



TEAMLEASE SERVICES LIMITED  
CIN: L74140MH2000PLC124003  
No.6, 3rd Floor, Laxmi Towers, BandraKurla Complex, Bandra (E) Mumbai 400051, India,  
Tel: 91 80 33002345 Fax: 91 80 33243001  
corporateaffairs@teamlease.com | www.teamleasegroup.com

### POSTAL BALLOT NOTICE

Dear Members,

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

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

Members are requested to carefully read the instructions printed in the postal Ballot Form and return the same duly completed in the enclosed self-addressed business reply envelope so as to reach the company not later than 17.00 Hours IST on 06 October, 2018. Postage will be borne and paid by the Company. Postal Ballot Forms if sent at the expense of the Members will also be accepted. The Postal Ballot Forms may also be deposited personally at the address given on the Business Reply Envelope. Please note that, Postal Ballot Forms received after 17.00 Hours. IST on 06 October, 2018 shall be deemed invalid.

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

The Scrutinizer will submit to the Chairman or any other authorized person of the Company after the completion of the scrutiny of the postal ballots (including e-voting). The result of the postal ballots shall be declared by the Chairman or any other authorized person of the Company on or before 08 October, 2018 and communicated on the same day to the stock exchanges, depository, registrar and share transfer agents and shall also be displayed on the Company official website.

BY ORDER OF THE BOARD OF DIRECTORS  
FOR TEAMLEASE SERVICES LIMITED

ASHOK KUMAR NEDURUMALLI  
MANAGING DIRECTOR  
(DIN: 00151814)

Date: 24 July, 2018

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

#### **APPROVAL FOR CREATION OF FRESH ESOP POOL OF 1.5% OF PAID-UP SHARE CAPITAL OF THE COMPANY**

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and Rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations"), issued by the Securities and Exchange Board of India ("SEBI") and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions; consent of the members of the Company be and is hereby accorded Board to create 'TeamLease Services Limited - Employees Stock Option Plan 2018' (hereinafter referred to as the "ESOP 2018") and to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration /Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer, issue and grant from time to time such number of options, to the permanent employees including Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), whether whole-time or otherwise, whether working in India or out of India, as may be decided solely by the Board under the Plan, exercisable into not more than 1.5% of the paid up capital of the Company as on the date of this resolution aggregating to 2,56,450 (Two Lakh Fifty Six Thousand Four Hundred and Fifty) Options, each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up Equity Share in the Company, of face value of Rs.10/- each, directly by the Company or through the ESOP Trust formulated by the Company for this purpose and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the ESOP 2018 and in due compliance with the applicable laws and regulations in force.

**RESOLVED FURTHER THAT** the Board and any committee formed for this purpose be and is hereby authorized to issue and allot Equity Shares upon exercise of options by Employee from time to time in accordance with the ESOP 2018 and other applicable laws in force and such Equity shares shall rank paripassu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the number of options that may be granted to any employee including any Director of the Company (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), in any financial year and in aggregate under the ESOP 2018 shall be lesser than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organization, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid 2,56,450 (Two Lakhs Fifty Six Thousand Four Hundred Fifty Only) of Equity Shares shall be deemed to be increased in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

**RESOLVED FURTHER THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the options Grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2018 and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2018.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the ESOP 2018 on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP 2018 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard."

## **2. GRANT OF OPTIONS TO THE EMPLOYEES OF THE SUBSIDIARY/ASSOCIATE COMPANY (IES) OF THE COMPANY UNDER EMPLOYEES STOCK OPTION PLAN 2018 (ESOP 2018)**

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013, and rules framed there under, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as "SEBI SBEB Regulations") issued by the Securities and Exchange Board of India ("SEBI") and subject to such other approvals, permissions and sanctions as may be necessary from time to time and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the members of the Company be and is hereby accorded to Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee, including the Nomination and Remuneration/Compensation Committee which the Board has constituted to exercise its powers, including the powers, conferred by this resolution) to create, offer, issue and grant from time to time such number of options to the permanent employees including the Directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company) whether whole time or otherwise, whether working in India or out of India of any existing and future Subsidiary Company(ies) of the Company whether in or outside India, as may be decided solely by the Board under the 'TeamLease Services Limited - Employees Stock Option Plan 2018 (hereinafter referred to as the "ESOP 2018"), exercisable into not more than the overall ceiling limit of 1.5% of the total paid up capital of the Company aggregating to 2,56,450 (Two Lakh Fifty Six Thousand Four Hundred and Fifty Only) Options, each Option giving the right but not the obligation to the holder to subscribe for cash to one fully paid-up Equity Share in the Company, of face value of Rs.10/- each, as mentioned in resolution 1 above, directly by the Company or through ESOP Trust formulated by the Company for this purpose and at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations in force."

**RESOLVED FURTHER THAT** the Board and any committee formed for this purpose be and is hereby authorized to issue and allot Equity shares upon exercise of options from time to time in accordance with the ESOP 2018 and such Equity shares shall rank paripassu in all respects with the then existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the number of options that may be granted to any employee including any Director of the Subsidiary Company (ies) (not an independent director), in any financial year and in aggregate under the ESOP 2018 shall be less than 1% of the issued Equity Share Capital (excluding outstanding warrants and conversions) of the Company.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/undertaking or other re-organization, change in capital and others, if any additional Equity Shares are required to be issued by the Company to the Shareholders, the ceiling as aforesaid 2,56,450 (Two Lakhs Fifty Six Thousand Four Hundred Fifty) of Equity Shares shall be deemed to increase in proportion of such additional Equity Shares issued to facilitate making a fair and reasonable adjustment.

**RESOLVED FURTHER THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Grantees under the schemes shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2018 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2018 and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the ESOP 2018.

**RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to take necessary steps for listing of the securities allotted under the ESOP 2018 on the Stock Exchanges, where the securities of the Company are listed as per the provisions of the Listing Agreement with the concerned Stock Exchanges and other applicable guidelines, rules and regulations.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of ESOP 2018 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.

#### **VOTING THROUGH ELECTRONIC MEANS**

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is pleased to provide e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Postal Ballot Notice. The Company has engaged the services of the Karvy Computershare Private Limited (Karvy) to provide the e-voting facility. The Notice is displayed on the Company's website, <https://www.teamleasegroup.com/postal-ballot> and on the website of Karvy, [www.karvy.com](http://www.karvy.com).

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

The Instructions for e-voting are as follows:

Please read the instructions printed below before exercising your vote:

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

#### **Instructions for e-voting**

- (A) In case a member receives an email from Karvy [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) ---- followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company'
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above.. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as invalid and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF

Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email [scrutinizer@teamlease.com](mailto:scrutinizer@teamlease.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_Event No."

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

#### OTHER INSTRUCTIONS

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact - RajithaCholleti / Premkumar Nair, (Unit: TeamLease Services Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 - 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on 07 September, 2018 (9:00 A.M. IST) and ends on 06October, 2018 (5:00 P.M.IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24August, 2018, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e., 24August, 2018.
- e. In case a person has become a Member of the Company after dispatch of Postal Ballot Notice but on or before the cut-off date for E-voting i.e., 24August, 2018, he/she may obtain the User ID and Password in the manner as mentioned below :
  - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399  
  
 Example for NSDL: MYEPWD <SPACE> IN12345612345678  
 Example for CDSL: MYEPWD <SPACE> 1402345612345678  
 Example for Physical: MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Member may call Karvy's toll free number 1800-3454-001.
  - iv. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavor to send User ID and Password to those new Members whose mail ids are available.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

##### ITEM NO.1

##### CREATION OF FRESH ESOP POOL OF 1.5% OF PAID-UP SHARE CAPITAL OF THE COMPANY

The Company is in the process of creation of fresh ESOP pool of 1.5% of paid-up share capital of the Company to offer and grant options from time to time as specified in the below mentioned manner. In this regard, the Company is required to obtain the approval of the members vide a special resolution.

Information and disclosures required pursuant to Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Regulation 6(2) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI Circular No CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 are given below:

Item	Particulars
Brief description of the Scheme	'TeamLease Services Limited - Employees Stock Option Plan 2018' (hereinafter referred to as the "ESOP 2018") is to provide the employees with an additional incentive in the form of Options to receive the Equity Shares of the Company at a future date. The ESOP is aimed to reward its employees for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.
the total number of Options to be granted	The Options to be granted to the Eligible Employees under ESOP 2018, in one or more tranches, shall not result in issue of equity shares in not more than 1.5% of the paid up capital of the Company as on the date of this resolution aggregating to 2,56,450 (Two Lakhs Fifty Six Thousand Four Hundred and Fifty) Options. This ceiling will be adjusted for any future right issue, bonus issue of shares or stock splits or consolidation of shares and also may further be

	adjusted at the discretion of the Board/Committee for any corporate action(s).
Identification of classes of employees entitled to participate and in the Employee Stock Option Scheme	<p>Eligible Employee means</p> <p>(a) an Employee who is employed on or after the Effective date, either through an employment contract or as an officer or a Director but shall not include Promoters, Promoter Group. Further any director either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity share capital of the Company at any time after the commencement of the scheme shall not be eligible under the Plan, and</p> <p>(b) who qualifies for issue of Options under the Plan and who fulfils the minimum conditions of service and other conditions as decided in the appraisal process</p> <p>All the Employees satisfying both the above mentioned clauses shall qualify for this Plan.</p>
The appraisal process for determining the eligibility of employees to Employee Stock Option Scheme	<p>The purpose of the ESOP is to provide the employees with an additional incentive in the form of Options to receive the Equity Shares of the Company at a future date. The ESOP is aimed to reward its employees for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.</p> <p>The Company already has a remuneration policy, which is linked to performance of the employee, the seniority of the employee, the commitment in executing his/her duty, etc. The objective of the ESOP is not merely to have another kind of remuneration. The objective is also to use the scheme as a business strategy to enhance the Company's profitability by providing equity linked incentive to employees, so that the employees keep exploring possibilities of increasing the revenue, saving costs and enhancing the profits of the Company.</p>
the requirements of vesting and period of vesting	The Option shall vest over a period from 1 to 4 years for Live Employees.
the maximum period within which the options shall be vested	4 years from the date of grant of Option
the exercise price or the formula for arriving at the same	The value of price per share to be charged for the purpose of exercising the options from the employees will be at the face value of the shares at the time of allotment and without any premium. However the difference in the market value of the shares and face value will be taxed from the employees under Indian Income Tax as taxable perquisite.
the exercise period and process of exercise	<p>The exercise period is 90 days from the date of vesting.</p> <p>The Trust shall upon the recommendation of the Compensation Committee issue a Letter of Grant to all Eligible Employees who have been granted Options, within such time from the date of Grant as it may deem fit, containing such terms and conditions relating to the vesting and exercise of the Options as may be prescribed by the Compensation Committee and in particular the following:</p> <ol style="list-style-type: none"> <li>1. Employment Agreement: A condition in any Option granted that the Eligible Employee shall agree to remain in the employment of and to render services to, the Company, or the Subsidiary company, for a period of time (specified in the Agreement) following the Grant. The Grant of an Option shall, however, not impose upon the Company any obligation to employ the Eligible Employee for any period of time.</li> <li>2. Number of Equity Shares, Exercise Price and Pricing Formula: Each Option shall state then total number of Equity Shares to which it pertains, the Exercise Price and the pricing formula on the basis of which the Exercise Price is arrived at.</li> <li>3. Vesting of Options: The Options granted pursuant to this ESOP shall vest as specified above.</li> <li>4. No rights of Shareholders: An Eligible Employee shall not have any of the rights of a shareholder of the Company until the Equity Shares are transferred to him, and no adjustments shall be made for dividends or other rights for which the record date is prior to the date such Equity Shares are transferred to the Eligible Employee.</li> </ol>
the Lock-in period, if any:	1 year post exercise
the maximum number of options to be granted per employee and in aggregate:	5% of the Pool
the method which the Company shall use to value its options:	Black Scholes Model
the conditions under which the option vested in employees may lapse e.g. in case of termination of employment for misconduct:	<p>A condition in any Option granted that the Eligible Employee shall agree to remain in the employment of and to render services to, the Company, or the Subsidiary company, for a period of time (specified in the Agreement) following the Grant.</p> <p>The Grant of an Option shall, however, not impose upon the Company any obligation to employ the Eligible Employee for any period of time.</p>
a statement to the effect that the Company shall comply with the applicable accounting standards	The Company shall comply with all the applicable disclosure and Accounting Policies in respect of options granted as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits) Regulations 2014 and under other Applicable Laws and follow the accounting policies prescribed as per SEBI Regulations and Guidelines and the Guidance Note issued by the Institute of Chartered Accountants of India.
the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee; and	The Nomination and Remuneration/Compensation Committee is empowered to determine the time period within which the Eligible Employees must exercise the vested Options in the event of termination or resignation of an Eligible Employee.
maximum quantum of benefits to be provided per employee under a	0.2% of paid up share capital of the Company

scheme(s);	
whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The Scheme is to be implemented and administered through a trust.
Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both	The scheme(s) involves new issue of shares by the Company
the amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc	Not Applicable
maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s)	Not Applicable
the following statement, if applicable:	'In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the Company shall also be disclosed in the Directors' report.'

The Company is required to obtain the approval of the members by means of special resolution and your Company proposes to pass this resolution through Postal Ballot.

The Board therefore recommends the proposed special resolution to the members through Postal Ballot for their consideration and approval.

None of the Directors of the Company, Key Managerial Personnel and their relatives are neither concerned nor interested in the said special resolution.

#### ITEM NO.2

#### GRANT OF OPTIONS TO THE EMPLOYEES OF THE SUBSIDIARY/ASSOCIATE COMPANY (IES) OF THE COMPANY UNDER EMPLOYEES STOCK OPTION PLAN 2018 (ESOP 2018)

The Company is in the process of creation of fresh ESOP pool of 1.5% of paid-up share capital of the Company to reward its employees and employees of the Subsidiary/Associate Company (ies) for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.

The Company will also grant options to the employees of the Subsidiary/Associate Company (ies) under "ESOP 2018" in the above manner specified in the table. In this regard, the Company is required to obtain the approval of the members vide a special resolution.

Information and disclosures required pursuant to Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and the Regulation 6(2) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI Circular No CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 are given below:

Please insert:

Item	Particulars
Brief description of the Scheme	'TeamLease Services Limited - Employees Stock Option Plan 2018' (hereinafter referred to as the "ESOP 2018") is to provide the employees with an additional incentive in the form of Options to receive the Equity Shares of the Company at a future date. The ESOP is aimed to reward its employees for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.
the total number of Options to be granted	The Options to be granted to the Eligible Employees under ESOP 2018, in one or more tranches, shall not result in issue of equity shares in not more than 1.5% of the paid up capital of the Company as on the date of this resolution aggregating to 2,56,450 (Two Lakhs Fifty Six Thousand Four Hundred and Fifty) Options. This ceiling will be adjusted for any future right issue, bonus issue of shares or stock splits or consolidation of shares and also may further be adjusted at the discretion of the Board/Committee for any corporate action(s).
Identification of classes of employees entitled to participate and in the Employee Stock Option Scheme	Eligible Employee means (a) an Employee who is employed on or after the Effective date, either

	<p>through an employment contract or as an officer or a Director but shall not include Promoters, Promoter Group. Further any director either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity share capital of the Company at any time after the commencement of the scheme shall not be eligible under the Plan, and</p> <p>(b) who qualifies for issue of Options under the Plan and who fulfils the minimum conditions of service and other conditions as decided in the appraisal process</p> <p>All the Employees satisfying both the above mentioned clauses shall qualify for this Plan.</p>
The appraisal process for determining the eligibility of employees to Employee Stock Option Scheme	<p>The purpose of the ESOP is to provide the employees with an additional incentive in the form of Options to receive the Equity Shares of the Company at a future date. The ESOP is aimed to reward its employees for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.</p> <p>The Company already has a remuneration policy, which is linked to performance of the employee, the seniority of the employee, the commitment in executing his/her duty, etc. The objective of the ESOP is not merely to have another kind of remuneration. The objective is also to use the scheme as a business strategy to enhance the Company's profitability by providing equity linked incentive to employees, so that the employees keep exploring possibilities of increasing the revenue, saving costs and enhancing the profits of the Company.</p>
the requirements of vesting and period of vesting	The Option shall vest over a period from 1 to 4 years for Live Employees.
the maximum period within which the options shall be vested	4 years from the date of grant of Option
the exercise price or the formula for arriving at the same	The value of price per share to be charged for the purpose of exercising the options from the employees will be at the face value of the shares at the time of allotment and without any premium. However the difference in the market value of the shares and face value will be taxed from the employees under Indian Income Tax as taxable perquisite.
the exercise period and process of exercise	<p>The exercise period is 90 days from the date of vesting.</p> <p>The Trust shall upon the recommendation of the Compensation Committee issue a Letter of Grant to all Eligible Employees who have been granted Options, within such time from the date of Grant as it may deem fit, containing such terms and conditions relating to the vesting and exercise of the Options as may be prescribed by the Compensation Committee and in particular the following:</p> <ol style="list-style-type: none"> <li>1. Employment Agreement: A condition in any Option granted that the Eligible Employee shall agree to remain in the employment of and to render services to, the Company, or the Subsidiary company, for a period of time (specified in the Agreement) following the Grant.</li> </ol> <p>The Grant of an Option shall, however, not impose upon the Company any obligation to employ the Eligible Employee for any period of time.</p> <ol style="list-style-type: none"> <li>2. Number of Equity Shares, Exercise Price and Pricing Formula: Each Option shall state then total number of Equity Shares to which it pertains, the Exercise Price and the pricing formula on the basis of which the Exercise Price is arrived at.</li> <li>3. Vesting of Options: The Options granted pursuant to this ESOP shall vest as specified above.</li> <li>4. No rights of Shareholders: An Eligible Employee shall not have any of the rights of a shareholder of the Company until the Equity Shares are transferred to him, and no adjustments shall be made for dividends or other rights for which the record date is prior to the date such Equity Shares are transferred to the Eligible Employee.</li> </ol>
the Lock-in period, if any:	1 year post exercise
the maximum number of options to be granted per employee and in aggregate:	5% of the Pool
the method which the Company shall use to value its options:	Black Scholes Model
the conditions under which the option vested in employees may lapse e.g. in case of termination of employment for misconduct:	<p>A condition in any Option granted that the Eligible Employee shall agree to remain in the employment of and to render services to, the Company, or the Subsidiary company, for a period of time (specified in the Agreement) following the Grant.</p> <p>The Grant of an Option shall, however, not impose upon the Company any obligation to employ the Eligible Employee for any period of time.</p>
a statement to the effect that the Company shall comply with the	The Company shall comply with all the applicable disclosure and

applicable accounting standards	Accounting Policies in respect of options granted as required under Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits) Regulations 2014 and under other Applicable Laws and follow the accounting policies prescribed as per SEBI Regulations and Guidelines and the Guidance Note issued by the Institute of Chartered Accountants of India.
the specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee; and	The Nomination and Remuneration/Compensation Committee is empowered to determine the time period within which the Eligible Employees must exercise the vested Options in the event of termination or resignation of an Eligible Employee.
maximum quantum of benefits to be provided per employee under a scheme(s);	0.2% of paid up share capital of the Company
whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The Scheme is to be implemented and administered through a trust.
). whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both	The scheme(s) involves new issue of shares by the Company
the amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc	Not Applicable
maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s)	Not Applicable
the following statement, if applicable:	'In case the Company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'

The Company is required to obtain the approval of the members by means of special resolution and your Company proposes to pass this resolution through Postal Ballot.

The Board therefore recommends the proposed special resolution to the members through Postal Ballot for their consideration and approval.

None of the Directors of the Company, Key Managerial Personnel and their relatives are neither concerned nor interested in the said special resolution.

By order of the Board  
For TEAMLEASE SERVICES LIMITED

ASHOK KUMAR NEDURUMALLI  
MANAGING DIRECTOR  
(DIN:00151814)

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Place: Bangalore  
Date: 24 July, 2018