

**CERTIFICATE ON DEBT/EQUITY RATIO**

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**  
6<sup>th</sup> 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 Buyback 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 salient financial parameters and Debt/Equity Ratio consequent to the Buyback of Equity Shares based on the standalone and consolidated audited financial statements as on March 31, 2022 of the Company (“**the Statement**”). This Statement has been prepared by the Company.

**Board of Directors Responsibility for the Statement**

4. The Management of the Company 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**”).
5. 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**

6. Our responsibility for the purpose of this certificate, is limited to verifying the particulars contained in the Statement based on the standalone and consolidated audited financial statements as on March 31, 2022 of the Company.
7. 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**

8. On the basis of 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 parameters 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.of the Company

### **Restriction on Use**

9. 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.
10. 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: 23211468BGXVTP5035

Place: Bangalore  
Date: 16-03-2023

**Annexure “A” - Salient financial parameters and Debt/Equity Ratio consequent to the Buyback of Equity Shares**

Salient financial parameters consequent to the Buyback based on latest audited results:

Particulars	As at March 31, 2022 Standalone		As at March 31, 2022 Consolidated	
	Pre-Buyback	Post Buyback	Pre-Buyback	Post Buyback
Net Worth (₹ in lakh) <sup>a</sup>	67,623.18	57,623.18	68,963.08	58,963.08
Return on Net Worth/ Return on Equity (%) <sup>b</sup>	3.33%	3.90%	5.57%	6.52%
Basic Earnings per Share - Basic (₹) <sup>c</sup>	13.16	13.42	22.48	22.92
Book value per Share/ NAV per Share (₹) <sup>d</sup>	395.53	343.63	403.37	351.62
P/E based on PAT as per the latest audited financial result- (Rs. [4333.6]) <sup>e</sup> - As per BSE	329.35	323.03	192.78	189.10
P/E based on PAT as per the latest audited financial result-NSE (Rs. [4338.9]) <sup>e</sup> -As per NSE	329.75	323.42	193.04	189.34
Debt-Equity Ratio <sup>f</sup>	0.04	0.04	0.04	0.05

*Pre and Post Buyback calculations based on the audited standalone and consolidated financial statements of the Company as on March 31, 2022. The post-buyback numbers are calculated by reducing the net worth by the proposed buy-back of ₹ 10,000 lakh (assuming full acceptance of Equity Shares in the Buyback Offer in the ratio of Buyback) without factoring in any other impact to the net worth including applicable taxes or expenses in relation to Buyback.*

*a. 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 as of March 31, 2022. Free reserves mean free reserves as defined u/s 2(43) read with explanation 2 to section 68 of the companies act, 2013.*

*b. Return on Net worth Is computed as profit after tax attributable to the owners of the parent company for the relevant period divided by closing net worth for that period.*

*c. Earnings per share calculated as profit after tax for the relevant period divided by total weighted average number of shares pre-buyback and total weighted average number of shares post-buyback.*

*d. Book Value per Share At the end of relevant period is calculated as pre-buyback net worth divided by total number of shares pre-buyback and post-buyback net worth divided by total number of shares post-buyback.*

*e. P/E ratios based on the closing market price as on March 31, 2022 i.e. ₹. [4333.6](BSE) and ₹. [4338.9](NSE), Earnings per Share based on standalone and consolidated audited financials for the year ended March 31, 2022.*

*f. Total Debt-Equity ratio is calculated as total debt divided by net worth. Total debt comprises of short-term borrowings. The Company does not have long-term borrowings.*