
TeamLease Digital Private Limited (TDPL) 4,735,000 (31 March 2021: 4,735,000) equity shares of ₹ 50 each, fully paid	2,363.50	2,363.50
TeamLease HRTech Private Limited (HRTech) (Formerly known as TeamLease E-Hire Private Limited) 11,111 (31 March 2021: 11,111) equity shares of ₹ 10 each, fully paid (Refer note 2 below)	1,934.65	1,934.65
I.M.S.I Staffing Private Limited (IMSI) 5,318,000 (31 March 2021: 5,318,000) equity shares of ₹ 10 each, fully paid	6,455.55	6,455.55
TeamLease Edtech Limited (TLEL) (Formerly known as School Guru Eduserve Private Limited) 861,984 (31 March 2021: 861,984) equity shares of ₹ 10 each, fully paid (Refer note 6 below)	2,542.94	2,542.94
TeamLease Regtech Private Limited (TRPL) (Formerly known as Avantis Regtech Private Limited) 127,918 (31 March 2021: Nil) equity shares of Re. 1 each (Refer note 5 below)	1,999.82	-
Joint Venture TeamLease Regtech Private Limited Nil (31 March 2021: 27,773) equity shares of Re. 1 each (Refer note 5 below)	-	445.18
(B) Investment in Preference Shares Joint Venture TeamLease Regtech Private Limited 0.1% Compulsorily Convertible Cumulative Preference Shares (CCCPS) Nil (31 March 2021: 307,018) preference shares of Re.1 each (Refer note 5 below)	-	705.66
(C) Investment in Debentures of Subsidiary TeamLease Digital Private Limited 9% Compulsorily Convertible Debentures (CCD's) of ₹ 10 lakhs each, fully paid (Refer note 4 below) Series A to Series L 1,694 (31 March 2021: 1,694)	16,940.00	16,940.00
Series M 146 (31 March 2021: Nil)	1,460.00	-
Less: Provision for impairment in HRTech (Refer note 3 below)	(1,292.81)	-
	32,404.65	31,388.48
Aggregate value of unquoted investments	33,697.46	31,388.48
Aggregate amount of provision for diminution	(1,292.81)	-

Notes:

- On 2 December 2021, the company has entered into a sale agreement with a third party, for sale of 100% equity stake in IIJT at an agreed consideration of ₹ 470 lakhs. Accordingly, IIJT ceased to be a subsidiary of the Company w.e.f. 2 December 2021.
- During the previous year ended 31 March 2021, the Company acquired additional balance equity stake of 24% in HRTech at an agreed consideration of ₹ 572.00 lakhs. As a result of this HRTech became 100% subsidiary of TLSSL. HRTech is engaged in rendering end to end online services for software product engineering.
- Based on impairment analysis, the Company has 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 been incurring losses from past few years and has accumulated losses of ₹ 1,051.46 lakhs as at 31 March 2022.
- The CCD's are convertible into equity shares on or before 10 years from the date of allotment, at the fair value as at the conversion date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 8: Investments (Contd..)

5. During the 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.
6. During the previous year ended 31 March 2021, the Company entered into a definitive agreement and acquired additional equity stake of 37.14% in TLEL at an agreed consideration of ₹ 434.04 lakhs, thereby increasing the total stake to 78.43% in TLEL on fully diluted basis. Accordingly, TLEL has been accounted as a subsidiary with effect from 9 September 2020. Further, on 23 December 2020, 269,681 CCCPS of TLEL has been converted into equity shares of ₹ 10 each at a premium of ₹ 490.59 per share.

Note 9: Current investments (at fair value through profit and loss)

	31 March 2022	31 March 2021
Investment in mutual funds		
Axis Arbitrage Fund 3,122,970 Units of ₹ 16.19 each (31 March 2021: Nil)	505.50	-
Kotak Money Market Fund 70,100 Units of ₹ 3,600.50 each (31 March 2021: Nil)	2,523.94	-
IDFC Overnight fund 177,523 Units of ₹ 1,129.56 each (31 March 2021: Nil)	2,005.21	-
Nippon India Overnight Fund Nil (31 March 2021: 1,819,749) Units of ₹ 110.23 each	-	2,005.89
ICICI Prudential Overnight Fund Nil (31 March 2021: 1,358,149) Units of ₹ 110.72 each	-	1,503.72
DSP Liquid Fund Nil (31 March 2021: 85,699) Units of ₹ 2,920.66 each	-	2,502.12
	5,034.65	6,011.73
Aggregate amount of quoted investment and market value thereof	5,034.65	6,011.73

Note 10: Loans

	31 March 2022	31 March 2021
Non-current (Unsecured, considered good)		
Loans to related parties (Refer note 43)	1,743.00	1,873.36
	1,743.00	1,873.36

Note 11: Unbilled revenue

	31 March 2022	31 March 2021
Current (Unsecured, considered good)		
Unbilled revenue	10,512.89	9,136.32
	10,512.89	9,136.32

* includes ₹ 184.44 lakhs (31 March 2021: ₹ 356.94 lakhs) from related parties.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 12: Other financial assets

	31 March 2022	31 March 2021
Non-current		
(Unsecured, considered good)		
Interest accrued on fixed deposits	18.01	6.63
Debenture application money (pending allotment)	1,320.00	1,460.00
Reimbursement right for gratuity	9,205.98	7,412.66
Reimbursement right for compensated absences	871.79	715.67
Security/other deposits	552.69	748.11
Other advances etc.*	204.21	-
Fixed deposits with banks (maturity of more than 12 months) (Refer note 17)	212.36	235.66
	12,385.04	10,578.73
(Credit impaired)		
Deposits	118.36	136.45
Less: Provision	(118.36)	(136.45)
	-	-
	12,385.04	10,578.73

* includes ₹ 54.21 lakhs (31 March 2021: Nil) due from related parties

	31 March 2022	31 March 2021
Current		
(Unsecured, Considered good)		
Interest accrued on fixed deposits	73.84	66.48
Reimbursement right for gratuity	4,421.84	3,503.74
Reimbursement right for compensated absences	1,503.01	1,273.73
Other advances etc.*	710.98	250.09
Security/other deposits	424.68	221.47
	7,134.35	5,315.51
(Credit impaired)		
Deposits	19.36	39.67
Less: Provision	(19.36)	(39.67)
	-	-
	7,134.35	5,315.51

* includes ₹ 249.32 lakhs (31 March 2021: ₹ 220.53 lakhs) due from related parties

Note 13: Deferred tax assets (net)

	31 March 2022	31 March 2021
Deferred tax assets/(liabilities)	691.51	794.74
	691.51	794.74

Particulars	Provision for expected credit loss	Depreciation on property, plant and equipment	Provision for leave encashment and gratuity	Others	Total
1 April 2020	783.48	188.36	211.23	206.78	1,389.85
Credit/ charge:					
Profit and loss	(460.76)	(1.98)	(14.89)	(98.89)	(576.52)
Other comprehensive income	-	-	(18.59)	-	(18.59)
31 March 2021	322.72	186.38	177.75	107.89	794.74
Profit and loss	(117.02)	(7.70)	13.35	9.64	(101.73)
Other comprehensive income	-	-	(1.50)	-	(1.50)
31 March 2022	205.70	178.68	189.60	117.53	691.51

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 14: Income tax assets (net)

	31 March 2022	31 March 2021
Advance income tax (net of provision)*	11,318.51	6,654.93
	11,318.51	6,654.93

* Includes ₹ 12.21 lakhs (March 31, 2021: ₹ 12.21 lakhs) paid under protest.

Income tax expense/ (credit) in the statement of profit and loss consists of:

	31 March 2022	31 March 2021
Current income tax charge	80.03	16.10
Tax provision for earlier years	-	135.00
Deferred tax charge (net)	101.73	576.52
Income tax reported in the statement of profit or loss	181.76	727.62

Income tax recognised in other comprehensive income

	31 March 2022	31 March 2021
Deferred tax charge	1.50	18.59
Income tax expense charged to OCI	1.50	18.59

Reconciliation of effective tax rate :

	31 March 2022	31 March 2021
Profit before exceptional items and tax	9,624.32	9,134.64
Tax using the Company's domestic tax rate @ 25.168%	2,422.25	2,299.01
Tax effect of:		
Non-deductible tax expense	395.42	491.02
PF trust contribution	(1,382.60)	-
80JJAA deduction	(1,247.97)	(2,151.13)
Provision related to prior years	-	135.00
Others	(5.34)	(46.28)
Income tax expense	181.76	727.62

Note

As per the 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.

Note 15: Other non-current assets

	31 March 2022	31 March 2021
(Unsecured, considered good)		
Prepaid expenses	-	13.40
Advances, other than capital advances	-	45.36
	-	58.76
(Credit impaired)		
Balances with statutory/ government authorities	29.66	29.66
Less: Provision	(29.66)	(29.66)
	-	-
	-	58.76

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 16: Trade receivables

	31 March 2022	31 March 2021
(Unsecured, considered good)		
Trade receivables from related parties (Refer note 43)	2,881.08	2,699.47
Trade receivables - others	21,323.10	18,894.76
(Unsecured, credit impaired)		
Trade receivables - others	817.25	1,282.16
	25,021.43	22,876.39
Allowance for expected credit loss	(817.25)	(1,282.16)
	(817.25)	(1,282.16)
	24,204.18	21,594.23

Trade receivables ageing schedule

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
Trade receivable – credit impaired	-	-	60.57	312.07	368.12	76.49	817.25
Total	9,362.11	14,842.07	60.57	312.07	368.12	76.49	25,021.43

As at 31 March 2021

	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	6,153.05	15,441.18	-	-	-	-	21,594.23
Trade receivable – credit impaired	-	229.18	439.19	453.96	106.15	53.68	1,282.16
Total	6,153.05	15,670.36	439.19	453.96	106.15	53.68	22,876.39

- 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.
- Trade receivables are non-interest bearing and with credit period upto 60 days.
- There are no disputed trade receivables.

Note 17: Cash and cash equivalents and bank balances

	31 March 2022	31 March 2021
Balances with banks:		
- On current accounts	15,349.48	16,864.45
- Deposits with original maturity of less than 3 months	33.16	7,032.02
	15,382.64	23,896.47
Other bank balances		
Deposits with remaining maturity of less than 12 months	8,709.34	2,506.20
Deposits with remaining maturity of more than 12 months	212.36	235.66
	8,921.70	2,741.86
Less: Amounts disclosed under other financial assets (Refer note 12)	(212.36)	(235.66)
	8,709.34	2,506.20
	24,091.98	26,402.67

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 17: Cash and cash equivalents and bank balances (Contd..)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	31 March 2022	31 March 2021
Balances with banks:		
- On current accounts	15,349.48	16,864.45
- Deposits with original maturity of less than 3 months	33.16	7,032.02
	15,382.64	23,896.47
Less: Bank overdraft (Refer note 23)	(2,516.84)	(1.38)
	12,865.80	23,895.09

Fixed deposits of ₹ 2,929.86 lakhs as at 31 March 2022 (31 March 2021: ₹ 2,773.88 lakhs) is under lien with various banks for loans taken/ guarantees issued to third parties.

Note 18: Other current assets

	31 March 2022	31 March 2021
(Unsecured, considered good)		
Prepaid expenses	1,275.07	687.90
Advances to suppliers/others	1,372.52	753.30
Loans and advances to employees	42.82	16.97
	2,690.41	1,458.17

Note 19: Equity share capital

	31 March 2022	31 March 2021
Equity share capital		
(i) Authorised equity share capital		
23,300,000 (31 March 2021: 23,300,000) equity shares of ₹ 10 each.	2,330.00	2,330.00
(ii) Authorised 12% Cumulative Convertible Redeemable Preference Shares (CCPS)		
170,000 (31 March 2021: 170,000) CCPS of ₹ 100 each	170.00	170.00
(iii) Issued, subscribed and fully paid-up shares		
17,096,769 (31 March 2021: 17,096,769) equity shares of ₹ 10 each.	1,709.68	1,709.68
Total issued, subscribed and fully paid-up shares	1,709.68	1,709.68

(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) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	31 March 2022		31 March 2021	
	Numbers	% holding	Numbers	% holding
Equity shares of ₹ 10 each fully paid				
HR Offshoring Ventures Pte Limited	40,58,876	23.74	43,15,328	25.24
NED Consultants LLP	11,96,997	7.00	13,67,965	8.00

(vi) For shares reserved for issue under options under TeamLease Employee Stock Option Plan Trust, refer note 37.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 19: Equity share capital (Contd..)

(vii) Details of equity shares held by promoters

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	43,15,328	(2,56,452)	40,58,876	23.74%	-5.94%
NED Consultants LLP	13,67,965	(1,70,968)	11,96,997	7.00%	-12.50%
Hansini Management Consultants Private Limited	1,31,442	-	1,31,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	0.00%	-
Total	58,15,035	(4,27,420)	53,87,615		

As at 31 March 2021

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.	44,00,812	(85,484)	43,15,328	25.24%	-1.94%
NED Consultants LLP	14,53,449	(85,484)	13,67,965	8.00%	-5.88%
Hansini Management Consultants Private Limited	1,31,442	-	1,31,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	0.00%	-
Dhana Management Consultancy LLP*	8,52,413	(61,893)	7,90,520	4.62%	-7.26%
Anupama Gupta *	2,916	-	2,916	0.02%	-
	68,41,332	(2,32,861)	66,08,471		

* Re-classified from "Promoter Category" to "Public Category" vide approval of the Stock Exchanges dated 24 December, 2020.

Note 20: Other equity

	31 March 2022	31 March 2021
Securities premium	24,764.29	24,655.01
Retained earnings	41,149.21	38,895.12
Share based payment reserves	228.39	178.84
	66,141.89	63,728.97

Nature and purpose of 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 21: Employee defined benefit liabilities

	31 March 2022	31 March 2021
Non-current		
Employee benefits - Gratuity (Refer note 36)	9,485.38	7,668.37
Employee benefits - Compensated absences	1,102.32	923.84
	10,587.70	8,592.21
Current		
Employee benefits - Gratuity (Refer note 36)	4,538.92	3,622.95
Employee benefits - Compensated absences	1,629.27	1,396.85
	6,168.19	5,019.80

Note 22: Other non-current liabilities

	31 March 2022	31 March 2021
Disputed service tax liabilities (Refer note 46)	421.90	421.90
	421.90	421.90

Note 23: Borrowings

	31 March 2022	31 March 2021
Current		
Secured		
Bank overdraft	2,516.84	1.38
	2,516.84	1.38

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 7.90% (31 March 2021: 6.70% to 8.48%) 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 2022	31 March 2021
Non-Current		
Lease liabilities	1,909.01	1,399.06
	1,909.01	1,399.06

	31 March 2022	31 March 2021
Current		
Lease liabilities	904.14	705.79
	904.14	705.79

The following is the movement in lease liabilities

	31 March 2022	31 March 2021
Balances as at beginning of the year	2,104.85	4,370.15
Add: Additions during the year	3,011.92	264.89
Less: Deletions during the year	(1,212.49)	(1,317.70)
Add: Finance cost incurred during the year	319.81	289.59
Less: Payments (including finance cost)	(1,410.94)	(1,502.08)
Balance as at year end	2,813.15	2,104.85

The weighted average discount rate used for recognition of lease liabilities is 7.30% p.a. (31 March 2021: 9% p.a.)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 25: Trade payables

	31 March 2022	31 March 2021
Current		
Total outstanding dues of micro enterprises and small enterprises ("MSME") (Refer note 45)	74.37	101.41
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,930.49	2,205.92
	2,004.86	2,307.33

Refer note 43 for details of trade payables to related parties.

Trade payables ageing schedule

As at 31 March 2022

	Outstanding for following periods from due date of payment						Total
	Unbilled	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
	970.29	437.85	519.97	15.29	51.51	9.95	2,004.86

As at 31 March 2021

	Outstanding for following periods from due date of payment						Total
	Unbilled	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	85.86	14.00	0.87	0.68	-	101.41
(ii) Others	1,357.39	209.88	459.14	149.95	29.56	-	2,205.92
	1,357.39	295.74	473.14	150.82	30.24	-	2,307.33

Notes:

- Trade payables are non-interest bearing and are normally settled within 30 day term.
- There are no disputed trade payables.

Note 26: Other financial liabilities

	31 March 2022	31 March 2021
Non-Current		
Long-term incentive payable	133.97	-
	133.97	-
Current		
Employees benefits payable	23,068.75	20,848.93
Other liabilities	51.15	400.00
Creditors for capital goods	182.65	17.31
	23,302.55	21,266.24

Note 27: Other current liabilities

	31 March 2022	31 March 2021
GST payable	8,380.51	7,505.44
Other statutory dues payable	7,155.15	5,590.57
Advance from customers	1,626.40	2,673.55
Unearned revenue	-	42.68
Other liabilities	4,654.44	4,979.39
	21,816.50	20,791.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 28: Revenue from operations

	31 March 2022	31 March 2021
Income from staffing services	5,58,619.97	4,41,087.15
Recruitment services	-	353.49
Skills and development etc.	906.70	1,456.56
Income from regulatory services	2,154.27	2,017.19
Payroll income	2,352.88	1,679.30
	5,64,033.82	4,46,593.69

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 2022	31 March 2021
Contract assets - Trade receivables	24,204.18	21,594.23
Contract assets - Unbilled revenue	10,512.89	9,136.32
Contract liabilities - Advance from customers	1,626.40	2,673.55
Contract liabilities - Unearned revenue	-	42.68

Set out below is the amount of revenue recognised from:

	31 March 2022	31 March 2021
Amounts included in contract liabilities at the beginning of the year	971.48	2,080.82

Note 29: Other income

	31 March 2022	31 March 2021
Interest income on:		
Loans to related parties/ Investment in CCD's (Refer note 43)	1,451.71	2,054.17
Deposits with banks	425.15	199.17
Income tax refunds	0.63	743.63
Others	20.80	24.88
Liabilities/ provisions no longer required written back	901.12	1,535.10
Net gain on sale of current investments	305.99	63.67
Net fair value gains on current investments	34.65	11.73
Profit on disposal of property, plant and equipment (net)	-	5.12
Net fair value gain on assets held for sale	61.46	173.37
Miscellaneous income	49.45	8.59
	3,250.96	4,819.43

Note 30: Employee benefits expense

	31 March 2022	31 March 2021
Salaries, wages and bonus	5,04,545.51	3,97,823.93
Share based payment expense (net)	104.62	96.75
Gratuity expense	135.92	123.65
Compensated absences	155.39	116.51
Contribution to provident fund and other funds	38,833.08	31,225.68
Staff welfare expenses	4,824.79	3,345.21
	5,48,599.31	4,32,731.73

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 31: Finance costs

	31 March 2022	31 March 2021
Interest on bank overdraft	6.35	147.66
Interest on short term borrowings	0.01	67.92
Interest on lease liabilities	319.81	289.59
Interest on financial liabilities and others	31.59	72.48
	357.76	577.65

Note 32: Depreciation and amortisation

	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	422.09	345.88
Amortization of other intangible assets	104.35	55.00
Depreciation of right-of-use assets	1,294.73	1,111.17
	1,821.17	1,512.05

Note 33: Other expenses

	31 March 2022	31 March 2021
Training expenses (skill development etc.)	1,028.77	868.21
Rent	861.57	913.21
Rates and taxes	194.01	91.40
Electricity	251.16	234.53
Traveling and conveyance	316.67	127.45
Repairs and maintenance		
- Leasehold premises	8.36	107.31
- Others	1,224.93	1,017.09
Printing and stationery	355.16	361.97
Legal and professional charges	1,507.54	1,184.98
Auditors' remuneration (Refer note below)	86.37	84.70
Insurance	54.82	42.33
Sundry balances written off	19.85	0.69
Bad debts written off	368.61	3,221.37
Less: Provision for expected credit loss utilised	(240.27)	(2,408.72)
Provision for expected credit loss/ (reversals)	(224.64)	578.13
Balances written off (IIJT Education)	33.77	-
Provision for doubtful advances	-	69.09
CSR expenditure (Refer note 48)	187.94	175.32
Foreign exchange loss (net)	31.44	26.06
Miscellaneous expenses	816.16	761.93
	6,882.22	7,457.05

Note: Payment to auditors

	31 March 2022	31 March 2021
As auditor		
Statutory audit fee	50.00	42.00
Tax audit fee/ other services	5.00	11.00
Limited review	30.00	30.00
Reimbursement of expenses	1.37	1.70
	86.37	84.70

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 34: Exceptional items

	31 March 2022	31 March 2021
Contribution to PF Trust (Refer note no.49)	5,719.87	-
TDS written off	180.25	-
Provision for impairment of investments in HRTech	1,292.81	-
	7,192.93	-

Note 35: Earnings per share

The following reflects the income and share data used in the basic and diluted EPS computation:

	31 March 2022	31 March 2021
Net Profit attributable to equity shareholders (₹ in lakhs)	2,249.63	8,407.02
Nominal value of each equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the year	1,70,96,769	1,70,96,769
EPS - basic and diluted (₹)	13.16	49.17

Note 36: Employee benefit obligation

Provident fund

Till February 2022, Provident Fund for eligible employees was managed by the Company through "TeamLease Employees Provident Fund Trust ("Trust"), in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guaranteed interest at the rate notified by the provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon were payable to the employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

Particulars	31 March 2022	31 March 2021
Accumulated surplus as per Employees Provident Fund Trust	-	2,543.67
Provident fund obligations	-	(1,515.42)
Principal assumptions are as follows:		
Discount rate (per annum)	-	5.58%
Average historic yield on the investment portfolio	-	8.37%
Appropriate term (in years)	-	4
Remaining term to maturity of provident fund portfolio (in years)	-	5.71
Mortality	-	Indian Assured Lives Mortality (2012-14) Ult Table

Disclosures included are limited to the extent of disclosures provided by the actuary. Refer Note 49 for details of PF Trust exemption surrendered by the Company.

The expense recognised during the year towards provident fund is ₹ 31,235.54 lakhs (31 March 2021: ₹ 24,761.17 lakhs), including for employees covered under defined contribution plan till February 2022.

Gratuity (Associate)

The Company has recognised gratuity liability and reimbursement right 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:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 36: Employee benefit obligation (Contd..)

Net defined benefit liability/ (assets)

	31 March 2022	31 March 2021
Present value of unfunded obligation	13,627.82	10,916.40
Fair value of plan assets	-	-
Net liability	13,627.82	10,916.40
Current	4,421.84	3,503.74
Non-current	9,205.98	7,412.66

Net benefit cost (Refer note below)

	31 March 2022	31 March 2021
Current service cost	6,847.58	6,053.78
Net actuarial (gain)/ loss recognised in the year	(2,701.34)	(2,595.40)
Interest cost on defined benefit obligation	424.44	419.91
Net benefit expense	4,570.68	3,878.29

Note: 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 2022	31 March 2021
Defined benefit obligation at beginning of the year	10,916.40	9,081.30
Current service cost	6,847.58	6,053.78
Interest cost on defined benefit obligation	424.44	419.91
Benefits paid	(1,859.26)	(2,043.19)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	141.23	96.92
Actuarial (gain) / loss arising from changes in financial assumptions	(57.23)	96.04
Actuarial (gain) / loss arising from changes in experience adjustments	(2,785.34)	(2,788.36)
Defined benefit obligation at end of the year	13,627.82	10,916.40

The principal assumptions used in determining gratuity obligations are shown below:

Particulars	31 March 2022	31 March 2021
Discount rate	5.15%	4.25%
Salary escalation rate	7.00%	6.50%
Attrition rate	43.00%	45.00%
Retirement age	58	58
Mortality table	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 STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 36: Employee benefit obligation (Contd..)

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation are as shown below:

Particulars	31 March 2022		31 March 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	13,333.76	13,936.52	10,695.70	11,147.40
Salary escalation rate	13,863.38	13,398.97	11,088.30	10,748.85
Attrition rate	13,502.87	13,756.47	10,803.84	11,032.21

The following payments are expected contributions to the defined benefit plan in future years

Particulars	31 March 2022	31 March 2021
Year 1	3,225.22	2,629.62
Year 2	2,456.04	1,877.71
Year 3	1,721.98	1,341.52
Year 4	1,232.38	851.81
Year 5	745.85	477.46
Next 5 years	1,045.41	573.24

The weighted average duration of defined benefit obligation at the end of the reporting period is 2 years (31 March 2021: 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 4 years and 240 days 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 2022	31 March 2021
Present value of funded obligation	396.48	374.92
Fair value of plan assets	-	-
Net liability	396.48	374.92
Current	117.08	119.21
Non-current	279.40	255.71

Net benefit cost recognised in statement of profit and loss

	31 March 2022	31 March 2021
Current service cost	118.42	101.37
Interest cost on defined benefit obligation	17.50	22.28
Net benefit expense	135.92	123.65

Remeasurement (gains)/loss in other comprehensive income

Particulars	31 March 2022	31 March 2021
Due to change in demographic assumptions	9.01	(8.18)
Due to change in financial assumptions	(9.36)	6.08
Due to change in experience adjustments	(5.61)	(71.74)
Actuarial loss recognised in OCI	(5.96)	(73.84)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 36: Employee benefit obligation (Contd..)

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	31 March 2022	31 March 2021
Defined benefit obligation at beginning of the year	374.92	448.48
Current service cost	118.42	101.37
Interest cost on defined benefit obligation	17.50	22.28
Benefits paid	(74.31)	(123.37)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	9.01	(8.18)
Actuarial (gain) / loss arising from changes in financial assumptions	(9.36)	6.08
Actuarial (gain) / loss arising from changes in experience adjustments	(5.61)	(71.74)
Transfer out	(34.09)	-
Defined benefit obligation at end of the year	396.48	374.92

The principal assumptions used in determining gratuity benefit obligation are shown below:

	31 March 2022	31 March 2021
Discount rate	5.66%	5.18%
Salary escalation rate	7.0%	7.0%
Attrition rate	36%	38%
Retirement age	60	60
Mortality table	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

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at 31 March 2022 and 31 March 2021 are as shown below:

Particulars	31 March 2022		31 March 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	387.07	406.41	366.47	383.82
Salary escalation rate	403.71	389.46	381.19	368.83
Attrition rate	394.52	398.48	372.99	376.89

The following payments are expected contributions to the defined benefit plan in future years

Particulars	31 March 2022	31 March 2021
Year 1	93.00	88.16
Year 2	72.80	65.64
Year 3	51.69	48.76
Year 4	36.64	32.18
Year 5	25.01	21.05
Next 5 years	43.16	34.33

The weighted average duration of defined benefit obligation at the end of the reporting period is 3 years (31 March 2021: 3 years).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. 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.

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

Particulars	Number of Options	
	31 March 2022	31 March 2021
Outstanding at beginning	7,268	18,155
Granted	-	-
Forfeited	-	4,832
Expired	-	-
Exercised	3,634	6,055
Outstanding at end of the year	3,634	7,268
Exercisable at end of the year	3,634	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 2022 and 31 March 2021, valuation assumptions are not disclosed.

The weighted average remaining contractual life for the share options outstanding as at 31 March 2022 was Nil (31 March 2021: 1 year).

The weighted average exercise price of the outstanding option is ₹ 10 (31 March 2021: ₹ 10).

Stock Option Compensation expense is ₹ 39.75 lakhs (31 March 2021: ₹ 96.75 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 and 3 September 2021 respectively. The ESAR 2019 plan provides stock options appreciation rights to eligible employees of the Company and its subsidiaries. The grant date of these stock options is 1 July 2021. The stock options will vest after a period of five years from the grant date. The exercise period is 5 years from the date of vesting. The options are granted at exercise price of ₹ 3,620.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 38: Employee Stock Appreciation Rights Plan 2019 (ESAR 2019) (Contd..)

A. Movement in the stock options appreciation rights granted to employees

Particulars	Number of Stock Appreciation Rights		Weighted average Exercise price (₹)	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Outstanding at beginning of the year	-	-	-	-
Granted	49,000	-	3,620	-
Forfeited	4,000	-	3,620	-
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	45,000	-	3,620	-
Exercisable at end of the year	-	-	-	-

B. 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 2022	31 March 2021
Weighted average share price on date of grant	3,604	-
Exercise price (₹)	3,620	-
Expected volatility	39.23%	-
Life of rights granted in years	5 years	-
Risk free interest rate	6.79%	-
Expected dividend yield (%)	-	-
Fair value of option (₹) (A)	1,495	-

The weighted average remaining contractual life for the stock options appreciation rights outstanding as at 31 March 2022 was 4.25 years.

The weighted average exercise price of the stock options appreciation rights outstanding is ₹ 3,620.

Stock options appreciation rights expense is ₹ 64.87 lakhs for the year.

Note 39: Fair value measurements

Financial assets measured at fair value through profit/ loss:

Particulars	31 March 2022	31 March 2021
Financial Assets		
Investment in mutual funds (Quoted price in active markets Level 1)	5,034.65	6,011.73

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.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

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.

(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.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 40: Financial risk management objectives and policies (Contd..)

The following table summarises the changes in the loss allowance measured using ECL:

Particulars	31 March 2022	31 March 2021
Opening balance	1,282.16	3,112.75
Amount (reversed)/provided during the year	(224.64)	578.13
Amount adjusted for bad debts	(240.27)	(2,408.72)
Closing provision	817.25	1,282.16

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:

Particulars	Maturity period	31 March 2022	31 March 2021
Financial liabilities - Current			
Borrowings	Within 1 year	2,516.84	1.38
Trade payables	Within 1 year	2,004.86	2,307.33
Lease liabilities	Within 1 year	904.14	705.79
Other financial liabilities	Within 1 year	23,302.55	21,266.24
		28,728.39	24,280.74
Financial liabilities - Non current			
Lease liabilities	1 - 5 years	1,887.80	1,362.76
Lease liabilities	Above 5 years	21.21	36.30
Other financial liabilities	1 - 5 years	133.97	-
		2,042.98	1,399.06

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 obligations and working capital requirements.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 42: Segment information (Contd..)

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:

- General Staffing and Allied Services** - Comprises of Staffing Operations, Temporary Recruitment and Payroll & NETAP.
- Other HR Services** - Comprises of Permanent Recruitment, Regulatory Compliance and Training Operations.

(ii) Segment results:

Particulars	General Staffing and Allied services		Other HR services		Unallocated		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Revenue:								
External revenue	5,60,972.85	4,42,766.45	3,060.97	3,827.24	-	-	5,64,033.82	4,46,593.69
Total segment revenue	5,60,972.85	4,42,766.45	3,060.97	3,827.24	-	-	5,64,033.82	4,46,593.69
Segment results								
Exceptional item	9,895.35	8,367.89	(408.60)	(1,155.14)	495.33	2,499.54	9,982.08	9,712.29
Finance cost	-	-	-	-	(7,192.93)	-	(7,192.93)	-
Profit before tax	9,895.35	8,367.89	(408.60)	(1,155.14)	(7,055.36)	1,921.89	2,431.39	9,134.64
Tax expense	-	-	-	-	181.76	727.62	181.76	727.62
Profit after tax	9,895.35	8,367.89	(408.60)	(1,155.14)	(7,237.12)	1,194.27	2,249.63	8,407.02
Other information								
Capital expenditure	-	-	-	-	905.57	734.52	905.57	734.52
Depreciation and amortization	438.26	333.33	34.75	42.75	1,348.16	1,135.97	1,821.17	1,512.05
Non cash expenditure other than depreciation	-	-	-	-	1,501.23	1,557.31	1,501.23	1,557.31

Other Information:	31 March 2022		31 March 2021	
	Assets	Liabilities	Assets	Liabilities
General staffing and allied services	61,265.76	54,929.48	60,597.67	47,503.15
Other HR services	4,187.09	2,521.82	5,891.19	4,269.21
Unallocated	72,162.37	12,314.36	59,460.10	8,737.95
Total	1,37,615.22	69,765.66	1,25,948.96	60,510.31

Reconciliation to amounts reflected in the financial statements

Reconciliation of assets

Particulars	31 March 2022	31 March 2021
Segment assets	65,452.85	66,488.86
Investments	37,439.30	37,400.20
Loans	1,743.00	2,304.49
Deferred tax assets (net)	691.50	794.73

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 42: Segment information (Contd..)

Particulars	31 March 2022	31 March 2021
Income tax assets (net)	11,318.51	6,654.93
Cash and cash equivalents	9,275.43	7,263.02
Bank balances other than cash and cash equivalents	8,709.34	2,506.20
Others	2,987.30	2,086.01
Assets classified as held for sale	-	450.52
Total assets	1,37,617.23	1,25,948.96

Reconciliation of liabilities

Particulars	31 March 2022	31 March 2021
Segment liabilities	57,451.30	51,772.36
Net employee defined benefit liabilities	177.41	119.27
Borrowings	2,516.84	1.38
Trade payables	546.21	427.77
Other financial liabilities	354.45	524.42
Other current liabilities	8,719.45	7,660.14
Liabilities directly associated with the assets classified as held for sale	-	4.97
Total liabilities	69,765.66	60,510.31

Revenue from external customers

Geographical Segment	31 March 2022	31 March 2021
India	5,62,038.27	4,44,865.78
Outside India	1,995.55	1,727.91
Total	5,64,033.82	4,46,593.69

The revenue information above is based on the locations of the customers.

Non-current assets:

Particulars	31 March 2022	31 March 2021
India	16,724.57	10,944.50
Outside India	-	-
Total	16,724.57	10,944.50

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) Subsidiary companies	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') (w.e.f. 09 September 2020) TeamLease Regtech Private Limited ('TRPL')(w.e.f. 03 April 2021)
b) Associate/ Joint Control	TeamLease Edtech Limited ('TLEL') (till 8 September 2020) TeamLease Regtech Private Limited ('TRPL')(till 2 April 2021)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 43: Related party disclosures (Contd..)

Description of relationship	Names of the related parties
c) Key management personnel and their relatives	Mr. Manish Sabharwal - Executive chairman Mr. Ashok Reddy - Managing Director and Chief Executive officer Mr. Ravi Vishwanath - Chief Financial Officer (resigned w.e.f. 23 March 2021) Mrs. Ramani Dathi - Chief Financial Officer (w.e.f. 28 July 2021) (Deputy Chief Financial Officer w.e.f. 24 March 2021) Mrs. Alaka Chanda - Company Secretary Mrs. Asha Vishwanath - relative of Mr. Ravi Vishwanath (till 23 March 2021) Mrs. Latika Pradhan - Independent Director Mr. Narayan Ramachandran - Independent Director Mr. Raghunathan V - Independent Director Mr. Zarir Batliwala - Independent Director Mr. Mekin Maheshwari - Independent Director (appointed w.e.f. 09 April 2021) Mr. S. Subramaniam - Independent Director (appointed w.e.f. 28 July 2021) Mrs. Meenakshi Nevatia - Independent Director (appointed w.e.f. 28 July 2021)
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)

(ii) Transactions with related parties

	31 March 2022	31 March 2021
Interest income from		
TeamLease Education Foundation	39.94	431.11
TeamLease Digital Private Limited - on loan and CCD's	1,331.31	1,566.79
TeamLease HRTech Private Limited	79.03	56.16
IIJT Education Private Limited	1.43	0.06
TeamLease Regtech Private Limited	-	0.05
	1,451.71	2,054.17
Revenue from operations		
TeamLease Education Foundation	629.40	362.18
TeamLease Digital Private Limited	4.08	9.37
Keystone Business Solutions Private Limited	-	0.21
TeamLease Edtech Limited	10.24	9.02
TeamLease Regtech Private Limited	1.01	-
TeamLease Skills University	1,365.63	1,758.73
Innoviti Payment Solutions Pvt Ltd	14.50	-
Stryker India Private Limited	162.14	-
	2,187.00	2,139.51
Profit on sale of assets		
I.M.S.I Staffing Private Limited	-	0.04
	-	0.04
Consultancy/services charges paid		
TeamLease Digital Private Limited	730.98	859.98
TeamLease HRTech Private Limited	83.06	107.38
I.M.S.I Staffing Private Limited	-	6.00
IIJT Education Private Limited	12.00	6.00
TeamLease Edtech Limited	106.58	1.09
TeamLease Regtech Private Limited	142.20	134.45
TeamLease Education Foundation	103.44	-
TeamLease Skills University	140.89	171.51
Asha Vishwanath	-	6.00
	1,319.15	1,292.41

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 43: Related party disclosures (Contd..)

	31 March 2022	31 March 2021
Intangible assets under development		
TeamLease Digital Private Limited	62.87	67.00
TeamLease Regtech Private Limited	17.00	10.00
	79.87	77.00
Expenses incurred by the Company on behalf of others - Cross charged		
TeamLease Digital Private Limited	205.04	209.93
Keystone Business Solutions Private Limited	-	0.17
TeamLease HRTech Private Limited	97.52	154.85
TeamLease Edtech Limited	101.11	1.21
I.M.S.I Staffing Private Limited	29.94	7.57
TeamLease Education Foundation	20.04	-
TeamLease Regtech Private Limited	48.28	45.48
TeamLease Skills University	71.91	14.86
	573.84	434.07
Bad debts written off		
TeamLease Skills University	-	27.05
	-	27.05
Loans and advances written off		
IIJT Education Private Limited	33.77	-
	33.77	-
Loans and advances given to		
TeamLease Education Foundation	1,526.00	597.50
IIJT Education Private Limited	32.00	12.00
TeamLease HRTech Private Limited	347.50	505.50
TeamLease Digital Private Limited	1,420.00	4,420.00
TeamLease Regtech Private Limited	-	1.11
	3,325.50	5,536.11
Loans and advances repaid by		
IIJT Education Private Limited	30.23	-
TeamLease Education Foundation	1,443.50	5,768.42
TeamLease Digital Private Limited	1,840.36	6,570.60
TeamLease HRTech Private Limited	140.00	55.00
	3,454.09	12,394.02
Advances given converted into Loan		
TeamLease Digital Private Limited	-	2.00
	-	2.00
Loan given converted into Investments		
TeamLease Regtech Private Limited	-	100.00
Equity shares	-	100.00
CCCPS converted into equity shares		
TeamLease Edtech Limited	-	1,350.00
TeamLease Regtech Private Limited	705.66	-
	705.66	1,350.00
Investments in equity shares		
TeamLease Edtech Limited	-	434.04
TeamLease Regtech Private Limited	848.98	345.19
	848.98	779.23
Investment impaired		
TeamLease HRTech Private Limited	1,292.81	-
	1,292.81	-
Deposit paid		
IIJT Education Private Limited	-	10.00
	-	10.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 43: Related party disclosures (Contd..)

	31 March 2022	31 March 2021
Debt application money pending allotment		
TeamLease Digital Private Limited	1,320.00	1,460.00
	1,320.00	1,460.00
Subscription to CCD		
TeamLease Digital Private Limited	1,460.00	2,050.00
	1,460.00	2,050.00
Guarantee given on behalf of		
TeamLease Edtech Limited	1,000.00	-
TeamLease Skills University	450.00	2,000.00
	1,450.00	2,000.00
Managerial remuneration (Refer note)		
Ashok Reddy	155.92	54.70
Manish Sabharwal	120.00	41.50
Ravi Vishwanath	-	87.79
Ramani Dathi	141.03	1.87
Alaka Chanda	40.87	23.49
	457.82	209.35
Director Sitting fees		
Latika Pradhan	14.60	14.00
Narayan Ramachandran	13.00	13.60
Raghunathan V	14.60	14.00
Zarir Batliwala	13.00	12.00
Mekin Maheshwari	8.00	-
Meenakshi Nevatia	6.20	-
S. Subramaniam	7.00	-
	76.40	53.60

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 ₹ 63.56 Lakhs (net) [31 March 2021: reversal of ₹ 32.02 Lakhs (net)] for share based compensation and long term incentive.

(iii) Outstanding balances as at year ended

Particulars	31 March 2022	31 March 2021
Loans		
TeamLease Digital Private Limited	-	420.36
TeamLease Education Foundation	550.00	467.50
TeamLease HRTech Private Limited	1,193.00	985.50
	1,743.00	1,873.36
Other receivables (Assets held for sale)		
IIJT Education Private Limited	-	42.00
	-	42.00
Debt application money pending allotment		
TeamLease Digital Private Limited	1,320.00	1,460.00
	1,320.00	1,460.00
Trade receivables		
TeamLease Education Foundation	424.28	257.65
TeamLease Digital Private Limited	-	21.11
TeamLease Edtech Limited	-	0.37
TeamLease Skills University	2,439.42	2,420.34
Innoviti Payment Solutions Pvt Ltd	0.07	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 43: Related party disclosures (Contd..)

Particulars	31 March 2022	31 March 2021
Stryker India Private Limited	17.31	-
	2,881.08	2,699.47
Other receivables		
TeamLease Education Foundation	25.17	-
TeamLease Digital Private Limited	94.68	17.23
TeamLease HRTech Private Limited	56.01	69.55
I.M.S.I Staffing Private Limited	7.16	1.19
TeamLease Edtech Limited	63.97	0.38
TeamLease Regtech Private Limited	12.94	132.18
TeamLease Skills University	43.60	-
	303.53	220.53
Unbilled revenue		
TeamLease Education Foundation	111.14	-
TeamLease Digital Private Limited	0.12	6.59
TeamLease Regtech Private Limited	1.20	1.25
TeamLease HRTech Private Limited	-	1.36
TeamLease Skills University	71.98	347.74
	184.44	356.94
Investments in equity shares		
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
IIJT Education Private Limited (net of provision)	-	408.52
TeamLease HRTech Private Limited (net of provision)	641.84	1,934.65
TeamLease Edtech Limited	2,542.94	2,542.94
TeamLease Regtech Private Limited	1,999.82	445.18
	14,004.65	14,151.34
Investments in preference shares		
TeamLease Regtech Private Limited	-	705.66
	-	705.66
Investments in CCDs		
TeamLease Digital Private Limited	18,400.00	16,940.00
	18,400.00	16,940.00
Trade payables		
TeamLease Digital Private Limited	248.11	288.77
TeamLease HRTech Private Limited	0.35	4.65
I.M.S.I Staffing Private Limited	-	6.00
TeamLease Edtech Limited	39.03	0.97
IIJT Education Private Limited	-	4.97
TeamLease Regtech Private Limited	12.25	1.48
TeamLease Skills University	14.00	68.23
	313.74	375.07
Other financial liability		
TeamLease Digital Private Limited	2.88	-
TeamLease Regtech Private Limited	6.00	-
TeamLease Edtech Limited	51.15	-
	60.03	-
Guarantee given on behalf of		
TeamLease Digital Private Limited	1,200.00	1,200.00
TeamLease Edtech Limited	1,000.00	-
TeamLease Skills University	2,450.00	4,000.00
	4,650.00	5,200.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 44: Disclosures pursuant to the Regulation 34(3) read with paragraph A of Schedule V to Securities (Listing Obligation and Disclosure Requirements) Regulations, 2015, as regards the loans and inter-corporate deposits granted to subsidiaries, associates and other companies in which the directors are interested:

(i) Loans and advances in the nature of loans to subsidiaries

	31 March 2022	31 March 2021
Balance as at the year end		
TeamLease Education Foundation	550.00	467.50
TeamLease HRTech Private Limited	1,193.00	985.50
TeamLease Digital Private Limited	-	420.36
IIJT Education Private Limited	-	12.00
Total	1,743.00	1,885.36
Maximum amount outstanding at any time during the year		
TeamLease Education Foundation	950.00	6,200.00
TeamLease HRTech Private Limited	1,193.00	985.50
TeamLease Digital Private Limited	500.00	2,968.95
IIJT Education Private Limited	44.00	12.00
Total	2,687.00	10,166.45

(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 2022	31 March 2021
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	71.84	99.88
- Interest due on above	2.53	1.53
Total	74.37	101.41
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.	2.45	1.19
The amount of interest accrued and remaining unpaid at the end of each accounting year.	2.53	1.53
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.	2.53	1.53

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 46: Contingent liabilities

	31 March 2022	31 March 2021
(a) Service tax matters in dispute*	463.03	463.03
(b) Disputed bonus liability**	3,349.33	3,349.33
(c) Income tax matters in dispute***	151.77	151.13
(d) Professional tax matters under dispute	66.78	-
(e) Corporate guarantee given for credit facility taken by TeamLease Digital Private Limited	1,200.00	1,200.00
(f) Corporate guarantee given for credit facility taken by TeamLease Skills University	2,450.00	4,000.00
(g) Corporate guarantee given for credit facility taken by TeamLease Edtech Limited	1,000.00	-

* 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 available 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.

In current year, the Income Tax authorities have disallowed the 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.

Note 47: Commitments

Capital commitments

	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for:	10.37	78.01

Note 48: CSR Expenditure

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.

	31 March 2022	31 March 2021
a) Gross amount required to be spent by the Company	187.94	175.32
b) Amount approved by the Board to be spent	187.94	253.86
c) Amount spent on purposes other than construction of any asset	187.94	253.86

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 48: CSR Expenditure (Contd..)

Particulars	31 March 2022	31 March 2021
i) Contribution to Public Trust, Charitable Trust, etc.	187.94	253.86
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 2022	-	-	187.94	187.94	-
31 March 2021	78.54	78.54	175.32	253.86	-

Note 49: PF Trust Investments

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 (31 March 2021: ₹ 17,373.78 lakhs) in two non-banking financial companies ('NBFCs') which had maturities between FY 2020-21 to FY 2026-27, which were under severe liquidity stress and undergoing insolvency proceedings.

During the year, 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, which is still pending resolution/settlement. 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.

Further, on 2 February 2022, 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 has been 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 has reversed provision of ₹ 1,780.13 lakhs based on settlement of the aforesaid matter and ₹ 5,719.87 Lakhs (net) has been disclosed as an exceptional item in the Standalone financial statements (Refer note no. 34).

Note 50: Assets and liabilities held for sale

On 2 December, 2021, the Company entered into a sale agreement with a third party, for sale of 100% equity stake in IIJT Education Private Limited ('IIJT') at an agreed consideration of ₹ 470 lakhs. Accordingly, IIJT ceases to be a subsidiary of the Company w.e.f. 2 December 2021 and necessary gain / loss etc. have been accounted for under respective heads.

Particulars	31 March 2022	31 March 2021
Assets		
Investment (net of provision) (Refer note 8)	-	408.52
Other assets	-	42.00
Total Assets classified as held for sale	-	450.52
Liabilities directly associated with assets classified as held for sale	-	4.97

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 51: Financial Ratios (as applicable)

Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reason for variance
Current Ratio	Current assets	Current liabilities	1.30	1.40	-7.14%	
Return on Equity Ratio	Profit for the year	Average shareholder's equity	3.38%	13.75%	-75.44%	Decrease in profits.
Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (including unbilled revenue)	17.24	14.71	17.20%	
Trade Payable Turnover Ratio	Other expenses	Average trade payables	3.20	2.22	44.14%	Lower payables.
Net Capital Turnover Ratio	Revenue from operations	Working capital = Current assets – current liabilities	33.27	22.03	51.02%	Increase in Revenue from operations during the year.
Net Profit Ratio	Profit for the year	Revenue from operations	0.40%	1.88%	-78.81%	Decrease in profits due to one time exceptional items.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Shareholder's equity + total debt	14.19%	14.84%	-4.42%	
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 + loans	4.56%	5.20%	-12.16%	

Note: There are no long-term debts, hence Debt- Equity Ratio and Debt Service Coverage Ratio are not furnished.

Note 52: Transactions with struck off companies

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year ended 31 March 2022	Transactions during the year ended 31 March 2021	Balance as at 31 March 2022 (net)	Balance as at 31 March 2021 (net)	Relationship with the struck-off Company
Galaxe E.Solutions India Private Limited	Income from regulatory services	3.54	3.55	0.42	0.49	Customer
Tractors India Ltd	Sale of services	-	-	1.50	1.50	Customer

Note 53: 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) 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 53: Other Statutory Information (Contd..)

- (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).

Note 54: Effect of Covid-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Company will continue to monitor future economic conditions for any significant change.

Note 55: 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 56: 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: 18 May 2022

For and on behalf of the Board of Directors
TeamLease Services Limited

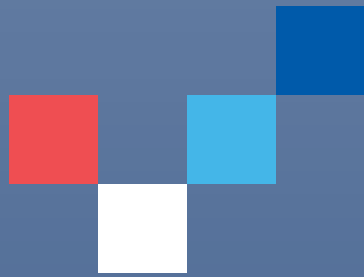
Ashok Reddy
Managing Director
DIN: 00151814

Ramani Dathi
Chief Financial Officer

Place: Bangalore
Date: 18 May 2022

Latika Pradhan
Director
DIN: 07118801

Alaka Chanda
Company Secretary
F10911



Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Members of **TeamLease Services Limited**

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS 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 Ind AS Balance Sheet as at March 31, 2022, the consolidated Ind AS 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 Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS 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, 2022, their consolidated profit including other comprehensive loss, 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Key audit matters

Revenue recognition and recoverability of trade receivables

The Group's consolidated revenues for the Financial Year 2021-2022 amounts to ₹ 647,982.31 Lakhs, mainly from General staffing and allied services.

The Group has various streams of revenue with multiple types of customer contracts characterized by large volume of transactions.

The Group has adopted a provision policy in respect of overdue trade receivables based on the past collection trends and industry data and factored impact of future credit risk on account of Covid 19.

How our audit addressed the key audit matter

We understood, evaluated and tested the operating effectiveness of internal controls over revenue 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 receipts for audit samples.

Key audit matters

How our audit addressed the key audit matter

Revenue recognition and recoverability of trade receivables

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 28 and Note 16 to the consolidated Ind AS financial statements for the group's disclosure on revenue and trade receivables respectively.

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 Ind AS financial statements for compliance with the disclosure requirements.

Impairment of Goodwill

Goodwill in consolidated Ind AS financial statement is ₹ 17,326.66 Lakhs as at March 31, 2022.

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.

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.

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.

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.

Key assumptions concerning the impairment test are disclosed in Note 6 to the consolidated Ind AS financial statements.

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.

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.

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 Report and Report on Management Discussion and Analysis included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS 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 the Group 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2022 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 seven subsidiaries, whose Ind AS financial statements include total assets of ₹ 33,163.99 Lakhs as at March 31, 2022, and total revenues of ₹ 62,071.22 Lakhs and net cash inflows of ₹ 207.96 Lakhs for the year ended on that date. These financial statements 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 Ind AS 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 Ind AS 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 qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements;
 - (d) In our opinion, the aforesaid consolidated Ind AS 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, 2022 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, 2022 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 Ind AS 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 and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended March 31, 2022 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 Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated Ind AS financial statements – Refer Note 44 to the consolidated Ind AS 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, 2022;
 - 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, 2022.
 - 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, 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.

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

per **Navin Agrawal**
Partner
Membership Number: 056102
UDIN: 22056102AJDZPO1396
Place of Signature: Bengaluru
Date: May 18, 2022

ANNEXURE 1 to the Independent Auditor's Report of even date on the Consolidated Ind AS 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 Ind AS financial statements of TeamLease Services Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

A company's internal financial control with reference to consolidated Ind AS 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 Ind AS 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 Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS 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 Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS 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 Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31,2022, 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 Ind AS financial statements of the Holding Company, in so far as it relates to seven 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

per **Navin Agrawal**
Partner
Membership Number: 056102
UDIN: 22056102AJDZPO1396
Place of Signature: Bengaluru
Date: May 18, 2022

CONSOLIDATED BALANCE SHEET

as at 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,137.91	1,168.32
Right of use assets	5	2,876.37	2,009.77
Goodwill on consolidation (Net)	6	17,326.66	17,737.94
Other intangible assets	6	4,876.53	4,572.50
Intangible assets under development	7	1,782.80	1,508.70
Financial assets			
(i) Investments	8	300.00	904.92
(ii) Others	11	11,116.77	9,164.46
Deferred tax assets (net)	12	258.62	495.95
Income tax assets (net)	14	15,454.39	9,998.81
Other non-current assets	15	52.37	58.77
Total non-current assets		55,182.42	47,620.14
Current assets			
Financial assets			
(i) Investments	9	5,034.65	6,093.78
(ii) (a) Trade receivables	16	36,965.40	27,768.61
(ii) (b) Unbilled revenue	10	17,070.50	12,963.76
(iii) Cash and cash equivalents	17	17,654.79	25,911.76
(iv) Bank balances other than cash and cash equivalents	17	11,645.89	2,956.99
(v) Others	11	6,793.64	5,277.78
Income tax assets (net)	14	31.52	-
Other current assets	18	3,661.88	1,968.52
Assets classified as held for sale	48	-	517.95
Total current assets		98,858.27	83,459.15
Total assets		1,54,040.69	1,31,079.29
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	19	1,709.68	1,709.68
Other equity			
(i) Owners of the parent company	20	67,611.24	63,492.89
(ii) Non-controlling interest	20	1,259.04	400.32
Total equity		70,579.96	65,602.89
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	25	2,178.21	1,448.31
(ii) Other financial liabilities	26	185.38	-
Deferred tax liabilities (net)	13	285.10	-
Employee defined benefit liabilities	21	11,182.45	8,825.32
Other non-current liabilities	22	421.90	421.90
Total non-current liabilities		14,253.04	10,695.53
Current liabilities			
Financial liabilities			
(i) Borrowings	23	2,766.84	1.38
(ii) Lease liabilities	25	1,038.22	835.20
(iii) Trade payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises		264.62	517.63
(b) Total outstanding dues other than micro enterprises and small enterprises		3,927.24	2,360.45
(iv) Other financial liabilities	26	30,241.42	23,992.61
Employee defined benefit liabilities	21	6,337.97	5,158.47
Other current liabilities	27	24,631.37	21,842.74
Liabilities associated with assets classified as held for sale	48	-	72.39
Total current liabilities		69,207.68	54,780.86
Total liabilities		83,460.72	65,476.39
Total equity and liabilities		1,54,040.68	1,31,079.29
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

For and on behalf of the Board of Directors
TeamLease Services Limited

Ashok Reddy
Managing Director
DIN: 00151814
Ramani Dathi
Chief Financial Officer

Latika Pradhan
Director
DIN: 07118801
Alaka Chanda
Company Secretary
F10911

Place: Bangalore
Date: 18 May 2022

Place: Bangalore
Date: 18 May 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	28	6,47,982.31	4,88,145.67
Other income	29	1,972.63	3,471.86
Total income		6,49,954.94	4,91,617.53
Expenses			
Employee benefits expense	30	6,18,073.22	4,68,698.01
Finance costs	31	396.59	689.83
Depreciation and amortization expense	32	4,078.66	3,370.50
Other expenses	33	15,672.15	9,596.99
Total expenses		6,38,220.62	4,82,355.33
Profit before share of profit/ (loss) from associate/ joint venture, exceptional items and tax		11,734.32	9,262.20
Share of loss from associate and joint venture		-	(108.58)
Profit before exceptional items and tax		11,734.32	9,153.62
Exceptional items	34	(7,177.87)	(300.00)
Profit before tax		4,556.45	8,853.62
Tax expense:	14		
Current tax		333.86	253.75
Tax provision for earlier years		(4.68)	154.55
Deferred tax	13		
Minimum Alternate Tax (MAT) credit		-	(7.93)
Deferred tax charge		281.81	605.78
Income tax expense		610.99	1,006.15
Net Profit for the year		3,945.46	7,847.47
Net Profit for the year		3,945.46	7,847.47
Attributable to:			
Owners of the parent company		3,842.83	7,750.11
Non-controlling interest		102.63	97.36
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement (losses)/gains on defined benefit plans	36	(18.97)	197.44
Income tax effect		6.35	(49.76)
Other comprehensive (loss)/income, net of tax		(12.62)	147.68
Attributable to:			
Owners of the parent company		(3.70)	146.88
Non-controlling interest		(8.92)	0.80
Total comprehensive income for the year, net of tax		3,932.84	7,995.15
Attributable to:			
Owners of the parent company		3,839.13	7,896.99
Non-controlling interest		93.71	98.16
Earnings per equity share:			
Basic and diluted (amount in ₹)	35	22.48	45.33
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: 18 May 2022

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: 18 May 2022

Latika Pradhan
Director
DIN: 07118801

Alaka Chanda
Company Secretary
F10911

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
Operating activities			
Profit before tax		4,556.45	8,853.62
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortization		4,078.66	3,370.50
Finance costs		396.59	689.83
Interest income		(579.14)	(1,522.65)
Loss on disposal of property, plant and equipment (net)		4.86	0.25
Fair value adjustments (net)		(14.32)	(189.19)
Liabilities/provisions no longer required written back		(981.66)	(1,573.58)
Bad debts written off (net)		349.44	761.07
Provision for expected credit loss/(reversal)		(270.00)	615.62
Provision for doubtful advances		-	142.69
Share-based payment expenses (net)		279.22	96.75
Share of loss from associate and joint venture		-	108.58
Sundry balances written off		61.58	24.07
Gain on sale of current investments (net)		(305.99)	(72.51)
Fair value gains on current investments (net)		(36.73)	(8.47)
Fair value gain on assets held for sale (net)		(6.15)	-
Exceptional items (net)		7,177.87	-
		-	-
Working capital adjustments			
(Increase) / decrease in trade receivables		(9,182.80)	506.34
(Increase) / decrease in other assets		(1,683.13)	(186.77)
(Increase) / decrease in unbilled revenue and other financial assets		(7,419.29)	(4,963.39)
Increase / (decrease) in trade payables and other financial liabilities		7,905.24	4,900.10
Increase/(decrease) in other liabilities (including for PF Trust)		(2,477.33)	2,999.40
Increase / (decrease) in net employee defined benefit liabilities		3,466.06	1,996.21
		5,319.44	16,548.47
Income tax (payments)/refunds		(5,934.19)	13,784.27
Net cash flows (used in)/ from operating activities		(614.76)	30,332.74
Investing activities			
Purchase of property, plant and equipment		(583.13)	(371.42)
Purchase of intangible assets (including intangibles under development)		(756.58)	(656.64)
Proceeds from sale of property, plant and equipment		1.56	45.79
Acquisition of business (net of cash and cash equivalents acquired)		(971.77)	(1,499.80)
Sale / (purchase) of current investments		1,401.84	(5,726.33)
Loans and advances repaid by/(given to) related parties		-	5,373.89
Non-current investments		(300.00)	(445.19)
(Investments in)/Maturity of fixed deposits (net)		(8,655.19)	192.94
Interest received		557.81	1,860.02
Sale of investments in Subsidiary		455.22	-
Net cash flows (used in)/from investing activities		(8,850.24)	(1,226.74)
Financing activities			
Proceeds from issue on exercise of stock options		0.36	0.61
Proceeds from issue of shares by subsidiary		89.49	-
Proceeds from / (repayment of) borrowings (net)		250.00	(2,444.01)
Repayment of principal portion of lease liabilities		(1,250.70)	(1,340.71)
Finance costs		(396.59)	(656.18)
Net cash flows (used in)/from financial activities		(1,307.44)	(4,440.29)
Net (decrease)/increase in cash and cash equivalents		(10,772.44)	24,665.71
Cash and cash equivalents at the beginning of the year		25,910.38	1,244.67
Cash and cash equivalents at the end of the year	17	15,137.94	25,910.38
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

For and on behalf of the Board of Directors

TeamLease Services Limited

Ashok Reddy

Managing Director

DIN: 00151814

Ramani Dathi

Chief Financial Officer

Latika Pradhan

Director

DIN: 07118801

Alaka Chanda

Company Secretary

F10911

Place: Bangalore

Date: 18 May 2022

Place: Bangalore

Date: 18 May 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

a. Equity share capital:

Issued, subscribed and fully paid share capital

	Numbers	Amount (in ₹ lakhs)
Equity shares of ₹ 10 each:		
At 1 April 2020	1,70,96,769	1,709.68
Additions during the year	-	-
At 31 March 2021	1,70,96,769	1,709.68
Additions during the year	-	-
At 31 March 2022	1,70,96,769	1,709.68

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		
As at 1 April 2020	23,972.72	805.30	30,721.13	55,499.15	-	55,499.15
Acquisition of additional stake in subsidiary (Note 49)	-	-	-	-	302.16	302.16
Net Profit for the year	-	-	7,750.11	7,750.11	97.36	7,847.47
Other comprehensive income	-	-	146.88	146.88	0.80	147.68
Total comprehensive income	23,972.72	805.30	38,618.12	63,396.14	400.32	63,796.46
Stock option compensation expense	-	96.75	-	96.75	-	96.75
Exercise/ lapse of stock options	682.29	(714.15)	31.86	-	-	-
As at 31 March 2021	24,655.01	187.90	38,649.98	63,492.89	400.32	63,893.21
As at 1 April 2021	24,655.01	187.90	38,649.98	63,492.89	400.32	63,893.21
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)
Total comprehensive income	24,655.01	187.90	42,489.11	67,332.02	1,259.04	68,591.06
Stock option compensation expense	-	279.22	-	279.22	-	279.22
Exercise / lapse of stock options	109.28	(109.28)	-	-	-	-
At 31 March 2022	24,764.29	357.84	42,489.11	67,611.24	1,259.04	68,870.28
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

For and on behalf of the Board of Directors

TeamLease Services Limited

Ashok Reddy

Managing Director

DIN: 00151814

Ramani Dathi

Chief Financial Officer

Latika Pradhan

Director

DIN: 07118801

Alaka Chanda

Company Secretary
F10911

Place: Bangalore

Date: 18 May 2022

Place: Bangalore

Date: 18 May 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. 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 18 May 2022.

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.

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, associate, joint venture and ESOP trust as at 31 March 2022. 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- 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.

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 2022	31 March 2021
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
Evolve Technologies and Services Private Limited (Evolve) (Merged into TDPL w.e.f.1 April 2020)	Telecom Staffing business	India	-	100
TeamLease HRTech Private Limited (HRTech) (Formerly known as TeamLease e-Hire Private Limited)	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) (subsidiary w.e.f. 9 September 2020)	Technology-led specialised academic services	India	77.67	78.43
IIJT Education Private Limited (IIJT) (ceased to be subsidiary w.e.f. 2 December 2021)		India	-	100
TeamLease Regtech Private Limited (TRPL) (formerly known as Avantis Regtech Private Limited) (subsidiary w.e.f. 3 April 2021)	SAAS based governance, risk and compliance automation	India	61.50	-
TeamLease Employee Stock Plan Trust	ESOP Trust	India	100	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

(b) Associate and Joint venture

Associate is an entity over which the group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Details of joint venture considered for consolidation, with respective holdings thereof are as follows:

Particulars	Principal activities	Country of incorporation	Date of acquisition	% of holding	
				31 March 2022	31 March 2021
TeamLease Regtech Private Limited (TRPL) (subsidiary w.e.f. 3 April 2021)	SAAS based governance, risk and compliance automation	India	1 November 2018	-	43.00

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 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 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.

- 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 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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

(₹), 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, regardless of when the payment is being made. 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 in the contracts with customers.

Recruitment and other services

Revenue from permanent recruitment services, temporary 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 agreed in the customer contracts.

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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

- 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.

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 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

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.

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. 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 (Years)
Office equipment	3-8
Computers	3
Furniture and fixtures	3-10
Vehicles	6-10
Plant and machinery	2

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

- 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:

Asset	Useful life in Years	Useful life in Years
Softwares	3-5	Acquired / internally generated
Brands	3-4	Acquired
Non compete	3-5	Acquired
Customer relationships	5	Acquired
Databases	4	Acquired

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.

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

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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 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

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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:

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.

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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 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.

Contribution to TeamLease Provident Fund

The Group had a defined benefit plan for post employment benefits in the form of provident fund. The Group made contribution for provident fund to the trust set up by the Group and administered by the trustees. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, to be made good by the Group. The Group's liability was actuarially determined (deterministic approach) at the end of the year. Actuarial losses/gains were recognized in the Statement of Profit and Loss in the year in which they arise. Effective March 2022, PF contribution has been remitted to Employee Provident Fund Organisation (EPFO) by the Group basis exemption granted under para 27 read with section 17(2) of the Employees Provident Fund Act by EPFO. Also refer Note 46.

(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

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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 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.

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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 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.

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(All amounts in Rs. lakhs, unless otherwise stated)

Note 4: Property, plant and equipment

	Office equipment	Computers	Furniture & fixtures	Vehicles	Plant & machinery	Leasehold Improvements	Total
Gross block							
As at 1 April 2020	536.40	658.83	298.99	25.99	274.04	469.89	2,264.14
Acquired on acquisitions (Refer note 49)	2.66	4.64	10.93	-	-	-	18.23
Additions	34.90	215.38	5.20	15.35	33.16	67.43	371.42
Disposals	(23.44)	(63.78)	(14.77)	(10.54)	-	(18.73)	(131.26)
Classified as asset held for sale (Refer note 48)	-	-	-	-	-	(19.95)	(19.95)
As at 31 March 2021	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)
As at 31 March 2022	593.04	1,033.86	214.22	30.80	318.09	658.60	2,848.61
Accumulated depreciation							
As at 1 April 2020	241.96	290.66	92.25	4.53	189.60	102.66	921.66
Charge during the year	89.61	183.33	48.16	5.88	66.96	108.89	502.83
Disposals	(22.07)	(39.43)	(8.21)	(7.94)	-	(7.59)	(85.24)
Classified as asset held for sale (Refer note 48)	-	-	-	-	-	(4.99)	(4.99)
As at 31 March 2021	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)
As at 31 March 2022	381.03	567.27	123.91	9.17	280.98	348.34	1,710.70
Net Block							
As at 31 March 2021	241.02	380.51	168.15	28.33	50.64	299.67	1,168.32
As at 31 March 2022	212.01	466.59	90.31	21.63	37.11	310.26	1,137.91

Note 5: Right of use assets

	Buildings
Gross block	
As at 1 April 2020	7,976.32
Additions	264.89
Disposals	(2,427.00)
As at 31 March 2021	5,814.21
Acquired on acquisitions (Refer note 49)	85.24
Additions	3,409.88
Disposals	(2,032.00)
As at 31 March 2022	7,277.33
Accumulated depreciation	
As at 1 April 2020	3,966.26
Charge during the year	1,241.19
Disposals	(1,403.01)
As at 31 March 2021	3,804.44
Charge during the year	1,447.23

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Note 5: Right of use assets

	Buildings
Disposals	(850.71)
As at 31 March 2022	4,400.96
Net block	
As at 31 March 2021	2,009.77
As at 31 March 2022	2,876.37

Note 6: Other Intangible assets

	Customer relationships	Brands	Non-competete	Database	Softwares	Total	Goodwill
Gross block							
As at 1 April 2020	4,896.82	243.70	1,272.46	37.23	1,345.83	7,796.04	16,483.45
Acquired on acquisitions (Refer note 49)	1,187.60	-	-	-	165.82	1,353.42	1,489.64
Additions	-	-	-	-	216.61	216.61	-
Disposals	-	-	-	-	-	-	-
Classified as asset held for sale (Refer note 48)	-	-	-	-	-	-	(235.15)
As at 31 March 2021	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	-	-	-	-	-	-	-
As at 31 March 2022	7,597.52	243.70	1,323.44	37.23	2,749.21	11,951.10	18,619.47
Accumulated amortisation and impairment							
As at 1 April 2020	1,483.77	173.79	519.12	15.51	974.90	3,167.09	-
Charge during the year	1,113.09	40.40	222.82	9.31	240.86	1,626.48	-
Disposals	-	-	-	-	-	-	-
As at 31 March 2021	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 during the year	93.51	7.38	40.06	3.10	105.88	249.93	1,292.81
As at 31 March 2022	4,078.85	243.70	991.67	37.23	1,723.12	7,074.57	1,292.81
Net Block							
As at 31 March 2021	3,487.56	29.51	530.52	12.41	512.50	4,572.50	17,737.94
As at 31 March 2022	3,518.67	-	331.77	-	1,026.09	4,876.53	17,326.66

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 2022		31 March 2021	
	Specialised Staffing Services	Other HR Services	Specialised Staffing Services	Other HR Services
Growth rate (average)	51%	36%	31%	92%
Operating margins (average)	10%	28%	10%	25%
Discount rate (post-tax)	18%	18%	16%	16% to 18%

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Note 6: Other Intangible assets (Contd..)

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 has impaired goodwill of ₹ 1,292.81 lakhs and other intangibles of ₹ 249.93 lakhs of HRTech as at 31 March 2022 which has been disclosed as 'exceptional item'. HRTech has been incurring losses from past few years and has accumulated losses of ₹ 1,051.46 lakhs as at 31 March 2022 primarily due to the COVID impact.

Note 7: Intangible assets under development

As at 31 March 2022

Intangible assets under development

	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
Total	668.65	316.20	591.00	206.95	1,782.80

As at 31 March 2021

Intangible assets under development

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	491.34	767.41	249.95	-	1,508.70
Total	491.34	767.41	249.95	-	1,508.70

Note 8: Investments

	31 March 2022	31 March 2021
Non current, Unquoted (at cost, less impairment)		
(A) Investment in Equity Shares		
Joint Venture		
TeamLease Regtech Private Limited ('TRPL')		
Nil (31 March 2021: 27,773) equity shares of Re. 1 each (Refer note 1 below)	-	445.18
(B) Investment in Preference Shares		
Joint Venture		
TeamLease Regtech Private Limited ('TRPL')		
0.1% Compulsorily Convertible Cumulative Preference Shares (CCCPS)	-	459.74
Nil (31 March 2021: 307,018) preference shares of Re.1 each (Refer note 1 below)		
(C) Investment - others		
Endowment Fund (Refer note 2 below)	300.00	-
	300.00	904.92
Aggregate value of unquoted investments	300.00	904.92
Aggregate amount of provision for diminution	-	-

Note:

- During the year ended 31 March 2022, the Company entered into a definitive agreement and acquired additional equity stake of 14.96% in TeamLease Regtech Private Limited ('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 2 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, CCCPS of TRPL has been converted into 56,000 equity shares of ₹ 1 each at a premium of ₹ 1301.59 per share.

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Note 8: Investments (Contd..)

- The Company entered into a definitive agreement with TeamLease Skill University and funded ₹ 300 lakhs to set up corpus towards Endowment fund.
- One of the subsidiary, TeamLease Edtech Private Limited, has investment of ₹ 0.28 lakhs (31 March 2021: 4.11 lakhs) in Systematix Commodities Services Pvt. Ltd which has been fully written off, hence not disclosed above.

Note 9: Current Investments (at fair value through profit and loss)

	31 March 2022	31 March 2021
Investment in mutual funds		
Axis Arbitrage Fund	505.50	-
3,122,970 Units of ₹ 16.19 each (31 March 2021: Nil)		
Kotak Money Market Fund	2,523.94	-
70,100 Units of ₹ 3,600.50 each (31 March 2021: Nil)		
IDFC Overnight Fund	2,005.21	-
177,523 Units of ₹ 1,129.56 each (31 March 2021: Nil)		
Nippon India Overnight Fund	-	2,005.89
Nil (31 March 2021: 1,819,749) Units of ₹ 110.23 each		
ICICI Prudential Overnight Fund	-	1,503.72
Nil (31 March 2021: 1,358,149) Units of ₹ 110.72 each		
DSP Liquid Fund	-	2,502.12
Nil (31 March 2021: 85,699) Units of ₹ 2,920.66 each		
Birla Sun Life Saving Fund	-	19.49
Nil (31 March 2021: 3,778) Units of ₹ 515.78 each		
ICICI Prudential Flexible Income Plan	-	39.58
Nil (31 March 2021: 183,548) Units of ₹ 21.57 each		
Kotak Money Market Scheme	-	22.98
Nil (31 March 2021: 3,467) Units of ₹ 662.82 each		
	5,034.65	6,093.78
Aggregate amount of quoted investment and market value thereof	5,034.65	6,093.78

Note 10: Unbilled Revenue

	31 March 2022	31 March 2021
Current		
(Unsecured, considered good)		
Unbilled revenue*	17,070.50	12,963.76
	17,070.50	12,963.76

*includes ₹ 133.52 lakhs (31 March 2021: ₹ 349.00 lakhs) from related parties.

Note 11: Other financial assets

	31 March 2022	31 March 2021
Non-current		
(Unsecured, considered good, unless otherwise stated)		
Interest accrued on fixed deposits	18.01	10.30
Reimbursement right for gratuity	9,205.98	7,412.66
Reimbursement right for compensated absences	871.79	715.67
Fixed deposits with banks (maturity of more than 12 months) (Refer note 17)	212.87	245.06
Loan to employees	40.23	-
Security/other deposits	617.88	780.77
Other advances etc.	150.00	-
	11,116.77	9,164.46

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 11: Other financial assets (Contd..)

	31 March 2022	31 March 2021
(Credit impaired)		
Deposits	118.38	136.45
Less: Provision	(118.38)	(136.45)
	-	-
	11,116.77	9,164.46

	31 March 2022	31 March 2021
Current		
(Unsecured, considered good, unless otherwise stated)		
Interest accrued on fixed deposits	83.03	69.40
Reimbursement right for gratuity	4,421.84	3,503.74
Reimbursement right for compensated absences	1,503.01	1,273.73
Security/other deposits	485.07	275.11
Other advances etc.*	300.69	155.80
	6,793.64	5,277.78
(Credit impaired)		
Deposits	19.36	39.67
Less: Provision	(19.36)	(39.67)
	-	-
	6,793.64	5,277.78

* includes ₹ 291.07 lakhs (31 March 2021: ₹ 32.17 lakhs) due from related parties.

Note 12: Deferred tax assets (net)

	31 March 2022	31 March 2021
Deferred tax assets (net)	239.10	476.43
MAT credit entitlement	19.52	19.52
	258.62	495.95

Particulars	Provision for expected credit loss	Depreciation on property, plant and equipment	Provision for leave and gratuity	Unabsorbed depreciation and business losses	Others	Total
As at 1 April 2020	945.35	(1,075.76)	277.14	1,064.21	219.92	1,430.86
Credit/ charge:						
Profit and loss	(407.35)	(172.91)	30.91	48.29	(104.72)	(605.78)
Other comprehensive income	-	-	(49.76)	-	-	(49.76)
Deferred taxes acquired in business combinations	-	(298.89)	-	-	-	(298.89)
As at 31 March 2021	538.00	(1,547.56)	258.29	1,112.50	115.20	476.43
Credit/ charge:						
Reclassification to deferred tax liability pursuant to Amalgamation (Refer Note 13)	(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)
As at 31 March 2022	341.26	(507.74)	263.13	127.94	14.51	239.10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 13: Deferred tax liabilities (net)

	31 March 2022	31 March 2021
Deferred tax liabilities (net)	285.10	-
	285.10	-

Particulars	Provision for expected credit loss	Depreciation on property, plant and equipment	Provision for leave and gratuity	Unabsorbed depreciation and business losses	Others	Total
As at 1 April 2020	-	-	-	-	-	-
Credit/ charge:	-	-	-	-	-	-
Profit and loss	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
As at 31 March 2021	-	-	-	-	-	-
Credit/ charge:						
Reclassification from deferred tax assets pursuant to amalgamation (Refer Note 12)	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
As at 31 March 2022	40.66	(746.18)	68.95	308.53	42.94	(285.10)

Note 14: Income tax assets (net)

Non-current	31 March 2022	31 March 2021
Advance income tax (net of provision)*	15,454.39	9,998.81
	15,454.39	9,998.81

*includes ₹ 12.21 lakhs (31 March 2021: ₹ 12.21 lakhs) paid under protest.

Current	31 March 2022	31 March 2021
Advance income tax	31.52	-
	31.52	-

Income tax expense/ (credit) in the statement of profit and loss consists of:

	31 March 2022	31 March 2021
Current income tax charge	333.86	253.75
Tax provision for earlier years	(4.68)	154.55
MAT credit (Refer note 1 below)	-	(7.93)
Deferred tax charge	281.81	605.78
Income tax reported in the statement of profit or loss	610.99	1,006.15

Income tax recognised in other comprehensive income

	31 March 2022	31 March 2021
Deferred tax (credit)/charge	(6.35)	49.76
Income tax expense charged to OCI	(6.35)	49.76

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 14: Income tax assets (net) (Contd..)

Reconciliation of effective tax rate:

	31 March 2022	31 March 2021
Profit before share of profit/ (loss) from associate/ joint venture, exceptional items and tax	11,734.32	9,262.20
Tax using the Company's domestic tax rate @ 25.168%	2,953.29	2,331.11
Tax effect of:		
Non-deductible tax expense	673.75	505.14
PF trust contribution	(1,382.60)	-
Provision related to prior years	(4.68)	154.55
MAT credit	-	(36.66)
Impact of change in tax laws/ tax rates	-	714.17
80JAA deduction	(1,247.97)	(2,152.53)
Others	(380.80)	(509.63)
Income tax expense	610.99	1,006.15

Note

As per the amendment in the Finance Act, 2016, deduction under Section 80JAA of the Income tax Act, 1961, was extended across to all the sectors. As per the provisions of Section 80JAA, 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 80JAA. The Group has started availing such deduction from financial year 2016-17 onwards. Also refer note 44.

Note 15: Other non-current assets

	31 March 2022	31 March 2021
(Unsecured, considered good)		
Prepaid expenses	2.37	13.41
Capital advances	50.00	-
Advances, other than capital advances	-	45.36
	52.37	58.77
(Credit impaired)		
Balances with statutory/ government authorities	29.66	29.66
Less: Provision	(29.66)	(29.66)
	-	-
	52.37	58.77

Note 16: Trade receivables

	31 March 2022	31 March 2021
(Unsecured, considered good)		
Trade receivables from related parties (Refer Note 43)	3,279.59	2,663.79
Trade receivables - others	33,685.81	25,104.82
(Unsecured, credit impaired)		
Trade receivables - others	1,360.07	1,911.51
	38,325.47	29,680.12
Allowance for expected credit loss	(1,360.07)	(1,911.51)
	(1,360.07)	(1,911.51)
	36,965.40	27,768.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 16: Trade receivables (Contd..)

Trade receivables ageing schedule

As at 31 March 2022

	Outstanding for following periods from due date of payment						Total
	Current not due	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
Total	18,521.53	18,416.44	103.02	408.57	631.97	243.94	38,325.47

As at 31 March 2021

	Outstanding for following periods from due date of payment						Total
	Current not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	10,681.04	16,972.20	100.09	15.28	-	-	27,768.61
Trade receivables – credit impaired	-	229.36	458.03	735.42	324.86	163.84	1,911.51
Total	10,681.04	17,201.56	558.12	750.70	324.86	163.84	29,680.12

- 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 receivables 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 120 days.

Note 17: Cash and cash equivalents and bank balances

	31 March 2022	31 March 2021
Balances with banks:		
- On current accounts	17,620.86	18,879.55
- Deposits with original maturity of less than 3 months	33.16	7,032.02
Cash on hand	0.77	0.19
	17,654.79	25,911.76
Other bank balances		
Deposits with remaining maturity of less than 12 months	11,645.89	2,956.99
Deposits with remaining maturity of more than 12 months	212.87	245.06
	11,858.76	3,202.05
Less : Amounts disclosed under other financial assets (Refer note 11)	(212.87)	(245.06)
	11,645.89	2,956.99
	29,300.68	28,868.75

Fixed deposits of ₹ 2,929.86 lakhs as at 31 March 2022 (31 March 2021: ₹ 2,787.11 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 2022	31 March 2021
Balances with banks		
- On current accounts	17,620.86	18,879.55
- Deposits with remaining maturity of less than 3 months	33.16	7,032.02
- Cash on hand	0.77	0.19
	17,654.79	25,911.76
Less: Bank overdraft (Refer note 23)	(2,516.84)	(1.38)
	15,137.95	25,910.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 18: Other current assets

	31 March 2022	31 March 2021
(Unsecured, considered good)		
Prepaid expenses	1,880.46	977.20
Advances to suppliers/ others	1,683.78	860.21
Loans and advances to employees	79.00	71.87
Other assets	18.64	59.24
	3,661.88	1,968.52
(Credit impaired)		
Other advances	27.26	307.80
Less: Provision	(27.26)	(307.80)
	-	-
	3,661.88	1,968.52

Note 19: Equity share capital

Equity share capital	31 March 2022	31 March 2021
(i) Authorised equity share capital		
23,300,000 (31 March 2021: 23,300,000) equity shares of ₹ 10 each.	2,330.00	2,330.00
(ii) Authorised 12% Cumulative Convertible Redeemable Preference Shares (CCPS)		
170,000 (31 March 2021: 170,000) CCPS of ₹ 100 each	170.00	170.00
(iii) Issued, subscribed and fully paid-up shares		
17,096,769 (31 March 2021: 17,096,769) equity shares of ₹ 10 each.	1,709.68	1,709.68
Total issued, subscribed and fully paid-up shares	1,709.68	1,709.68

(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) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	31 March 2022		31 March 2021	
	Numbers	% holding	Numbers	% holding
Equity shares of ₹10 each fully paid				
HR Offshoring Ventures Pte Limited	40,58,876	23.74	43,15,328	25.24
NED Consultants LLP	11,96,997	7.00	13,67,965	8.00

(vi) For shares reserved for issue under options under TeamLease Employee Stock Option Plan Trust, refer note 37.

(vii) Details of equity shares held by promoters

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.	43,15,328	(2,56,452)	40,58,876	23.74%	-5.94%
NED Consultants LLP	13,67,965	(1,70,968)	11,96,997	7.00%	-12.50%
Hansini Management Consultants Private Limited	1,31,442	-	1,31,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	-	-
	58,15,035	(4,27,420)	53,87,615		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 19: Equity share capital (Contd..)

As at 31 March 2021

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.	44,00,812	(85,484)	43,15,328	25.24%	-1.94%
NED Consultants LLP	14,53,449	(85,484)	13,67,965	8.00%	-5.88%
Hansini Management Consultants Private Limited	1,31,442	-	1,31,442	0.77%	-
MKS Management Consultancy Services LLP	300	-	300	-	-
Dhana Management Consultancy LLP*	8,52,413	(61,893)	7,90,520	4.62%	-7.26%
Anupama Gupta *	2,916	-	2,916	0.02%	-
	68,41,332	(2,32,861)	66,08,471		

*Re-classified from "Promoter Category" to "Public Category" vide approval of the Stock Exchanges dated 24 December, 2020.

Note 20: Other equity

	31 March 2022	31 March 2021
Owners of the parent company		
Securities premium	24,764.29	24,655.01
Retained earnings	42,489.11	38,649.98
Share based payment reserves	357.84	187.90
	67,611.24	63,492.89

Nature and purpose of 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 reserve

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 20: Non-controlling interest

	31 March 2022	31 March 2021
Non-controlling interest *	1,259.04	400.32
	1,259.04	400.32

*Includes ₹ 674.44 lakhs (31 March 2021: ₹ 302.16 lakhs) arising on account of acquisitions. (Refer Note 49)

Note 21: Net employee defined benefit liabilities

	31 March 2022	31 March 2021
Non-current		
Employee benefits - Gratuity (Refer note 36)	9,873.89	7,825.62
Employee benefits - Compensated absences	1,308.56	999.70
	11,182.45	8,825.32
Current		
Employee benefits - Gratuity (Refer note 36)	4,620.00	3,701.63
Employee benefits - Compensated absences	1,717.97	1,456.84
	6,337.97	5,158.47

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 22: Other non-current liabilities

	31 March 2022	31 March 2021
Disputed service tax liabilities (Refer note 44)	421.90	421.90
	421.90	421.90

Note 23: Borrowings

	31 March 2022	31 March 2021
Current		
Secured		
Bank overdraft*	2,516.84	1.38
Term loan**	250.00	-
	2,766.84	1.38

* 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 7.90% (31 March 2021: 6.70% to 8.48%) 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 are secured primarily by way of exclusive charge on the current assets of the Company and corporate guarantee provided by Holding Company. Loan is repayable on 3 March 2023 and carries interest @ 7% p.a.

Note 24: Trade payables

	31 March 2022	31 March 2021
Current		
Total outstanding dues of micro enterprises and small enterprises ("MSME")	264.62	517.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,927.24	2,360.45
	4,191.86	2,878.08

Refer note 43 for details of trade payables to related parties.

Trade payables ageing schedule

As at 31 March 2022

	Outstanding for following periods from due date of payment						Total
	Unbilled	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
	2,843.94	904.03	275.28	76.85	69.93	21.83	4,191.86

As at 31 March 2021

	Outstanding for following periods from due date of payment						Total
	Unbilled	Current but not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	20.88	202.26	292.75	1.06	0.68	-	517.63
(ii) Others	1,575.29	447.11	84.04	196.35	30.41	27.25	2,360.45
	1,596.17	649.37	376.78	197.41	31.09	27.25	2,878.08

Notes:

a) Trade payables are non-interest bearing and are normally settled within 30 day term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 25: Lease Liabilities

	31 March 2022	31 March 2021
Non-Current		
Lease Liabilities	2,178.21	1,448.31
	2,178.21	1,448.31
Current		
Lease Liabilities	1,038.22	835.20
	1,038.22	835.20

The following is the movement in lease liabilities

Particulars	31 March 2022	31 March 2021
Balances as at beginning of the year	2,283.51	4,743.97
Add: Additions during the year	3,482.57	264.89
Less: Deletions during the year	(1,298.95)	(1,384.64)
Add: Finance cost incurred during the year	339.97	311.09
Less: Payments (including finance cost)	(1,590.67)	(1,651.80)
Balance as at year end	3,216.43	2,283.51

The weighted average discount rate used for recognition of lease liabilities is 7.30% - 9% p.a. (31 March 2021: 9% p.a.)

Note 26: Other financial liabilities

	31 March 2022	31 March 2021
Non-Current		
Long-term incentive payable	185.38	-
	185.38	-
Current		
Employees benefits payable	29,891.09	23,315.06
Other liabilities	-	471.83
Creditors for capital goods	182.65	17.31
Security deposits	167.68	188.41
	30,241.42	23,992.61

Note 27: Other current liabilities

	31 March 2022	31 March 2021
GST payable	10,240.05	7,852.38
Other statutory dues payable	7,905.31	6,131.14
Advance from customers	1,676.99	2,763.01
Unearned revenue	94.02	116.82
Other liabilities	4,715.00	4,979.39
	24,631.37	21,842.74

Note 28: Revenue from operations

	31 March 2022	31 March 2021
Income from staffing services		
-General staffing	5,82,099.21	4,41,080.50
-Specialized staffing	53,093.85	39,827.34
Recruitment services	-	350.53
Skills and development etc.	906.70	1,463.95
Income from regulatory services	2,153.26	2,011.36
Income from specialized academic services	5,710.47	1,091.52
Income from job portal	716.04	641.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 28: Revenue from operations (Contd..)

	31 March 2022	31 March 2021
Payroll income	1,735.47	1,679.30
Income from SAAS based governance, risk and compliance automation	724.10	-
Corporate social responsibility grant	843.21	-
Total revenue	6,47,982.31	4,88,145.67

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 42.

Contract balances	31 March 2022	31 March 2021
Contract assets - Trade receivables	36,965.40	27,768.61
Contract assets - Unbilled revenue	17,070.50	12,963.76
Contract liabilities - Advance from customers	1,676.99	2,763.01
Contract liabilities - Unearned revenue	94.02	116.82

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:

Contract balances	31 March 2022	31 March 2021
Amounts included in contract liabilities at the beginning of the year	1,156.36	2,264.46

Note 29: Other income

	31 March 2022	31 March 2021
Interest income on:		
Loans to related parties (Refer note 43)	-	400.91
Deposits with banks	474.52	212.86
Income tax refunds	104.62	908.89
Others	24.59	29.21
Rental income	-	3.25
Liabilities/ provisions no longer required written back	981.66	1,573.58
Net gain on sale of current investments	305.99	72.51
Net fair value gains on current investments	36.73	8.47
Fair value gains on investment in associate (TLEL)	-	191.04
Net gain on sale of assets held for sale	6.15	-
Miscellaneous income	38.37	71.14
Total other income	1,972.63	3,471.86

Note 30: Employee benefits expense

	31 March 2022	31 March 2021
Salaries, wages and bonus	5,71,169.83	4,31,755.37
Share based payment expense (net)	279.22	96.75
Gratuity expense (Refer note 36)	343.47	293.31
Compensated absences	321.65	216.66
Contribution to provident fund and other funds	40,854.85	32,834.28
Staff welfare expenses	5,104.20	3,501.64
Total employee benefits expense	6,18,073.22	4,68,698.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 31: Finance Cost

	31 March 2022	31 March 2021
Interest on bank overdraft	11.32	227.73
Interest on borrowings	4.75	67.92
Interest on lease obligation	339.97	311.09
Interest on financial liabilities and others	40.55	83.09
	396.59	689.83

Note 32: Depreciation and amortisation expense

	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	600.36	502.83
Amortization of other intangible assets	2,031.07	1,626.48
Depreciation of right-of-use assets	1,447.23	1,241.19
	4,078.66	3,370.50

Note 33: Other expenses

	31 March 2022	31 March 2021
Training expenses (skill development etc.)	3,545.47	916.43
Rent	1,380.57	1,266.91
Rates and taxes	276.40	309.14
Electricity	277.48	252.13
Traveling and conveyance	726.49	530.90
Repairs and maintenance:		
-Leasehold premises	8.87	109.33
-Others	1,320.80	1,066.52
Printing and stationery	361.18	377.68
Legal and professional charges	5,020.15	1,530.95
Insurance	220.53	66.86
Sundry balances written off	61.58	24.07
Bad debts written off	643.30	3,372.45
Less: Provision for expected credit loss utilised	(293.86)	(2,611.38)
Provision for expected credit loss/ (reversals)	(270.00)	615.62
Loss on disposal of property, plant and equipment (net)	4.86	0.25
Provision for doubtful advances	-	142.69
CSR expenditure	194.86	175.32
Foreign exchange loss (net)	30.04	26.40
Miscellaneous expenses	2,163.43	1,424.72
	15,672.15	9,596.99

Note 34: Exceptional items (net)

	31 March 2022	31 March 2021
Contribution to PF Trust (Refer note 46)	5,719.87	-
TDS 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)	-
Settlement of contingent consideration [Refer note (b) below]	-	300.00
	7,177.87	300.00

Note:

- (a) Fair value gains arising in respect of previously held equity stake in TRPL, consequent to TRPL becoming a subsidiary.
 (b) Claims paid to erstwhile promoters of ASAP Info Systems Private Limited ("ASAP"), towards full and final settlement.

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(All amounts in Rs. lakhs, unless otherwise stated)

Note 35: Earnings per share

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2022	31 March 2021
Profit attributable to equity shareholders (Rs. in lakhs)	3,842.83	7,750.11
Nominal value of each equity share (Rs.)	10.00	10.00
Weighted average number of equity shares outstanding during the year	1,70,96,769	1,70,96,769
EPS - basic and diluted (Rs.)	22.48	45.33

Note 36: Employee benefit obligations

(a) Provident fund

Till February 2022, Provident Fund for eligible employees was managed by the Company through "TeamLease Employees Provident Fund Trust ("Trust"), in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guaranteed interest at the rate notified by the provident Fund Authorities.

Particulars	31 March 2022	31 March 2021
Accumulated surplus as per Employees Provident Fund Trust	-	2,543.67
Provident fund obligations	-	(1,515.42)
Principal assumptions are as follows:	-	-
Discount rate (per annum)	-	5.58%
Average historic yield on the investment portfolio	-	8.37%
Appropriate term (in years)	-	4
Remaining term to maturity of provident fund portfolio (in years)	-	5.71
Mortality table	-	Indian Assured Lives Mortality (2012-14) Ult Table

Disclosures included are limited to the extent of disclosures provided by the actuary. Refer Note 46 for details of PF Trust exemption surrendered by the Company.

The expense recognised during the year towards provident fund is 33,065.32 (31 March 2021 ₹ 26,201.39 lakhs), including for employees covered under defined contribution plan till February, 2022.

(b) Gratuity (Associate)

The Group has recognised gratuity liability and reimbursement right 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 2022	31 March 2021
Present value of unfunded obligation	13,627.82	10,916.40
Fair value of plan assets	-	-
Net liability	13,627.82	10,916.40
Current	4,421.84	3,503.74
Non-current	9,205.98	7,412.66

Net benefit cost (refer note below)

	31 March 2022	31 March 2021
Current service cost	6,847.58	6,053.78
Net actuarial (gain)/loss recognised in the year	(2,701.34)	(2,595.40)
Interest cost on defined benefit obligation	424.44	419.91
Net benefit expense	4,570.68	3,878.29

Note: The employee benefits expense towards gratuity and related reimbursement right for associate employees is netted off in the Statement of Profit and Loss.

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for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 36: Employee benefit obligations (Contd..)

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	31 March 2022	31 March 2021
Defined benefit obligation at beginning of the year	10,916.40	9,081.30
Current service cost	6,847.58	6,053.78
Interest cost on defined benefit obligation	424.44	419.91
Benefits paid	(1,859.26)	(2,043.19)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	141.23	96.92
Actuarial (gain) / loss arising from changes in financial assumptions	(57.23)	96.04
Actuarial (gain) / loss arising from changes in experience adjustments	(2,785.34)	(2,788.36)
Defined benefit obligation at end of the year	13,627.82	10,916.40

The principal assumptions used in determining gratuity obligations are shown below:

Particulars	31 March 2022	31 March 2021
Discount rate	5.15%	4.25%
Salary escalation rate	7.00%	6.50%
Attrition rate	43%	45%
Retirement age	58	58
Mortality table	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

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation are as shown below:

	31 March 2022		31 March 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	13,333.76	13,936.52	10,695.70	11,147.40
Salary escalation rate	13,863.38	13,398.97	11,088.30	10,748.85
Attrition rate	13,502.87	13,756.47	10,803.84	11,032.21

The following payments are expected contributions to the defined benefit plan in future years

Particulars	31 March 2022	31 March 2021
Year 1	3,225.22	2,629.62
Year 2	2,456.04	1,877.71
Year 3	1,721.98	1,341.52
Year 4	1,232.38	851.81
Year 5	745.85	477.46
Next 5 years	1,045.41	573.24

The weighted average duration of defined benefit obligation at the end of the reporting period is 2 years (31 March 2021: 2 years)

(c) 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 4 years and 240 days 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.

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(All amounts in Rs. lakhs, unless otherwise stated)

Note 36: Employee benefit obligations (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 2022	31 March 2021
Present value of funded obligation	877.94	623.52
Fair value of plan assets	(11.87)	(12.67)
Net liability	866.07	610.85
Current	198.16	197.89
Non-current	667.91	412.96

Net benefit cost recognised in statement of profit and loss

	31 March 2022	31 March 2021
Current service cost	314.52	258.86
Interest cost on defined benefit obligation / (assets)	28.95	34.45
Net benefit expense	343.47	293.31

Remeasurement loss/(gains) in other comprehensive income

Particulars	31 March 2022	31 March 2021
Due to change in demographic assumptions	(18.98)	(20.65)
Due to change in financial assumptions	(5.42)	9.44
Due to change in experience adjustments	43.62	(186.22)
Return on plan assets (excluding interest income)	(0.25)	(0.01)
Actuarial loss recognised in OCI	18.97	(197.44)

Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2022	31 March 2021
Defined benefit obligation at beginning of the year	623.52	653.94
Added on acquisitions	30.29	39.57
Current service cost	314.52	258.86
Interest cost on defined benefit obligation	29.51	34.45
Benefits paid	(169.98)	(165.87)
Re-measurements		
Actuarial (gain) / loss arising from changes in demographic assumptions	(18.98)	(20.65)
Actuarial (gain) / loss arising from changes in financial assumptions	(5.42)	9.44
Actuarial (gain) / loss arising from changes in experience adjustments	43.62	(186.22)
Transfer In /Out		
Transfer in	64.95	-
Transfer out	(34.09)	-
Defined benefit obligation at end of the year	877.94	623.52

Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	31 March 2022	31 March 2021
Fair value of plan assets at beginning of the year	12.67	3.30
Addition on acquisitions	-	8.88
Expected return on plan asset	0.54	0.49
Employer contributions	-	4.64
Mortality charges and taxes	-	(0.22)
Benefits payment	(1.59)	(4.43)
Remeasurement - actuarial gain/ (loss)	0.25	0.01
Fair value of plan assets at end of the year	11.87	12.67

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for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 36: Employee benefit obligations (Contd..)

The principal assumptions used in determining gratuity benefit obligation for group entities are shown below:

Particulars	31 March 2022	31 March 2021
Discount rate	5.15% - 7.30%	3.86% - 6.9%
Salary escalation rate	upto 10%	upto 11%
Attrition rate	upto 46%	upto 53%
Retirement age	58 - 60	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, parameter and other relevant factors such as supply and demand factors in employment market.

Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation are as shown below:

Particulars	31 March 2022		31 March 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Discount rate	847.80	910.84	602.35	642.34
Salary escalation rate	903.99	852.52	637.95	606.40
Attrition rate	867.65	888.70	614.37	628.95

The sensitivity analysis 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

Particulars	31 March 2022	31 March 2021
Year 1	161.28	124.89
Year 2	147.69	97.35
Year 3	116.57	85.44
Year 4	105.13	68.00
Year 5	75.46	50.13
Next 5 years	190.71	131.29

The weighted average duration of defined benefit obligation at the end of the reporting period is around 5.15 years (31 March 2021: 2.23 years).

Note 37: 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.

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 (Rs.)	Rs. 10
Vesting period	1-3 years

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(All amounts in Rs. lakhs, unless otherwise stated)

Note 37: Share based payments (Contd..)

Name of the Scheme - TeamLease Employee Stock Option Plan - 2015	Tranche - III*
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.

Movement in the options granted to employees

Particulars	Number of Options	
	31 March 2022	31 March 2021
Outstanding at beginning of the year	7,268	18,155
Granted	-	-
Forfeited	-	4,832
Expired	-	-
Exercised	3,634	6,055
Outstanding at end of the year	3,634	7,268
Exercisable at end of the year	3,634	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 2022 and 31 March 2021, valuation assumptions are not disclosed.

The weighted average remaining contractual life for the share options outstanding as at 31 March 2022 is Nil (31 March 2021: 1 year).

The weighted average exercise price of the outstanding option is ₹ 10 (31 March 2021: ₹ 10).

Stock Option Compensation expense is ₹ 39.75 lakhs (31 March 2021: ₹ 96.75 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

Name of the Scheme - Employee Stock Option Scheme - 2016	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 (Rs.)	Rs. 282	Rs. 282	Rs. 282	Rs. 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	

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(All amounts in Rs. lakhs, unless otherwise stated)

Note 37: Share based payments (Contd..)

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 of scheme.

Movement in the options granted to employees (ESOS)

Particulars	Number of Options	
	31 March 2022	31 March 2021
Number of options outstanding	78,320	1,42,910
Granted	-	-
Forfeited	40,660	64,590
Expired	-	-
Exercised	25,230	-
Outstanding at end of the year	12,430	78,320
Exercisable at end of the year	12,430	78,320

No options have been granted during the year.

The weighted average remaining contractual life for the share options outstanding 31 March 2022 is Nil (31 March 2021: 1 year).

The weighted average exercise price of the outstanding options is Re.1.

Stock Option Compensation expense is ₹ 11.29 lakhs (31 March 2021: ₹ Nil) 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. 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 ₹ 109.10 lakhs (31 March 2021: Nil).

Fair value of sweat equity shares granted

The Discounted cash flow method has been used for computing the fair value considering following inputs:

Variables	
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 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 and 3 September 2021 respectively. The ESAR 2019 plan provides stock options appreciation rights to eligible employees of the Company and its subsidiaries. The grant date of these stock options is 1 July 2021. The stock options will vest after a period of five years from the grant date. The exercise period is 5 years from the date of vesting. The options are granted at exercise price of ₹ 3,620.

A. Movement in the stock options appreciation rights granted to employees

Particulars	Number of Stock Appreciation Rights		"Weighted average Exercise price (Rs.)"	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Outstanding at beginning of the year	-	-	-	-
Granted	89,150	-	3,620	-
Forfeited	10,050	-	3,620	-

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Note 38: Employee Stock Appreciation Rights Plan 2019 (ESAR 2019) (Contd..)

Particulars	Number of Stock Appreciation Rights		"Weighted average Exercise price (Rs.)"	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	79,100	-	3,620	-
Exercisable at end of the year	-	-	-	-

B. 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 2022	31 March 2021
Weighted average share price on date of grant	3,604	-
Exercise price (Rs.)	3,620	-
Expected volatility	39.23%	-
Life of rights granted in years	5 years	-
Risk free interest rate	6.79%	-
Expected dividend yield (%)	-	-
Fair value of option (Rs.)	1,495	-

The weighted average remaining contractual life for the stock options appreciation rights outstanding as at 31 March 2022 was 4.25 years.

The weighted average exercise price of the stock options appreciation rights outstanding is ₹ 3,620.

Stock options appreciation rights expense is ₹ 119.08 lakhs for the year.

Note 39: Fair value measurements

Financial assets measured at fair value through profit/ loss:

Particulars	31 March 2022	31 March 2021
Financial Assets		
Investment in mutual funds (Quoted price in active markets Level 1)	5,034.65	6,093.78

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.

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 Group has exposure to the following risks arising from financial instruments:

- Market risk;
- Credit risk; and
- Liquidity risk.

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for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 40: Financial risk management objectives and policies (Contd..)

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.

(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.

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 2022	31 March 2021
Opening balance	1,911.51	3,606.07
Added on acquisitions	12.42	301.20
Amount (reversed)/provided during the year	(270.00)	615.62
Amount adjusted for bad debts	(293.86)	(2,611.38)
Closing provision	1,360.07	1,911.51

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Note 40: Financial risk management objectives and policies (Contd..)

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:

	Maturity period	31 March 2022	31 March 2021
Financial liabilities - Current			
Borrowings	Within 1 year	2,766.84	1.38
Trade payables	Within 1 year	4,191.86	2,878.08
Lease liabilities	Within 1 year	1,038.22	835.20
Other financial liabilities	Within 1 year	30,241.42	23,992.61
		38,238.34	27,707.27
Financial liabilities - Non current			
Lease liabilities	1 - 5 years	2,157.00	1,412.01
Lease liabilities	Above 5 years	21.21	36.30
Other financial liabilities	1 - 5 years	185.38	-
		2,363.59	1,448.31

Note 41: 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 obligations and working capital requirements.

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 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'.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 42: Segment information (Contd..)

(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 Permanent Recruitment, Regulatory Compliance, Training, Job Portal, Education Technology and SAAS based compliance.

(ii) Segment results:

Particulars	General Staffing and Allied services		Specialised Staffing Services		Other HR Services		Unallocated		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Revenue:										
External revenue	5,83,834.67	4,42,759.80	53,093.85	39,827.34	11,053.79	5,558.53	-	-	6,47,982.31	4,88,145.67
Total segment revenue	5,83,834.67	4,42,759.80	53,093.85	39,827.34	11,053.79	5,558.53	-	-	6,47,982.31	4,88,145.67
Segment results										
Exceptional items	10,032.58	8,367.89	4,498.34	3,672.15	230.75	(1,417.56)	(2,630.76)	(779.03)	12,130.91	9,843.45
Finance cost	-	-	-	-	-	-	(7,177.87)	(300.00)	(7,177.87)	(300.00)
Profit before tax	10,032.58	8,367.89	4,498.34	3,672.15	230.75	(1,417.56)	(10,205.22)	(1,768.86)	4,556.45	8,853.62
Tax expense	-	-	-	-	-	-	610.99	1,006.15	610.99	1,006.15
Profit after tax	10,032.58	8,367.89	4,498.34	3,672.15	230.75	(1,417.56)	(10,816.21)	(2,775.01)	3,945.46	7,847.47
Other information										
Capital expenditure	-	-	-	-	-	-	1,339.71	1,028.06	1,339.71	1,028.06
Depreciation and amortization	438.26	333.33	504.04	526.44	418.74	275.66	2,717.62	2,235.07	4,078.66	3,370.50
Non cash expenditure other than depreciation	-	-	-	-	-	-	2,320.68	1,642.04	2,320.68	1,642.04

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(All amounts in Rs. lakhs, unless otherwise stated)

Note 42: Segment information (Contd..)

Other information

Particulars	31 March 2022		31 March 2021	
	Assets	Liabilities	Assets	Liabilities
General staffing and allied services	62,844.10	59,492.14	60,597.67	47,503.15
Specialised staffing services	37,547.32	7,242.14	31,789.42	4,500.63
Other HR services	11,531.35	5,066.84	11,007.15	4,967.60
Unallocated	42,117.91	11,659.60	27,685.05	8,505.02
Total	1,54,040.68	83,460.72	1,31,079.29	65,476.40

Reconciliation to amounts reflected in the financial statements

Reconciliation of assets

Particulars	31 March 2022	31 March 2021
Segment assets	1,11,922.77	1,03,394.24
Investments	5,334.65	6,916.65
Loans	-	431.12
Deferred tax assets (net)	(202.91)	(42.86)
Income tax assets (net)	12,056.56	6,654.93
Cash and cash equivalents	9,287.80	7,263.02
Bank balances other than cash and cash equivalents	8,258.05	2,506.20
Assets classified as held for sale	-	517.95
Others	7,383.77	3,438.04
Total assets	1,54,040.69	1,31,079.29

Reconciliation of liabilities

Particulars	31 March 2022	31 March 2021
Segment liabilities	71,801.12	56,971.38
Net employee defined benefit liabilities	177.41	119.27
Borrowings	2,516.84	1.38
Trade payables	26.92	127.41
Other financial liabilities	218.98	524.42
Other current liabilities	8,719.45	7,660.15
Liabilities directly associated with the assets classified as held for sale	-	72.39
Total liabilities	83,460.72	65,476.40

Revenue from external customers

Geographical Segment	31 March 2022	31 March 2021
India	6,45,986.76	4,86,417.76
Outside India	1,995.55	1,727.91
Total	6,47,982.31	4,88,145.67

The revenue information above is based on the locations of the customers.

Non-current assets:

Particulars	31 March 2022	31 March 2021
India	43,507.03	37,054.81
Outside India	-	-
Total	43,507.03	37,054.81

Non-current assets excludes financial instruments and deferred tax assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 43: Related party disclosures

(i) List of related parties and relationships:

Description of relationship	Names of the related parties
a) Associate/ Joint Control	TeamLease Edtech Limited ('TLEL') (till 8 September 2020) TeamLease Regtech Private Limited (formerly known as Avantis Regtech Private Limited) ('TRPL') (subsidiary w.e.f. 3 April 2021)
b) Key management personnel and their relatives	Mr. Manish Sabharwal - Executive chairman Mr. Ashok Reddy - Managing Director and Chief Executive officer Mr. Ravi Vishwanath - Chief Financial Officer (resigned w.e.f. 23 March 2021) Mrs. Ramani Dathi - Chief Financial Officer (w.e.f. 28 July 2021) Deputy Chief Financial Officer (w.e.f. 24 March 2021) Mrs. Alaka Chanda - Company Secretary Mrs. Asha Vishwanath - relative of Mr. Ravi Vishwanath (till 23 March 2021) Mrs. Latika Pradhan - Independent Director Mr. Narayan Ramachandran - Independent Director Mr. Raghunathan V - Independent Director Mr. Zarir Batliwala - Independent Director Mr. Mekin Maheshwari - Independent Director (appointed w.e.f. 9 June 2021) Mr. S. Subramaniam - Independent Director (appointed w.e.f. 28 July 2021) Mrs. Meenakshi Nevatia - Independent Director (appointed w.e.f. 28 July 2021)
c) 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)

(ii) Transactions with related parties

	31 March 2022	31 March 2021
Loans given to		
TeamLease Skills University	-	500.00
TeamLease Regtech Private Limited	-	1.11
	-	501.11
Loans repaid by		
TeamLease Skills University	-	5,775.00
	-	5,775.00
Interest income from		
TeamLease Skills University	-	400.86
TeamLease Regtech Private Limited	-	0.05
	-	400.91
Revenue from operations / other income		
TeamLease Skills University	4,094.72	2,096.59
Innoviti Payment Solutions Pvt Ltd	14.50	-
Stryker India Private Limited	162.14	-
TeamLease Edtech Limited	-	3.39
	4,271.36	2,099.98
Expenses incurred by the Company on behalf of others - Cross charged		
TeamLease Skills University	495.50	14.86
TeamLease Edtech Limited	-	0.71
TeamLease Regtech Private Limited	-	45.97
	495.50	61.54

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 43: Related party disclosures (Contd..)

	31 March 2022	31 March 2021
Consultancy/services charges paid		
TeamLease Skills University	278.71	220.30
TeamLease Edtech Limited	-	0.06
TeamLease Regtech Private Limited	-	154.26
Asha Vishwanath	-	6.00
	278.71	380.62
Bad debts written off		
TeamLease Skills University	-	27.05
	-	27.05
Intangible assets under development		
TeamLease Regtech Private Limited	-	10.00
	-	10.00
Loans converted into investments		
TeamLease Regtech Private Limited Equity shares	-	100.00
	-	100.00
Investment in equity shares		
TeamLease Regtech Private Limited	-	345.19
	-	345.19
Investments in endowment Fund		
TeamLease Skills University	300.00	-
	300.00	-
Guarantee given on behalf of		
TeamLease Skills University	450.00	2,000.00
	450.00	2,000.00
Managerial remuneration (Refer note below)		
Ashok Reddy	155.92	54.70
Manish Sabharwal	120.00	41.50
Ravi Vishwanath	-	87.79
Ramani Dathi	141.03	1.87
Alaka Chanda	40.87	23.49
	457.82	209.35
Director Sitting fees		
Latika Pradhan	14.60	14.00
Narayan Ramachandran	13.00	13.60
Raghunathan V	14.60	14.00
Zarir Batliwala	13.00	12.00
Mekin Maheshwari	8.00	-
Meenakshi Nevatia	6.20	-
S. Subramaniam	7.00	-
	76.40	53.60

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 ₹ 63.56 lakhs (net) [31 March 2021: reversal of ₹32.02 lakhs (net)] for share based compensation / incentive.

(iii) Outstanding balances as at year ended

	31 March 2022	31 March 2021
Trade receivables		
TeamLease Skills University	3,262.21	2,663.79
Innoviti Payment Solutions Pvt Ltd	0.07	-
Stryker India Private Limited	17.31	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 43: Related party disclosures (Contd..)

	31 March 2022	31 March 2021
TeamLease Regtech Private Limited	-	-
	3,279.59	2,663.79
Other receivables		
TeamLease Skills University	291.07	-
TeamLease Regtech Private Limited	-	32.17
	291.07	32.17
Unbilled revenue		
TeamLease Skills University	133.52	347.74
TeamLease Regtech Private Limited	-	1.26
	133.52	349.00
Trade payables		
TeamLease Skills University	35.24	76.82
TeamLease Regtech Private Limited	-	5.41
	35.24	82.23
Investments in equity shares		
TeamLease Regtech Private Limited	-	445.18
	-	445.18
Investments in preference shares		
TeamLease Regtech Private Limited	-	459.74
	-	459.74
Investments in endowment Fund		
TeamLease Skills University	300.00	-
	300.00	-
Guarantee given on behalf of		
TeamLease Skills University	2,450.00	4,000.00
	2,450.00	4,000.00

Note 44: Contingent liabilities

Particulars	31 March 2022	31 March 2021
(a) Service tax matters in dispute*	463.03	463.03
(b) Disputed bonus liability**	3,349.33	3,349.33
(c) Income tax matters in dispute***	253.74	244.21
(d) Professional tax matters in dispute	91.08	-
(e) Corporate guarantee given for credit facility taken by TeamLease Skills University	2,450.00	4,000.00

*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 available 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.

In current year, the Income Tax authorities have disallowed the 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 45: Commitments

Particulars	31 March 2022	31 March 2021
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	960.37	78.01

Note 46: PF Trust Investments

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 (31 March 2021: ₹ 17,373.78 lakhs) in two non-banking financial companies ('NBFCs') which had maturities between FY 2020-21 to FY 2026-27, which were under severe liquidity stress and undergoing insolvency proceedings.

During the year, 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, which is still pending resolution/settlement. 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.

Further, on 2 February 2022, 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 has been 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 has reversed provision of ₹ 1,780.13 lakhs based on settlement of the aforesaid matter and ₹ 5,719.87 Lakhs (net) has been disclosed as an exceptional item in the financial statements (Refer note no. 34).

Note 47: Scheme of Amalgamation between TDPL and Evolve

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 has accounted for the said amalgamation in accordance with the approved scheme.

Note 48: Assets and Liabilities held for sale

On 2 December 2021, the Company has entered into a sale agreement with a third party, for sale of 100% equity stake in IIJT Education Private Limited ('IIJT') at an agreed consideration of ₹ 470 lakhs. Accordingly, IIJT ceases to be a subsidiary of the Company w.e.f. 2 December 2021 and necessary gain / loss etc. have been accounted for under respective heads.

Particulars	31 March 2022	31 March 2021
Building	-	221.73
Leasehold improvements (net) (refer note 4)	-	14.96
Goodwill (refer note 6)	-	235.15
Other assets	-	46.11
Total assets classified as held for sale	-	517.95
Liabilities directly associated with assets classified as held for sale	-	72.39

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 49: Business Acquisitions

- a) During the previous year ended 31 March 2021, the Company entered into a definitive agreement and acquired additional equity stake of 37.14% in TeamLease Edtech Limited ('TLEL') at an agreed consideration of ₹ 434.04 lakhs, thereby increasing the total stake to 78.43% in TLEL on fully diluted basis (including converted preference shares). Accordingly, TLEL has been accounted as a subsidiary with effect from 9 September 2020.
- b) During the 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, entire 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	31 March 2021
	TRPL	TLEL
Property, plant and equipment, including intangibles	477.91	184.05
Intangible assets under development	19.81	28.19
Financial assets	78.54	51.07
Trade receivables	93.43	58.02
Cash and cash equivalents	39.00	356.02
Other current assets	5.83	4.35
Total tangible assets	714.52	681.70
Customer relationships	1,513.10	1,187.60
Non-compete	50.98	-
Total intangible assets	1,564.08	1,187.60
Total fair value of assets acquired	2,278.60	1,869.30
Liabilities assumed		
Trade payables	(75.55)	(52.57)
Other current liabilities	(39.39)	(60.90)
Other financial liabilities	(72.64)	
Contract liabilities	(21.27)	
Deferred tax liability (net)	(246.96)	(298.89)
Lease Liabilities	(97.24)	-
Net employee defined benefit liabilities	(51.60)	(56.36)
Total Liabilities assumed	(604.65)	(468.72)
Total net assets acquired	1,673.95	1,400.58
Non controlling interests measured at fair value	674.44	302.16
Purchase consideration	1,881.04	2,588.06
Goodwill arising on acquisition	881.53	1,489.64

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. 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 2022		31 March 2021		31 March 2022		31 March 2021		31 March 2022		31 March 2021		31 March 2022		31 March 2021	
		Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount
Parent																	
1	TeamLease Services Limited	98.84%	67,851.57	94.98%	65,438.65	59.89%	2,249.63	111.35%	8,407.02	-128.18%	4.46	36.32%	55.25	60.06%	2,254.09	109.87%	8,462.27
Subsidiaries																	
2	TeamLease Digital Private Limited	-4.35%	(2,995.31)	0.92%	624.37	26.11%	980.61	-14.26%	(1,076.87)	185.46%	(6.44)	14.91%	22.69	25.96%	974.17	-13.68%	(1,054.18)
3	IIT Education Private Limited	-	-	0.25%	175.21	1.47%	55.33	-1.33%	(100.24)	-	-	0.00%	-	1.47%	55.33	-1.30%	(100.24)
4	TeamLease Education Foundation	-0.32%	(216.48)	-0.45%	(309.64)	2.47%	92.96	-0.52%	(39.28)	-5.75%	0.20	0.00%	-	2.48%	93.16	-0.51%	(39.28)
5	Keystone Business Solutions Private Limited	1.55%	1,067.09	1.56%	1,078.12	-0.60%	(22.37)	1.53%	115.65	-325.90%	11.34	8.17%	12.43	-0.29%	(11.03)	1.66%	128.08
6	TeamLease e-Hire Private Limited	-1.53%	(1,050.36)	-1.13%	(777.25)	-7.43%	(279.17)	-6.85%	(517.12)	-174.37%	6.06	2.84%	4.32	-7.28%	(273.11)	-6.66%	(512.80)
7	I.M.S.I Staffing Private Limited	3.11%	2,136.78	2.78%	1,917.49	5.76%	216.22	6.90%	520.78	-88.62%	3.08	32.38%	49.26	5.84%	219.30	7.40%	570.04
8	TeamLease Edtech Limited	2.00%	1,374.76	1.10%	758.37	14.47%	543.43	4.69%	354.01	403.45%	(14.04)	1.93%	2.93	14.11%	529.39	4.63%	356.94
9	TeamLease Regtech Private Limited	0.70%	481.74	-	-	-2.14%	(80.32)	-	-	233.91%	(8.14)	-	-	-2.35%	(88.46)	-	-
Associate																	
10	TeamLease Edtech Limited	-	-	-	-	-	-	-0.16%	(11.75)	-	-	1.45%	2.21	-	-	-0.12%	(9.54)
Joint Venture																	
11	TeamLease Regtech Private Limited	-	-	-0.01%	(7.59)	-	-	-1.35%	(102.08)	-	-	2.00%	3.04	-	-	-1.29%	(99.04)
Sub Total		100.00%	68,649.79	100.00%	68,897.73	100.00%	3,756.32	100.00%	7,550.12	100.00%	(3.48)	100.00%	152.13	100.00%	3,752.84	100.01%	7,702.25
Consolidation adjustments/eliminations			671.13		(3,695.16)		86.51		199.99		(0.22)		(5.25)		86.29		194.74
Non-controlling interest in subsidiaries			1,259.04		400.32		102.63		97.36		(8.92)		0.80		93.71		98.16
Total			70,579.96		65,602.89		3,945.46		7,847.47		(12.62)		147.68		3,932.84		7,995.15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 51: Transactions with struck off companies

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year ended 31 March 2022	Transactions during the year ended 31 March 2021	Balance as at 31 March 2022 (net)	Balance as at 31 March 2021 (net)	Relationship with the struck off Company
Galaxe E.Solutions India Private Limited	Income from regulatory services	3.54	3.55	0.42	0.49	Customer
Tractors India Ltd	Sale of services	-	-	1.50	1.50	Customer

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 does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Group 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 Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Group 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 Group 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 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).

Note 53: Effect of Covid-19

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements. The Group will continue to monitor future economic conditions for any significant change.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 March 2022

(All amounts in Rs. lakhs, unless otherwise stated)

Note 54: 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 55: 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: 18 May 2022

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: 18 May 2022

Latika Pradhan
Director
DIN: 07118801

Alaka Chanda
Company Secretary
F10911



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