S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor
"UB City" Canberra Block
No. 24, Vittal Mallya Road
Bengaluru - 560 001, India
Tel : +91 80 6648 9000

INDEPENDENT AUDITOR'S REPORT

To the Members of TeamLease Foundation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of TeamLease Foundation ("the Company"), which comprise the Balance Sheet as at March 31 2025, the Statement of Income and Expenditure, including the Statement of Other Comprehensive Income/ (Loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material 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 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, 2025, its deficit including other comprehensive income/ (loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 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. The Director's report is not made available to us as at the date of this Auditor's report. We have nothing to report in this regard.

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Bengaluru

Responsibility of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income/ (loss), 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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.

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- 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 financial statements, including the disclosures, and whether the 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.

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement on the matters specified in paragraphs 3 and 4 of 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, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

   (c) The Balance Sheet, the Statement of Income and Expenditure including the Statement of Other Comprehensive Income/ (Loss), 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 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

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Bengaluru

(f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;

(h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;

(i) 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 financial statements – Refer Note 32 to the 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 and as disclosed in the note 35(iv) to 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 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 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 35(v) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

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Bengaluru

vi. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data using privileged/ administrative access rights and has enabled audit trail for master data changes w.e.f. April 11, 2024 for one of the accounting software as described in Note 35(ix) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sandeep Karnani
Partner
Membership Number: 061207
UDIN: 25061207BMNTWA4737
Place of Signature: Bengaluru
Date: May 21, 2025

S.R. Batliboi & Associates LLP
Bengaluru

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Annexure 1 to the Independent Auditor's Report of even date on the Financial Statements of TeamLease Foundation

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 financial statements of TeamLease Foundation ("the Company") as of March 31, 2025 in conjunction with our audit of the 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to 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 financial statements includes those policies

S.R. Batliboi & Associates LLP Bengaluru 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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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

S.R. Batliboi & Associates LLP
Bengaluru

per Sandeep Karnani
Partner
Membership Number: 061207
UDIN: 25061207BMNTWA4737
Place of Signature: Bengaluru
Date: May 21, 2025

TeamLease Foundation
Balance Sheet as at March 31, 2025
Corporate Identification Number (CIN): U80903KA2011NPL130127
All amount in Indian Rupees in crores, except as stated otherwise

	Notes	March 31, 2025	March 31, 2024
ASSETS			
(1) Non-current assets			
(a) Financial assets			
(i) Investments	4	3.00	3.00
(b) Non-current tax assets (net)	5	3.32	4.24
(c) Other non-current assets	10	2.76	2.76
Total non-current assets		**9.08**	**10.00**
(2) Current assets			
(a) Financial assets			
(ia) Trade receivables	6	8.57	9.25
(ib) Unbilled revenue	7	2.50	6.03
(ii) Cash and cash equivalents	8	1.99	-
(iii) Other financial assets	9	0.09	0.24
(b) Other current assets	10	0.71	0.55
Total current assets		**13.86**	**16.07**
Total assets (1+2)		**22.94**	**26.07**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	11	0.01	0.01
(b) Other equity	12	(11.15)	(5.75)
Total equity		**(11.14)**	**(5.74)**
Liabilities			
(2) Non-current liabilities			
Employee benefit obligations	15	0.23	0.21
Total non-current liabilities		**0.23**	**0.21**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	13.09	4.05
(ii) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises		0.05	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3.64	10.12
(iii) Other financial liabilities	14	11.47	12.79
(b) Employee benefit obligations	15	0.29	0.47
(c) Other current liabilities	17	5.31	4.17
Total current liabilities		**33.85**	**31.60**
		34.08	**31.81**
Total equity and liabilities (1+2+3)		**22.94**	**26.07**

Summary of material accounting policies 3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Sandeep Karnani
per Sandeep Karnani
Partner
Membership Number: 061207

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru, India
Date: May 21, 2025

For and on behalf of the Board of Directors of
TeamLease Foundation

Alaka Chanda
Alaka Chanda
Director
DIN: 08856604

Ramani Dathi
Director
DIN: 08296675

Place: Bengaluru, India
Date: May 21, 2025

TeamLease Foundation
TeamLease Putting India to Work

TeamLease Foundation
Statement of Income and Expenditure for the year ended March 31, 2025
Corporate Identification Number (CIN): U80903KA2011NPL130127
All amount in Indian Rupees in crores, except as stated otherwise

		Notes	March 31, 2025	March 31, 2024
I	**Income**			
	Revenue from operations	18	207.39	198.51
	Other income	19	0.56	0.13
	Total income		**207.95**	**198.64**
II	**Expenses**			
	Employee benefits expense	20	161.83	182.02
	Program management and training fees	21	46.04	13.02
	Finance costs	22	1.60	0.39
	Other expenses	23	3.85	6.75
	Total expenses		**213.32**	**202.18**
III	**Deficit of income over expenditure (I - II)**		**(5.37)**	**(3.54)**
IV	**Other comprehensive (loss)/ income**			
	(A) Items that will not be reclassified to income or expenditure in subsequent periods:	25		
	(i) Remeasurement (losses)/ gains on defined benefit obligations		(0.03)	(0.01)
	(ii) Income tax effect		-	-
	Total other comprehensive (loss)/ income for the year (net of tax)		**(0.03)**	**(0.01)**
V	**Total comprehensive (loss)/ income for the year (net of tax) (III + IV)**		**(5.40)**	**(3.55)**
VI	Earnings per equity share [nominal value of share Rs. 10 each (March 31, 2024: Rs. 10 each)]			
	Basic and diluted (Rs.)	24	**(5,371)**	**(3,541)**
	Summary of material accounting policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sandeep Karnani
Partner
Membership Number: 061207

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru, India
Date: May 21, 2025

For and on behalf of the Board of Directors of
TeamLease Foundation

Alaka Chanda
Director
DIN: 08856604

Ramani Dathi
Director
DIN: 08296675

Place: Bengaluru, India
Date: May 21, 2025

TeamLease Foundation

TeamLease Foundation
Statement of Cash Flows for the year ended March 31, 2025
Corporate Identification Number (CIN): U80903KA2011NPL130127
All amount in Indian Rupees in crores, except as stated otherwise

	March 31, 2025	March 31, 2024
A. Cash flows from operating activities		
Deficit of income over expenditure	(5.37)	(3.54)
Adjustments to reconcile deficit to net cash flows from operating activities:		
Interest income	(0.50)	-
Finance costs	1.60	0.39
Liabilities/ provisions no longer required written back	(0.06)	(0.13)
Impairment allowance/ bad debts/ other balances written off	0.03	0.06
Working capital adjustments		
(Increase)/decrease in trade receivables (including unbilled revenue)	4.18	4.22
(Increase)/decrease in other financial assets	0.15	0.65
(Increase)/decrease in other assets	(0.16)	0.13
Increase/(decrease) in trade payables and other financial liabilities	(7.69)	(12.00)
Increase/(decrease) in other liabilities	1.14	(1.43)
Increase/(decrease) in net employee benefit obligations	(0.19)	0.16
	(6.87)	**(11.49)**
Income tax refunds/(payments)	1.16	(1.51)
Net cash flows (used in)/from operating activities (A)	**(5.71)**	**(13.00)**
B. Cash flows from investing activities		
Loans and advances given to related party	(4.00)	-
Loans and advances repaid by related party	4.00	-
Interest received	0.26	0.03
Net cash flows from/(used in) investing activities (B)	**0.26**	**0.03**
C. Cash flows from financing activities		
Proceeds from borrowings from related party	13.10	6.00
Repayment of borrowings to related party	(13.60)	(4.24)
Proceeds from borrowings	7.00	-
Finance costs paid	(1.60)	(0.39)
Net cash flows from/ (used in) financing activities (C)	**4.90**	**1.37**
Net (decrease)/ increase in cash and cash equivalents (A + B + C)	**(0.55)**	**(11.60)**
Cash and cash equivalents at the beginning of the year	(2.05)	9.55
Cash and cash equivalents at the end of the year	**(2.60)**	**(2.05)**

Notes:
i. Cash flow statement is made using the indirect method.
ii. Refer note 13 for details pertaining to changes in liabilities arising from financing activities.

Summary of material accounting policies 3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sandeep Karnani
Partner
Membership Number: 061207

S. R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru, India
Date: May 21, 2025

For and on behalf of the Board of Directors of
TeamLease Foundation

Alaka Chanda
Director
DIN: 08856604

Ramani Dathi
Director
DIN: 08296675

Place: Bengaluru, India
Date: May 21, 2025

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TeamLease Foundation
Statement of Changes in Equity for the year ended March 31, 2025
Corporate Identification Number (CIN): U80903KA2011NPL130127
All amount in Indian Rupees in crores, except as stated otherwise

a. Equity share capital:
Equity shares of Rs. 10 each issued, subscribed and fully paid

	Number of shares	Amount
As at April 01, 2023	10,000	0.01
Changes in equity share capital	-	-
As at March 31, 2024	**10,000**	**0.01**
Changes in equity share capital	-	-
As at March 31, 2025	**10,000**	**0.01**

b. Other equity:

Particulars	Attributable to equity shareholders of the Company		Total other equity
	Reserves and surplus		
	Share based payment reserve**	Retained earnings	
As at April 01, 2023	-	**(2.20)**	**(2.20)**
Deficit of income over expenditure for the year	-	(3.54)	(3.54)
Other comprehensive (loss)/ income for the year (net of tax) *	-	(0.01)	(0.01)
Total comprehensive (loss)/ income	-	**(3.55)**	**(3.55)**
Share based payments (refer note 31)**	(0.46)	-	(0.46)
Recovered from Holding Company	0.46	-	0.46
As at March 31, 2024	-	**(5.75)**	**(5.75)**
As at April 01, 2024	-	**(5.75)**	**(5.75)**
Deficit of income over expenditure for the year	-	(5.37)	(5.37)
Other comprehensive (loss)/ income for the year (net of tax) *	-	(0.03)	(0.03)
Total comprehensive (loss)/ income	-	**(5.40)**	**(5.40)**
Share based payments (refer note 31)**	0.12	-	0.12
Cross charge paid to Holding Company	(0.12)	-	(0.12)
As at March 31, 2025	-	**(11.15)**	**(11.15)**

* As required under Ind AS compliant Schedule III, the Company has recognised remeasurement (losses)/ gains of defined benefit plans as part of retained earnings.

** Share based payment reserve relates to stock appreciation rights granted by the holding company to the employees of the Company under Employee Stock Appreciation Rights Plan 2019. Also, refer note 31.

Summary of material accounting policies 3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

S.R. Batliboi & Associates LLP Bengaluru

per Sandeep Karnani
Partner
Membership Number: 061207

Place: Bengaluru, India
Date: May 21, 2025

For and on behalf of the Board of Directors of
TeamLease Foundation

Alaka Chanda
Director
DIN: 08856604

Ramani Dathi
Director
DIN: 08296675

Place: Bengaluru, India
Date: May 21, 2025

TeamLease Foundation

TeamLease Foundation
Notes to the financial statements for the year ended March 31, 2025
Corporate Identification Number (CIN): U80903KA2011NPL130127

1 Corporate information

TeamLease Foundation (the "Company") (CIN: U80903KA2011NPL130127) is a Section 25 Company incorporated on June 27, 2011. The registered office of the Company is located at 315 Work Avenue Campus, Ascent Bldg., Koramangala Ind. Layout, Jyoti Nivas College Road, Koramangala, Bangalore, Karnataka, India, 560095. The objective of the Company is to promote and sponsor Educational Institutions including Universities dedicated towards rendering technology based trainings for enhancing employability, work culture, enhanced productivity, economic development and low-cost academic Programmes with employment at the heart of academic offerings. On June 21, 2021, the Company got registered with Ministry of Corporate Affairs for undertaking corporate social responsibility (CSR) grants activities.

The Company is a 100% subsidiary of TeamLease Services Limited.

During the financial year 2022, the Company restructured its business under National Employability Through Apprenticeship Program (NETAP). Earlier, all the mandates were with TeamLease Skills University (TLSU) for onboarding the staffing mandates. With effect from June 2021, the Company also started taking staffing mandates directly from certain clients to maximise business opportunities.

The Company had been granted registration under Section 12A of the Income Tax Act, 1961 with effect from May 27, 2021 for undertaking charitable activities, and hence not liable to pay any taxes on its income.

The Company also received approval under Section 80G of the Income Tax Act, 1961 from the Commissioner of Income Tax in respect of donations received from May 27, 2021.

The financial statements are approved by the board of directors and authorized for issue in accordance with a resolution of the directors on May 21, 2025.

The financial statements once approved by the Board of Directors needs to be adopted by the shareholders at the annual general meeting of the Company.

2 Basis of preparation

These financial statements of the Company are prepared and presented in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provision of the Act 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 financial statements. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.
The financial statements are presented in Indian Rupees crores which is the currency of the primary economic environment in which the Company operated, rounded off to two decimal places, except where otherwise indicated.

The financial statements have been prepared on the historical cost convention and on accrual basis, except for certain financial instruments (refer accounting policy regarding financial instruments), which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. 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.

3 Material accounting policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise stated.

3.1 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3.2 Significant accounting judgements, estimates and assumptions

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. 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 in the assumptions when they occur.

Significant judgements and estimates relating to the carrying values of assets and liabilities include, fair value measurement, impairment of non-current financial assets, defined benefit plans, and commitments and contingencies.

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3.3 Estimates and assumptions

Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity 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 the 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 rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those 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 rate and past trends. Further details about gratuity obligations are given in note 25.

Impairment of non-current financial assets including investments

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Provision for contingencies

The provision for contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods. Refer note 32 for further disclosures.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/ judgements about these factors could effect the reported fair value of financial instruments. Refer note 26 for further disclosures.

3.4 Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

3.5 Revenue recognition

Revenue from contracts with customers is recognised when services are rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. 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 to the amount of transaction price (net of variable consideration) allocated to that performance obligation 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. Revenue are stated exclusive of goods and service tax. 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.

Income from staffing services

Revenue from manpower staffing services is accounted on accrual basis on performance of the services agreed as per contracts with customers.

Income from contributions/ donations/ grants

Income from contributions/ donations/ grants in the nature of donation from third parties are recognised on accrual basis as per contracts with customers for performance of CSR activities.

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 under other income.

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3.6 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

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through income or expenditure, are added to the fair value on initial recognition.

Subsequent measurement

(i) Financial assets

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business where the objective is to hold the asset 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)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

Financial assets at fair value through statement of income and expenditure

A financial asset which is not classified in any of the above categories are subsequently fair valued through income or expenditure.

(ii) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the 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 maturity of these instruments.

Effective interest method

The effective interest method 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.

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of income and expenditure.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently 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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3.6 Financial instruments (continued)

Derecognition of financial assets

A financial asset is primarily derecognised when:

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

A financial liability is primarily derecognised when:

• The obligation under the liability is discharged or cancelled or expires, or

• The 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 income and expenditure.

Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value includes discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result from general approximation of value and the same may differ from the actual realised value.

3.7 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

3.8 Finance costs

Borrowing costs are recognised in the statement of income and expenditure using the effective interest method. The associated cash flows are classified as financing activities in the statement of cash flows.

3.9 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that is reliably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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3.9 Provisions, contingent liabilities and contingent assets (continued)

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because 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 recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets

Contingent assets are not recognised or disclosed in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.10 Impairment

(a) Financial assets

Financial assets (other than at fair value) The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires expected credit losses to be measured through a impairment allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company provides for impairment upon the occurrence of the triggering event.

(b) Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset 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.

3.11 Earnings Per Share (EPS)

The Company presents basic and diluted Earnings per share for its ordinary shares. Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year/period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

3.12 Retirement and other employee benefits

Gratuity - defined benefit plans

The present value of the obligation under defined benefit plans are determined based on actuarial valuation using the Projected Unit Credit Method. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Remeasurement comprising of actuarial gains and losses is recognised in other comprehensive income (OCI) and is reflected in reserves and surplus as part of equity and is not eligible to be reclassified to income or expenditure.

The Company recognises the following changes in the net defined benefit obligation as an expense in statement of income and expenditure:

• Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and
• Net interest expense or income.

Provident fund - Defined contribution scheme

Retirement benefit in the form of provident fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund and pension fund as expenditure, when an employee renders the related service.

Compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company presents the entire accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at each balance sheet date.

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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 statement of cash flows, cash and cash equivalents consist of cash and cheque at hand/ remittance in transit and cash and deposit with bank 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, if any.

3.14 Segment

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components (b) whose operating results are regularly reviewed by the Company's Chief Executive Officer to make decisions about resource allocation and performance assessment and (c) 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.

The Company is engaged in the business relating to rendering staffing services and undertaking corporate social responsibility (CSR) grants activities. These activities of the Company are reviewed regularly by the chief operating decision maker from an overall business perspective, rather than reviewing its products/services as individual standalone components and therefore subject to the same risk and reward and accordingly falls within single business segment.

3.15 Share based payments

Employees of the Company receive remuneration in the form of employee stock appreciation rights plan of the holding 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/share based payment expense is determined based on the Company's estimate of equity instruments that will eventually vest.

3.16 Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

3.17 Climate-related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments.

3.18 New and amended standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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4 Non- current financial assets: Investments

Unquoted investments (at cost)	**March 31, 2025**	**March 31, 2024**
Investment in Endowment fund:		
TeamLease Skills University ("TLSU") (refer note 30)*	3.00	3.00
	3.00	**3.00**

* The Company entered into a definitive agreement with TLSU and funded Rs. 3 crores to set up corpus towards Endowment fund.

5 Non-current tax assets (net)

	March 31, 2025	**March 31, 2024**
Advance income-tax (net of provision for current tax)	3.32	4.24
	3.32	**4.24**

6 Trade receivables

	March 31, 2025	**March 31, 2024**
Trade receivables from related parties (refer note 30)	0.21	0.20
Trade receivables - others	8.36	9.05
Total trade receivables	**8.57**	**9.25**

Break-up for security details:

	March 31, 2025	**March 31, 2024**
Trade receivables		
Unsecured, considered good	8.57	9.25
Trade receivables- credit impaired	0.02	0.02
	8.59	**9.27**
Impairment allowances (allowances for bad and doubtful debts)		
Trade receivables- credit impaired	(0.02)	(0.02)
	8.57	**9.25**

Trade receivables ageing schedule
As at March 31, 2025

		Outstanding for following periods from due date of payment					
	Not due	**Less than 6 months**	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade receivables – considered good	0.42	8.15	-	-	-	-	8.57
Undisputed trade receivables – credit impaired	-	-	0.01	-	0.01	-	0.02
	0.42	**8.15**	**0.01**	-	**0.01**	-	**8.59**
Less: Impairment allowance							(0.02)
Total trade receivables							**8.57**

As at March 31, 2024

		Outstanding for following periods from due date of payment					
	Not due	**Less than 6 months**	**6 months – 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade receivables – considered good	0.35	8.90	-	-	-	-	9.25
Undisputed trade receivables – credit impaired	-	-	0.01	0.01	-	-	0.02
	0.35	**8.90**	**0.01**	**0.01**	-	-	**9.27**
Less: Impairment allowance							(0.02)
Total trade receivables							**9.25**

a) No trade or other receivable are 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 30.

b) Trade receivables are non-interest bearing and with credit period upto 60 days.
c) Refer note 27 for details pertaining to credit risk.
d) Refer note 18 for details pertaining to contract balances.
e) There are no disputed trade receivables.

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Notes to the financial statements for the year ended March 31, 2025
Corporate Identification Number (CIN): U80903KA2011NPL130127
All amount in Indian Rupees in crores, except as stated otherwise

7 Unbilled revenue

	March 31, 2025	March 31, 2024
(Unsecured, considered good)		
Unbilled revenue from related parties (refer note 30)	0.20	0.19
Unbilled revenue - others	2.30	5.84
	2.50	**6.03**

a) Refer note 27 for details pertaining to credit risk.
b) Refer note 18 for details pertaining to contract balances.

8 Cash and cash equivalents

	March 31, 2025	March 31, 2024
Balances with banks		
- On Foreign Currency Regulation Act (FCRA) savings accounts*	1.68	-
- On Foreign Currency Regulation Act (FCRA) current accounts	0.31	-
	1.99	-

* Balance with banks earns interest at floating rates based on daily bank deposit rates.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	March 31, 2025	March 31, 2024
Balances with banks		
- On Foreign Currency Regulation Act (FCRA) savings accounts	1.99	-
	1.99	-
Less: Bank overdraft (refer note 13)	(4.59)	(2.05)
	(2.60)	**(2.05)**

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Notes to the financial statements for the year ended March 31, 2025
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All amount in Indian Rupees in crores, except as stated otherwise

9 Other current financial assets

	March 31, 2025	March 31, 2024
(Unsecured, considered good)		
Cross charges receivable from related party (refer note 30)	-	0.21
Security deposits	0.06	-
Others	0.03	0.03
	0.09	**0.24**

10 Other assets

	March 31, 2025	March 31, 2024
Non-current		
(Unsecured, considered good)		
Balance with statutory authorities (refer note 32)*	2.76	2.76
	2.76	**2.76**

* Amount paid under protest towards Goods and Services Tax (GST)

Current		
(Unsecured, considered good)		
Prepaid expenses	0.33	0.23
Advances to suppliers and other advances	0.38	0.32
	0.71	**0.55**

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All amount in Indian Rupees in crores, except as stated otherwise

11 Equity share capital

	Equity Shares	
	Number of shares	Amount
(i) Authorised share capital		
At April 01, 2023	1,000,000	1.00
Changes during the year	-	-
At March 31, 2024	1,000,000	1.00
Changes during the year	-	-
At March 31, 2025	1,000,000	1.00

	Equity Shares	
(ii) Issued equity share capital		
Equity shares of Rs. 10 each issued, subscribed and fully paid up	Number of shares	Amount
At April 01, 2023	10,000	0.01
Changes during the year	-	-
At March 31, 2024	10,000	0.01
Changes during the year	-	-
At March 31, 2025	10,000	0.01

(iii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) Details of shareholders holding more than 5% shares in the Company:

Name of the shareholders	March 31, 2025		March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs.10 each fully paid				
TeamLease Services Limited - the holding company	10,000	100.00%	10,000	100.00%

As per records of the Company and other declarations received from shareholders, the above shareholding represents both legal and beneficial ownerships of shares.

(v) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of the equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Name of the shareholders	March 31, 2025		March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each, fully paid up				
TeamLease Services Limited - the holding company	10,000	0.01	10,000	0.01
	10,000	**0.01**	**10,000**	**0.01**

(v) Shares held by promoters

As at March 31, 2025

Name of the promoters	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% change during the year
TeamLease Services Limited - the holding company	10,000	-	10,000	100.00%	-

As at March 31, 2024

Name of the promoters	No. of shares at the beginning of the year	Changes during the year	No. of shares at the end of the year	% of total shares	% change during the year
TeamLease Services Limited - the holding company	10,000	-	10,000	100.00%	-

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All amount in Indian Rupees in crores, except as stated otherwise

12 Other equity

	March 31, 2025	March 31, 2024
Retained earnings		
Opening balance	(5.75)	(2.20)
Changes during the year:		
Deficit of income over expenditure	(5.37)	(3.54)
Other comprehensive income (net of tax)	(0.03)	(0.01)
Closing balance	**(11.15)**	**(5.75)**
Share based payment reserves		
Opening balance	-	-
Share based payment expense (net) (refer note 31)	0.12	(0.46)
Recovered from holding company	-	0.46
Cross charge paid to holding company	(0.12)	-
Closing balance	-	-
Total other equity	**(11.15)**	**(5.75)**

Nature and purpose of other reserves

Retained earnings
Retained earnings are the surplus/(deficit) that the Company has earned/incurred till date. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Income and Expenditure.

Share based payment reserves
Share based payment reserve relates to stock appreciation rights granted by the holding company to the employees of the Company under Employee Stock Appreciation Rights Plan 2019. Also, refer note 31.

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13 Borrowings

	March 31, 2025	March 31, 2024
Unsecured		
Loan from related party (refer note 30)*	1.50	2.00
Secured		
Bank overdraft/cash credit**	4.59	2.05
Working Capital Demand loan (WCD loan)**	7.00	-
	13.09	**4.05**

Note:

* The loan from related party is repayable after a period of 5 years from the date of disbursement, and renewable further as agreed. The loan is utilised for working capital requirements. The loan carries interest ranging between 8.52% to 9.00% p.a. (31 March 2024: 8.70% to 9.90% p.a.).

** Bank overdraft/cash credit and WCD loan from bank are payable on demand and are secured by way of hypothecation of Company's current assets. These carries interest ranging from 8.70% to 9.15% p.a. (March 31, 2024: 8.85% to 9.05%p.a.) and is payable on a monthly basis.

Refer note 27 for details pertaining to interest rates and related risk.

Changes in liabilities arising from financing activities:

	Borrowings (excluding bank overdraft/cash credit)	
	March 31, 2025	March 31, 2024
Balance as at the beginning of the year	2.00	0.20
Cash inflows/ (outflows)		
Proceeds from related party	13.10	6.00
Repayment to related party	(13.60)	(4.20)
Proceeds from banks	7.00	-
Balance as at the end of the year	**8.50**	**2.00**

14 Other current financial liabilities

	March 31, 2025	March 31, 2024
Payable towards share based payments to related party (refer note 30)	0.12	-
Employee related payables	11.35	12.79
	11.47	**12.79**

15 Employee benefit obligations

	March 31, 2025	March 31, 2024
Non-current		
Gratuity (refer note 25)	0.23	0.21
	0.23	**0.21**
Current		
Gratuity (refer note 25)	0.13	0.10
Compensated absences	0.16	0.37
	0.29	**0.47**

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16 Trade payables

	March 31, 2025	March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	0.05	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.64	10.12
	3.69	**10.12**

Trade payables ageing schedule
As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	0.03	0.02	-	-	-	0.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.37	1.81	0.46	-	-	-	3.64
	1.37	**1.84**	**0.48**	-	-	-	**3.69**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.47	1.11	6.54	-	-	-	10.12
	2.47	**1.11**	**6.54**	-	-	-	**10.12**

The Company has amounts due to Micro and Small Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) as at March 31, 2025:-

		March 31, 2025	March 31, 2024
(i)	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	0.05	-
	Interest due on above	-	-
(ii)	The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
(iv)	The amount of interest accrued and remaining unpaid for each accounting year	-	-
(v)	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	-	-

Notes:
a) Trade payables are non-interest bearing and are normally settled on 0 to 30 days terms (March 31, 2024: 0-30 days).
b) There are no disputed trade payables as at March 31, 2025 and March 31, 2024.
c) Trade payables to related parties (refer note 30)
d) Refer note 27 for details pertaining to liquidity risk.

17 Other current liabilities

	March 31, 2025	March 31, 2024
Statutory dues payable*	3.17	2.52
Advance from customers	1.18	1.25
Deferred revenue	0.65	-
Other liabilities	0.31	0.40
	5.31	**4.17**

*Statutory dues payable mainly includes contribution to Provident Fund, Goods and Service tax (GST), Employee State Insurance, withholding taxes, professional tax, etc.

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18 Revenue from operations

	March 31, 2025	March 31, 2024
Revenue from contracts with customers (refer note 30)		
Income from staffing services	144.27	189.01
Income from contributions/ donations/ grants	63.12	9.50
	207.39	**198.51**

(a) 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 as follows:

Revenue by offerings/ timing	March 31, 2025	March 31, 2024
Period over time		
Income from staffing services	144.27	189.01
Income from contributions/ donations/ grants	63.12	9.50
	207.39	**198.51**

(b) Contract balances

	March 31, 2025	March 31, 2024
Trade receivables (refer note 6)	8.57	9.25
Unbilled revenue (refer note 7)	2.50	6.03
Advance from customers (refer note 17)	1.18	1.25
Deferred revenue (refer note 17)	0.65	-

Set out below is the amount of revenue recognised from:

	March 31, 2025	March 31, 2024
Amounts included in contract liabilities (advance from customers/deferred revenue) at the beginning of the year	0.92	0.15

19 Other income

	March 31, 2025	March 31, 2024
Liabilities/ provisions no longer required written back	0.06	0.13
Interest income on:		
Loan and advances to related party (refer note 30)	0.16	-
Balance with banks	0.10	-
Income tax refunds	0.24	-
	0.56	**0.13**

20 Employee benefits expense

	March 31, 2025	March 31, 2024
Salaries, wages and bonus	157.74	180.52
Share based payment expense (net) (refer note 30 and 31)	0.12	(0.46)
Gratuity expense (refer note 25)	0.06	0.06
Contribution to provident and other funds*	3.20	1.05
Staff welfare expenses	0.71	0.85
	161.83	**182.02**

* Includes contribution to Employee State Insurance

21 Program management and training fees

	March 31, 2025	March 31, 2024
Program management and training fees (refer note 30)	46.04	13.02
	46.04	**13.02**

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22 Finance costs

	March 31, 2025	March 31, 2024
Interest on loans from related party (refer note 30)	0.43	0.15
Interest on bank overdraft/cash credit/WCD loan	0.83	0.11
Interest - others	0.19	0.11
Bank guarantee commission expenses (refer note 30)	0.15	0.02
	1.60	**0.39**

23 Other expenses

	March 31, 2025	March 31, 2024
Rent*	0.78	0.69
Rates and taxes	0.28	0.08
Bank charges	0.08	0.04
Legal and professional fees (refer note 30)**	0.89	4.53
Impairment allowance/ bad debts/ other balances written off	0.03	0.06
Travelling and conveyance	1.46	1.01
Miscellaneous	0.33	0.34
	3.85	**6.75**

* Pertains to certain leases of office buildings with lease terms of 12 months or less and with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

** Includes auditor's remuneration (exclusive of goods and service tax and inclusive of out-of-pocket expenses and technology surcharge) towards the following:

	March 31, 2025	March 31, 2024
Statutory audit fee	0.15	0.14
Reimbursement of expenses	0.01	0.01
	0.16	**0.15**

24 Earnings per share ("EPS")

The following reflects the deficit and share data used in basic and diluted EPS computation:

	March 31, 2025	March 31, 2024
Deficit attributable to equity shareholders (Rs. in crores)	(5.37)	(3.54)
Weighted average number of equity shares outstanding during the year - basic and diluted	10,000	10,000
EPS of par value Rs. 10 each - basic and diluted (in Rs. per share)	(5,371)	(3,541)

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25 Defined benefit plans

Gratuity plan

The Company has a 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 five years or more of service gets gratuity on departure at 15 days salary (based on last drawn salary) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The gratuity plan of the Company is unfunded.

The following table summarise the components of net benefit expense recognised in the statement of income and expenditure and amounts recognised in the balance sheet for the gratuity benefit:

i. Net benefit costs recognised in statement of income and expenditure

	March 31, 2025	March 31, 2024
Current service cost	0.04	0.04
Interest cost on defined benefit obligation	0.02	0.02
Net benefit expenses	**0.06**	**0.06**

ii. Remeasurement loss/(gains) recognised in other comprehensive income (OCI)

	March 31, 2025	March 31, 2024
Actuarial loss/ (gain) on obligations arising from changes in demographic assumptions	-	(0.02)
Actuarial loss/ (gain) on obligations arising from changes in financial assumptions (March 31, 2025: Rs. 22,850; March 31, 2024: Rs. Nil)	0.00	-
Actuarial loss/ (gain) on obligations arising from changes in experience adjustments	0.03	0.03
Actuarial loss recognised in other comprehensive income	**0.03**	**0.01**

iii. Net defined benefit liability/ (assets)

	March 31, 2025	March 31, 2024
Defined benefit obligation	0.36	0.31
Fair value of plan assets	-	-
Net liability recognised in the balance sheet	**0.36**	**0.31**
Current	0.13	0.10
Non-current	0.23	0.21

iv. Changes in present value of defined benefit obligation are as follows:

	March 31, 2025	March 31, 2024
Opening defined benefit obligation	0.31	0.24
Current service cost	0.04	0.04
Interest cost on defined benefit obligation	0.02	0.02
Benefits paid	(0.03)	-
Actuarial loss/ (gain) on obligations arising from changes in demographic assumptions	-	(0.02)
Actuarial loss/ (gain) on obligations arising from changes in financial assumptions (March 31, 2025: Rs. 22,850; March 31, 2024: Rs. nil)	0.00	-
Actuarial loss/ (gain) on obligations arising from changes in experience adjustments	0.03	0.03
Transfer in/out		
Transfer in (March 31, 2025: Rs. 4,137; March 31, 2024: Rs. nil)	0.00	-
Transfer out	(0.01)	-
Closing defined benefit obligation	**0.36**	**0.31**

v. The following pay-outs are expected in future years

	March 31, 2025	March 31, 2024
Within next 12 months	0.13	0.10
Between 1 and 2 years	0.09	0.08
Between 2 and 3 years	0.06	0.05
Between 3 and 4 years	0.05	0.04
Between 4 and 5 years	0.03	0.03
Between 5 and 10 years	0.05	0.05

The average duration of defined benefit obligation at the end of the reporting period is 2.56 years (March 31, 2024: 2.56 years)

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25 Defined benefit plans (continued)

vi. The principal assumptions used in determining gratuity benefit obligations are shown below:

	March 31, 2025	March 31, 2024
Discount rate (in %)	6.64%	6.94%
Salary escalation rate (in %)	7.00%	7.00%
Attrition rate (in %)	39.00%	39.00%
Retirement age (in years)	60	60
Mortality tables	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table

Note:

1) The estimate of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in employment market.

2) Plan Characteristics and Associated Risks:
The Gratuity scheme is a Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death or disability. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:
a) Discount rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
b) Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.
c) Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

vii. A quantitative sensitivity analysis for significant assumptions on defined benefit obligations is shown below:

	March 31, 2025		March 31, 2024	
Particulars	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Discount rate	0.35	0.36	0.30	0.31
Salary escalation rate	0.36	0.35	0.31	0.30
Attrition rate	0.36	0.37	0.30	0.31

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

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26 Financial instruments: Fair value measurements

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liabilities and equity instrument are disclosed in the financial statements.

(a) Fair value of financial assets and financial liabilities

The carrying amount of all financial assets and liabilities appearing in the financial statements is reasonable approximation of fair value. The following tables presents the carrying value and fair value / amortised cost of each category of financial assets and liabilities:

Particulars	March 31, 2025	March 31, 2024
Financial assets at amortised cost :		
Investments	3.00	3.00
Trade receivables	8.57	9.25
Unbilled revenue	2.50	6.03
Cash and cash equivalents	1.99	-
Other financial assets	0.09	0.24
Total financial assets	**16.15**	**18.52**
Financial liabilities at amortised cost:		
Borrowings	13.09	4.05
Other financial liabilities	11.47	12.79
Trade payables	3.69	10.12
Total financial liabilities	**28.25**	**26.96**

(b) Fair value hierarchy

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2024 and March 31, 2025.

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27 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

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 Board of Directors 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.

(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 foreign currency exposure and hence is not exposed to any 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 investments and other financial instruments.

a) Trade receivables, financial assets and other current assets

With respect to trade receivables/unbilled revenue and other assets, the Company reviews the receivables on periodic basis and take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss.

The following table summarises the changes in the loss allowance measured using Expected Credit Loss ("ECL"):

Particulars	March 31, 2025	March 31, 2024
Opening balance	0.02	0.01
Amount provided during the year (March 31, 2025: Rs. 29,119)	0.00	0.01
Closing provision	0.02	0.02

Management does not expect any significant loss from non-performance by counterparties on credit granted that has not been provided for.

b) Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with 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.

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27 Financial risk management objectives and policies (continued)

(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 monitors its risk of shortage of funds on a regular basis.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

March 31, 2025	0-1 years	1 to 5 years	> 5 years	Total
Borrowings	13.09	-	-	13.09
Other financial liabilities	11.47	-	-	11.47
Trade payables	3.69	-	-	3.69
Total	**28.25**	-	-	**28.25**

March 31, 2024	0-1 years	1 to 5 years	> 5 years	Total
Borrowings	4.05	-	-	4.05
Other financial liabilities	12.79	-	-	12.79
Trade payables	10.12	-	-	10.12
Total	**26.96**	-	-	**26.96**

28 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the shareholders of the Company. Net debt includes borrowings, trade payables and other financial liabilities net of cash and cash equivalents. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	March 31, 2025	March 31, 2024
Borrowings	13.09	4.05
Less: Cash and cash equivalents	(1.99)	-
Net Debt	**11.10**	**4.05**
Total equity	**(11.14)**	**(5.74)**
Capital and net debt	**(0.04)**	**(1.69)**
Gearing ratio*	-	-

* The Company has negative equity and hence gearing ratio has not been computed.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

29 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). As the Company is primarily engaged in rendering manpower staffing services and CSR activities, its business activities falls within a single business segment and accordingly there are no additional disclosures to be provided under Ind AS 108 'Segment Reporting'. The Company operates primarily in India and there is no other significant geographical segment.

Two customers accounted for more than 10% of Company's total revenue from operations for the year ended March 31, 2025 and one customer accounted for more than 10% of Company's total revenue from operations for the year ended March 31, 2024.

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30 Related party disclosures

(i) Names of related parties and description of relationship (where transactions have taken place):

Description of relationship	Names of related parties
a) **Holding Company**	TeamLease Services Limited ('TLSL')
b) **Fellow Subsidiary**	TeamLease Edtech Limited ('TLEL') TeamLease Digital Private Limited ('TDPL') TeamLease HRTech Private Limited ('HRTech') TeamLease Regtech Private Limited ('TRPL')
c) **Key management personnel and their relatives**	Mrs. Alaka Chanda - Director Ms. Rituparna Chakraborty - Director (resigned w.e.f April 20, 2023) Mrs. Ramani Dathi - Director Mr. Ashok Kumar Nedurumalli - Director (appointed w.e.f April 20, 2023)
d) **Enterprises where key Managerial Personnel or their relatives exercise significant influence**	TeamLease Skills University ('TLSU')

(ii) Summary of transactions and outstanding balances with above related parties are as follows:

Transactions with related parties	March 31, 2025	March 31, 2024
Revenue from operations		
TeamLease Services Limited	2.03	1.95
TeamLease Edtech Limited	0.03	0.01
TeamLease Digital Private Limited	-	0.04
Total	**2.06**	**2.00**
Interest income on loans and advances to related party		
TeamLease Skills University	0.16	-
Total	**0.16**	-
Share based payment expense (net)		
TeamLease Services Limited	0.12	(0.46)
Total	**0.12**	**(0.46)**
Interest on loans from related party		
TeamLease Services Limited	0.43	0.15
Total	**0.43**	**0.15**
Loans and advances given to		
TeamLease Skills University	4.00	-
Total	**4.00**	-
Loans and advances repaid by		
TeamLease Skills University	4.00	-
Total	**4.00**	-
Borrowings taken from		
TeamLease Services Limited	13.10	6.00
Total	**13.10**	**6.00**
Borrowings repaid to		
TeamLease Services Limited	13.60	4.20
Total	**13.60**	**4.20**
Legal and professional charges		
TeamLease Services Limited	0.29	4.21
Total	**0.29**	**4.21**

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30 Related party disclosures (continued)

Transactions with related parties	March 31, 2025	March 31, 2024
Bank guarantee commission expenses		
TeamLease Services Limited	0.15	0.02
Total	**0.15**	**0.02**
Program management and training fees		
TeamLease Edtech Limited	11.89	12.02
TeamLease Services Limited	0.03	0.26
TeamLease Regtech Private Limited	0.01	-
Total	**11.93**	**12.28**
Expenses incurred by the Company on behalf of related party (cross charged)		
TeamLease Skills University	-	0.33
Total	**-**	**0.33**
Expenses incurred by related party on behalf of Company (reimbursed)		
TeamLease Services Limited	0.78	0.68
TeamLease Edtech Limited	-	0.02
TeamLease Digital Private Limited	0.01	-
TeamLease HR Tech Private Limited	0.04	0.03
Total	**0.83**	**0.73**

Outstanding balances as at year ended	March 31, 2025	March 31, 2024
Borrowings		
TeamLease Services Limited	1.50	2.00
Total	**1.50**	**2.00**
Other current financial assets - Cross charges receivable from related party		
TeamLease Skills University	-	0.21
Total	**-**	**0.21**
Investment in Endowment fund		
TeamLease Skills University	3.00	3.00
Total	**3.00**	**3.00**
Trade receivables		
TeamLease Services Limited	0.21	0.20
TeamLease Edtech Limited (March 31, 2025: Rs. 2,043; March 31, 2024: Rs. nil)	0.00	-
Total	**0.21**	**0.20**
Unbilled revenue		
TeamLease Services Limited	0.20	0.19
Total	**0.20**	**0.19**
Trade payables		
TeamLease Services Limited	0.18	5.52
TeamLease Edtech Limited	2.12	3.19
TeamLease HR Tech Private Limited	-	0.01
TeamLease Regtech Private Limited (March 31, 2025: Rs. 28,053; March 31, 2024: Rs. nil)	0.00	-
TeamLease Digital Private Limited	0.02	-
Total	**2.32**	**8.72**
Other non current financial liabilities - Payable towards share based payments to related party		
TeamLease Services Limited	0.12	-
Total	**0.12**	**-**
Bank guarantee on loan availed by the Company from bank		
TeamLease Services Limited	15.00	4.50
Total	**15.00**	**4.50**

Note:
i) All transactions entered into with related parties defined under the Companies Act, 2013 were as per the contractual terms with the respective related parties on arm's-length pricing basis and the Company has undertaken necessary steps to comply with the transfer pricing regulations under the Income tax act, 1961. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash as per the credit terms with the respective related parties.
ii) There are no loans or advances in nature of loans granted to promoters, directors or key managerial personnel.

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Notes to the financial statements for the year ended March 31, 2025
Corporate Identification Number (CIN): U80903KA2011NPL130127
(All amounts in Rs. crores, unless otherwise stated)

31 Employee Stock Appreciation Rights Plan 2019 (ESAR 2019)

On recommendation of the Nomination and Remuneration Committee of Holding Company, the Board of Directors and shareholders of Holding Company approved the ESAR 2019 plan. The ESAR 2019 plan provides stock options appreciation rights to eligible employees of the Company. The Company will reimburse and pay to Holding Company cross charge of ESAR granted to the employees.

A. Details of ESAR 2019 plan

Particulars	Tranche-I	Tranche-V
Date of grant	June 09, 2021 September 03, 2021	July 01, 2024
Number granted	14,000	5,300
Exercise price (Rs.)	3,620	2,999
Vesting period	5 years	3 years
Weighted average remaining contractual life	1.25 years	2.25 years

B. Movement in the stock options appreciation rights granted to employees - Tranche-I and Tranche-V

Particulars	Number of Employee Stock Appreciation Rights			
	Tranche-I*		Tranche-V*	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Outstanding at beginning of the year	14,000	14,000	-	-
Granted	-	-	5,300	-
Forfeited	-	-	-	-
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at end of the year	14,000	14,000	5,300	-
Exercisable at end of the year	-	-	-	-

* Weighted average exercise price for Tranche I and Tranche V is Rs. 3,620 and Rs. 2,999 respectively.

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	March 31, 2025 Tranche-V	March 31, 2024
Weighted average share price on date of grant	2,999	-
Exercise price (Rs.)	2,999	-
Expected volatility	36.79%	-
Life of rights granted in years	3 years	-
Risk free interest rate	7.14%	-
Expected dividend yield (%)	-	-
Fair value of option (Rs.) (A)	1,003.01	-
Weighted average remaining contractual life	2.25 years	-
Weighted average exercise price of stock appreciation rights outstanding	2,999	-

No stock appreciation rights have been granted during the year ended March 31, 2024, hence valuation assumptions have not been disclosed.

Stock options appreciation rights expense/ (reversal) is Rs. 0.12 crores [March 31, 2024: Rs. (0.46) crores] for the year.

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32 Contingent liabilities and commitments

	March 31, 2025	March 31, 2024
(a) Goods and service tax liabilities in dispute	4.83	4.98

Note:

(i) The Company is contesting certain tax and other demands/ rejection of refunds from regulatory authorities along with certain legal disputes with customers. The management believes that its position will likely be upheld in the various appellate authorities/ courts. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position. The aforementioned amounts under disputes are as per the demands from various authorities for the respective periods and has not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

(ii) 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. Certain sections of the Code came into effect on May 03, 2024. However, 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 such final rules/interpretation will be issued.

(iii) The Company is a sponsoring body of TLSU. TLSU has negative working capital of Rs. 5.51 crores as on March 31, 2025. However, TLSU is currently making profits and is confident of meeting its obligations as and when due.

TLSU is registered under All India Council for Technical Education [(National Employability Enhancement Mission (NEEM) Regulations, 2013] and provides trainees to its customers under NEEM regulation and pays them stipend. As per the NEEM regulation, stipend shall be paid as a single consolidated amount, and such payment will not attract any statutory deductions or payments. Recently, Regional Provident Fund (PF) Department of Vadodara, verified the records of NEEM trainees supplied by TLSU to its customers and are of the view that social security benefits in form of Provident Fund, Pension and Insurance, etc. shall be extended to the trainees registered under NEEM regulation. Accordingly, Regional PF commissioner, Vadodara PF Department summoned TSLU under Para 26-B of the Employee Provident Funds Scheme, 1952 for the said matter and has issued a notice towards the aforesaid dues amounting to Rs. 395 crores for the period July 2014 to June 2022. TLSU has submitted the necessary clarifications to the regional PF commissioner during the ongoing hearings and the matter is pending final resolution.

Based on the notified guidelines of NEEM regulation, management is of the view that PF and other statutory deductions are not applicable on the stipend paid to the trainees and for a similar PF notice in the past for one of its customer, TLSU had received a stay order from honourable High Court of Madras.

(b) There are no capital commitments during the year ended March 31, 2025 and March 31, 2024.

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(All amounts in Rs. crores, unless otherwise stated)

33 Ratios

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance
Current ratio	Current assets	Current liabilities	0.41	0.51	-19.61%	-
Debt-equity ratio	Total debt	Shareholder's equity	-	-	-	The Company has negative equity
Debt service coverage ratio	Earnings for debt service = (deficit)/ surplus for the year + finance cost + Non-cash operating expense - finance income	Debt service = Interest on debt + principal repayments	-	-	-	The Company has been incurring losses
Return on equity ratio	(Deficit)/surplus for the year	Average shareholder's equity	-	-	-	The Company has negative equity
Trade receivables turnover ratio	Revenue from operations	Average trade receivables (including unbilled revenue)	15.74	11.41	37.95%	On account of better realisation
Trade payables turnover ratio	Total expenses = Other expenses + Subcontracting expenses + Staff welfare expenses	Average trade payables	7.32	1.69	333.14%	On account of timely settlement of dues
Net capital turnover ratio	Revenue from operations	Working capital = current assets – current liabilities	(10.37)	(12.78)	-18.86%	-
Net profit ratio (%)	(Deficit)/surplus for the year	Revenue from operations	-2.59%	-1.78%	45.23%	Increase in business loss during the year
Return on capital employed (%)	Earnings before interest and taxes	Capital employed = Shareholder's equity + total debt	-	-	-	The Company has losses during the year and previous year
Return on investment *	NA	NA	NA	NA	NA	-

* The Company has invested in Endowment fund in TLSU, which is non-interest bearing, hence return on investment ratio is not applicable.

34 Transactions with struck off companies

The Company has transactions/ balances with the below mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of struck off Company	Nature of transactions with struck-off Company	Transactions during the year ended March 31, 2025	Transactions during the year ended March 31, 2024	Receivables / (payable) as at March 31, 2025 (net)	Receivables / (payable) as at March 31, 2024 (net)	Relationship with the struck-off Company
Knorr-Bremse India Pvt. Ltd.	Sale of services/ Trade receivables	0.31	1.83	-	0.15	Customer

Note: The above transactions are in normal course of business.

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(All amounts in Rs. crores, unless otherwise stated)

35 Other Statutory Information

(i) No proceeding has been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act,1988 and rules made thereunder.

(ii) There are no charges or satisfaction which is yet to be registered with Registrar of Companies ("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 person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) Following are the details of the funds received by the Company and further advanced to the Ultimate beneficiaries:

Name of the Company who has advanced the funds	Date of funds received	Amount of funds received	Date on which funds are further advanced to	Amount of fund further advanced to ultimate beneficiary*	Ultimate beneficiary
TeamLease Services Limited	April 10, 2024	4.00	April 10, 2024	4.00	TeamLease Skills University

* Entire amount has been repaid by TeamLease Skills University during the year ended March 31, 2025

Complete details of the Funding party and Ultimate Beneficiary:

Name of the entity	Registered Address	Government Identification Number	Relationship with the Company
TeamLease Services Limited	315 Work Avenue Campus, Ascent Bldg., Koramangala Ind. Layout, Jyoti Nivas College Road, Koramangala, Bangalore, Karnataka, India, 560095	AABCT5458K	Holding Company
TeamLease Skills University	77, Ascent Building, Jyothi Nivas College Road Koramangala Industrial Layout, Koramangala, Bengaluru, Bengaluru Urban, Karnataka, 560095	AAAJT2549P	Enterprises where key Managerial Personnel or their relatives exercise significant influence

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

The Company has not received any fund from any person for further advancing to other person on behalf of ultimate beneficiaries for the year ended March 31, 2024.

(vi) The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 (such as search or survey or any other relevant provisions of the Income Tax Act,1961).

(vii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(viii) MCA has amended the Rule 3 of the Companies (Accounts) Rules, 2014 (the "Accounts Rules") vide notification dated August 05, 2022, relating to the mode of keeping books of account and other books and papers in electronic mode. Back-ups of the books of account and other books and papers of the Company maintained in electronic mode are now required to be retained on a server located in India on daily basis (instead of back-ups on a periodic basis as provided earlier) as prescribed under Rule 3(5) of the Accounts Rules. With respect to the above, the Company has complied with the requirement.

(ix) The Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that, audit trail feature is not enabled for direct changes to data using privileged/ administrative access rights. Additionally for one of the accounting software edit log is enabled for master data changes w.e.f. April 11, 2024. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares where the audit trail has been enabled. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded.

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36 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these financial statements have been rounded off or truncated as deemed appropriate by the management of the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Sandeep Karnani
Partner
Membership Number: 061207

S.R. Batliboi & Associates LLP Bengaluru

Place: Bengaluru, India
Date: May 21, 2025

For and on behalf of the Board of Directors of
TeamLease Foundation

Alaka Chanda
Director
DIN: 08856604

Ramani Dathi
Director
DIN: 08296675

Place: Bengaluru, India
Date: May 21, 2025

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