

October 13, 2026

To Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 539658	To Listing Department National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra(E), Mumbai - 400 051 Scrip Code: TEAMLEASE
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Dear Sir/Ma'am,

Sub: TeamLease Services Limited ("TeamLease"/"Company") – Receipt of Show Cause Notice from the Department of Commercial Taxes, Government of Karnataka under Section 73(1) of the Karnataka Goods and Services Tax Act, 2017 ("KGST Act") and the Central Goods and Services Tax Act, 2017 ("CGST Act") for FY 2022-23

Ref: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the above-mentioned subject and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 8 of Para B of Part A of Schedule III, we wish to inform you that the Company has received a Show Cause Notice ("SCN") from the Deputy Commissioner of Commercial Taxes (Large Taxpayers Unit)-03, Bengaluru, Department of Commercial Taxes, Government of Karnataka under Section 73(1) of the KGST Act and CGST Act, for the period April 2022 to March 2023, on September 29, 2026.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, the requisite details are enclosed as **Annexure A**.

There has been a delay of 13 days in submission of this intimation due to an inadvertent gap in internal communication between the Company's indirect tax and secretarial functions, as a result of which the notice was not escalated to the secretarial function within the prescribed timeline. The Company has since strengthened its internal reporting process to prevent recurrence.

Kindly take the above information on record as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and oblige.

Thanking you.

Yours faithfully,

TeamLease Services Limited, CIN: L74140KA2000PLC118395

Registered Office: Infinix Square, B-4, B-5, B-6, HAL Industrial Estate, HAL GB Quarters, Vibhutipura, Bengaluru, Karnataka – 560037

Ph: (91-80) 6824 3333 Fax: (91-80) 6824 3001

Email ID: corporateaffairs@teamlease.com

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Annexure A

Details under Regulation 30 of the SEBI LODR Regulations, 2015 read along with SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026

SL. NO.	PARTICULARS	DETAILS
1	Type of communication received	Show Cause Notice dated September 29, 2026 under Section 73(1) of the KGST Act and CGST Act (Assignment No. JCCT(A)/LTU/JDN/64/2026-27 dated July 31, 2026) for the period April 2022 to March 2023 (FY 2022-23), GSTIN 29AABCT5458K1ZT
2	Date of receipt of communication	September 29, 2026
3	Name of the authority	Deputy Commissioner of Commercial Taxes, (Large Taxpayers Unit)-03, Bengaluru, Department of Commercial Taxes, Government of Karnataka

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4	Brief details of dispute	Of the nine issues raised in the intimation issued in Form GST DRC-01A, seven were dropped by the proper officer based on the Company's submissions. The SCN pertains to the remaining two issues, the details of which are as below: <table><tr><th>Sl. No. as per SCN</th><th>Particulars</th><th>Tax in INR</th><th>Allegation</th></tr><tr><td>8</td><td>Adjustments in turnover for reasons not listed, reported under Table 50 of GSTR-9C, amounting to INR 42,47,67,225</td><td>7,64,58,100</td><td>The SCN has proposed tax at 18% on the entire amount of INR 42,47,67,225 reported under Table 50 of GSTR-9C, on the ground that no reply was submitted by the Company in respect of this item.</td></tr><tr><td>9</td><td>Alleged under-reporting of Exempted/Nil-rated/Non-GST outward supplies, being</td><td>21,27,31,466</td><td>Under-reporting of exempt supplies: The SCN has proposed tax at 18% on the differential</td></tr></table>	Sl. No. as per SCN	Particulars	Tax in INR	Allegation	8	Adjustments in turnover for reasons not listed, reported under Table 50 of GSTR-9C, amounting to INR 42,47,67,225	7,64,58,100	The SCN has proposed tax at 18% on the entire amount of INR 42,47,67,225 reported under Table 50 of GSTR-9C, on the ground that no reply was submitted by the Company in respect of this item.	9	Alleged under-reporting of Exempted/Nil-rated/Non-GST outward supplies, being	21,27,31,466	Under-reporting of exempt supplies: The SCN has proposed tax at 18% on the differential
Sl. No. as per SCN	Particulars	Tax in INR	Allegation											
8	Adjustments in turnover for reasons not listed, reported under Table 50 of GSTR-9C, amounting to INR 42,47,67,225	7,64,58,100	The SCN has proposed tax at 18% on the entire amount of INR 42,47,67,225 reported under Table 50 of GSTR-9C, on the ground that no reply was submitted by the Company in respect of this item.											
9	Alleged under-reporting of Exempted/Nil-rated/Non-GST outward supplies, being	21,27,31,466	Under-reporting of exempt supplies: The SCN has proposed tax at 18% on the differential											

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			the difference between the value reported in GSTR-3B (INR 18,15,74,312) and in Table 7(b) of GSTR-9C (INR 1,00,02,67,164), amounting to INR 81,86,92,852		amount of INR 81,86,92,852 on account of the difference between the amounts reported in GSTR-1/3B/9 and GSTR-9C. Tax on exempt supplies: In addition, the SCN has proposed tax on the entire exempt supply of INR 18,15,74,312 in the absence of documentary evidence substantiating the exemption, computed at 18% each under CGST and SGST.
		Total		28,91,89,566	

Note: In the Company's view, the tax on the exempt supplies of INR 18,15,74,312 under Sl. No. 9 has been computed at 18% each under CGST and SGST instead of 9% each, resulting in the tax demand being overstated by INR 3,26,83,376.

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5	Expected financial implications, if any, due to compensation, penalty, etc.	The quantum implication as per the notice is INR 52,76,08,537 (Rupees Fifty-Two Crores Seventy-Six Lakhs Eight Thousand Five Hundred and Thirty-Seven Only), comprising tax of INR 28,91,89,566, interest of INR 20,95,00,014 and penalty of INR 2,89,18,957. Interest has been computed by the Department up to the date of the notice and is subject to change. The Company is evaluating the notice and will file its reply within the prescribed time.
6	Quantum of Claims, if any.	INR 52,76,08,537

The Company is currently evaluating the notice and will file its reply in Form GST DRC-06 within the prescribed timeline, i.e., on or before October 29, 2026. We remain committed to ensuring full compliance with applicable laws and regulatory requirements and will keep the stock exchanges duly informed of any material developments in this matter.

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