

CERTIFICATE ON FINANCIAL INFORMATION ABOUT THE COMPANY

To,

The Board of Directors
TeamLease Services Limited
Salarpuria Ascent, Koramangala Industrial Layout,
Jyoti Nivas College Road, Koramangala,
Bangalore – 560095, India

And

Edelweiss Financial Services Limited
6th floor, Edelweiss House, Off C.S.T. Road,
Kalina, Mumbai 400 098,
Maharashtra

(Hereinafter referred to as the “**Manager to the Buyback**”)

Dear Sir/ Madam,

Sub: Buyback of equity shares of face value of ₹ 10/- each (“Equity Shares”) by Teamlease Services Limited (the “Company”; and the buyback, the “Buyback”).

1. This certificate is issued in accordance with the terms of our engagement letter dated March 16, 2023 with TeamLease Services Limited (hereinafter the “**Company**”) in connection with their proposed buyback of equity shares.
2. In connection with the proposed Buy-back of Equity Shares by the Company as approved by the Board of Directors at its meeting held on February 03, 2023 in pursuance of the provisions of Section 68, Section 69, Section 70 of the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 (Share Capital Rules), the Companies (Management and Administration) Rules, 2014 (Management and Administration Rules) and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) and the provisions contained in the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (“**Buy-back Regulations**”) (including any statutory modification(s) or re-enactment of the Act or Buy-back Regulations, for the time being in force).
3. We have been engaged by the Company to certify on the accompanying Statement of financial information consequent to the Buyback of Equity Shares based on the standalone and consolidated audited financial statements as on March 31, 2022, 2021 and 2020 and the standalone and consolidated unaudited financial results for the nine months period ended December 31, 2022 of the company (“**the Statement**”). This Statement has been prepared by the Company.

Board of Directors Responsibility for the Statement

1. The Management of the Company is responsible for ensuring that the Company complies with the requirements of the Buy-back Regulations, the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Management and Administration) Rules, 2014 (Management and Administration Rules) and other applicable provisions, if any, and the Act, as amended, in relation to buy back of equity shares and for providing all the information to the Securities Exchange Board of India (“**SEBI**”).
2. The Management of the Company is also responsible for the preparation of the said statement and maintenance of relevant records and documents. The responsibility of the management of the Company also includes the preparation and maintenance of all accounting and other relevant supporting records and documents, including the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement.

Our Responsibility

3. Our responsibility for the purpose of this certificate, is to verify the particulars contained in the Statement based on the standalone and consolidated audited financial statements as on March 31, 2022, 2021 and 2020 and the standalone and consolidated unaudited financial results for the nine months period ended December 31, 2022 of the company.
4. We conducted our verification of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

Certificate

5. On the basis of on our verification, as stated above and according to the information, explanations and representations provided to us by the Management of the Company, we certify that the particulars of financial information furnished by the Company in the Statement in **Annexure "A"**, are in agreement with the standalone and consolidated audited financial statements as on March 31, 2022, 2021 and 2020 and the standalone and consolidated unaudited financial results for the nine months period ended December 31, 2022 of the company.

Restriction on Use

4. This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the aforesaid requirements and for onward submission to Edelweiss Financial Services Limited, (hereinafter referred to as the "**Manager to the Buyback**") and to include this certificate, pursuant to the requirements of the Buyback Regulations, (i) public announcement to be made to the shareholders of the Company, (ii) in the draft letter of offer and the letter of offer and other documents pertaining to the Buyback to be filed with the Registrar of Companies, Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited, as required by the Buyback Regulations, the Central Depository Services (India) Limited, National Securities Depository Limited, as applicable, and for providing to the Manager to the Buyback. Accordingly, this certificate may not be suitable for any other purpose, and therefore, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent.
5. This certificate can be relied on by the Manager to the Buyback and the legal counsel in relation to the Buyback.

Yours faithfully,

For and on behalf of Manian & Rao
Chartered Accountants
Firm Registration No: 001983S

Paresh Daga
Partner
Membership No.: 211468
UDIN: 23211468BGXVTQ5370

Place: Bangalore
Date: 16-03-2023

Annexure “A” - Financial information about the Company consequent to the Buyback of Equity Shares

Financial Information on a Standalone Basis

The selected financial information, as extracted from the standalone audited financial statements of the Company for the last three financial years ended as on March 31, 2022, March 31, 2021, and March 31, 2020 and the standalone and consolidated unaudited financial results for the nine months period ended December 31, 2022, is detailed below:

(Amount in INR lakh)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	For the nine months period ended December 31, 2022 (Not annualized)	For the year ended on March 31, 2022	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Revenue from Operations	508564.43	564033.82	446593.69	478337.68
Other Income	3946.73	3250.96	4819.43	4365.17
Other gain / (loss)	0	0	0	0
Total income	512511.16	567284.78	451413.12	482702.85
Total Expense (excluding Interest, Depreciation & Amortisation, Tax and Exceptional Items)	502989.45	555481.53	440188.78	470859.24
Interest Expense	320.41	357.76	577.65	868.79
Depreciation & Amortisation	1603.16	1821.17	1512.05	1473.16
Exceptional Items	0	7192.93	0	0
Profit Before Tax	7598.14	2431.39	9134.64	9501.66
Provision for Tax (including Deferred Tax)	84.54	181.76	727.62	5343.46
Profit After Tax	7513.60	2249.63	8407.02	4158.20
Paid-up equity share capital	1709.68	1709.68	1709.68	1709.68
Reserves & Surplus (excluding share-based payment reserve, non-controlling interest)	Not Available	65913.50	63550.13	54373.71
Net worth (excluding share-based payment reserve, non-controlling interest)	Not Available	67623.18	65259.81	56083.39
Non-current Borrowings	Not Available	0	0	0
Current Borrowings (including Current Portion of Long-Term Borrowings)	Not Available	2516.84	1.38	6486.76
Total debt	Not Available	2516.84	1.38	6486.76

Key financial ratios on standalone basis are as under:

Key Ratios	Unaudited (IND-AS)	Audited (IND-AS)		
	For the nine months period ended December 31, 2022 (Not Annualised)	For the year ended on March 31, 2022	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Basic Earnings per equity share (in INR)	43.95	13.16	49.17	24.32
Diluted Earnings per equity share (in INR)	43.95	13.16	49.17	24.32
Book value per equity share (in INR)	Not Available	395.53	381.71	328.04
Return on net worth (excluding share-based payment reserve, non-controlling interest) (%)	Not Available	3.33	12.88	7.41
Total debt/ net worth	Not Available	0.04	0.00	0.12

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per share (INR)	Calculated as profit after tax for the relevant period divided by total weighted average number of shares for the relevant period.
Diluted Earnings per share (INR)	Calculated as profit after tax for the relevant period divided by total weighted average number of shares for the relevant period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
Book value per share (INR)	Book Value per Share At the end of relevant period is calculated as net worth divided by total number of shares. Net Worth Means the aggregate value of the paid-up share capital and free reserves (securities premium and retained earnings) as per the audited standalone and consolidated balance sheet for the respective financial years. Free reserves mean free reserves as defined u/s 2(43) read with explanation 2 to section 68 of the companies act, 2013.
Total Debt-Equity Ratio	Calculated as total debt divided by net worth. Total debt comprises of short-term borrowings. The company does not have long-term borrowings.
Return on Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent not written off) (%)	Calculated as profit after tax for the relevant period divided by closing net worth for that period.

Financial Information on a Consolidated Basis

The selected financial information, as extracted from the consolidated audited financial statements of the Company for the last three financial years ended as on March 31, 2022, March 31, 2021, and March 31, 2020 and the standalone and consolidated unaudited financial results for the nine months period ended December 31, 2022, is detailed below:

(Amount in INR lakh)

Particulars	Unaudited (IND-AS)	Audited (IND-AS)		
	For the nine months period ended December 31, 2022 (Not Annualised)	For the year ended on March 31, 2022	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Revenue from Operations	584272.34	647982.31	488145.67	520072.26
Other Income	3405.18	1972.63	3471.86	3084.28
Other gain / (loss)	0	0	0	0
Total Income	587677.52	649954.94	491617.53	523156.54
Total Expense (excluding Interest, Depreciation & Amortisation, Tax and Exceptional Items)	575413.46	633745.37	478295	510562.77
Interest Expense	356.87	396.59	689.83	1228.89
Depreciation & Amortisation	3039.18	4078.66	3370.50	2858.92
Exceptional Items	0	7177.87	300	0
share of profit/(loss) of associates / joint ventures	0	0	108.58	208.56
Profit Before Tax	8868.01	4556.45	8853.62	8297.40
Provision for Tax (including Deferred Tax)	150.42	610.99	1006.12	4799.87
Profit After Tax	8717.59	3945.46	7847.47	3497.53
Profit attributable to:				
Owner of the company	8739.91	3842.83	7750.11	3497.53
Non-controlling interest	(22.32)	102.63	97.36	0
Paid-up equity share capital	1709.68	1709.68	1709.68	1709.68
Reserves & Surplus (excluding share-based payment reserve, non-controlling interest)	Not Available	67253.40	63304.99	54693.85

Net worth (excluding share-based payment reserve, non-controlling interest)	Not Available	68963.08	65014.67	56403.53
Non-current Borrowings	Not Available	0	0	0
Current Borrowings (including Current Portion of Long-Term Borrowings)	Not Available	2766.84	1.38	7623.42
Total debt	Not Available	2766.84	1.38	7623.42

Key financial ratios on consolidated basis are as under:

Key Ratios	Unaudited (IND-AS)	Audited (IND-AS)		
	For the nine months period ended December 31, 2022 (Not Annualised)	For the year ended on March 31, 2022	For the year ended on March 31, 2021	For the year ended on March 31, 2020
Basic Earnings per equity share (in INR)	51.12	22.48	45.33	20.46
Diluted Earnings per equity share (in INR)	51.12	22.48	45.33	20.46
Book value per equity share (in INR)	Not Available	403.37	380.27	329.91
Return on net worth (excluding share-based payment reserve, non-controlling interest) (%)	Not Available	5.57	11.92	6.20
Total debt/ net worth	Not Available	0.04	0.00	0.14

The key ratios have been computed as below:

Key Ratios	Basis
Basic Earnings per share (INR)	Calculated as profit after tax for the relevant period divided by total weighted average number of shares for the relevant period.
Diluted Earnings per share (INR)	Calculated as profit after tax for the relevant period divided by total weighted average number of shares for the relevant period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
Book value per share (INR)	Book Value per Share At the end of relevant period is calculated as net worth attributable to owners divided by total number of shares. Net Worth Means the aggregate value of the paid-up share capital and free reserves (securities premium and retained earnings) as per the audited standalone and consolidated balance sheet for the respective financial years. Free reserves mean free reserves as defined u/s 2(43) read with explanation 2 to section 68 of the companies act, 2013.
Total Debt-Equity Ratio	Calculated as total debt divided by net worth. Total debt comprises of short-term borrowings. The company does not have long-term borrowings.
Return on Net Worth (excluding revaluation reserves and miscellaneous expenditure to the extent not written off) (%)	Calculated as profit after tax for the relevant period divided by closing net worth attributable to owners for that period.