

Corporate Governance Report

I. Brief Statement on Company's Philosophy on Code of Corporate Governance

Happiest Minds' philosophy on Corporate Governance is to create and conduct sustainable growing business with highest standards of integrity, transparency, and accountability to maximize stakeholders' value while duly complying with all applicable laws and regulations.

Happiest Minds firmly believes that Corporate Governance is critical to success of its business and its governance practices are reflected in its strategy, plan, culture, policies, and relationship with stakeholders.

II. Board of Directors

The Board of Directors of Happiest Minds as on March 31, 2023, comprised of six (6) Directors with optimum combination of Executive and Non-Executive Directors i.e., three Executive Directors and three Non-Executive Independent Directors including two-woman Directors and each of them are professionals in their respective areas of specialization and have held eminent positions. The Board Members are not related to each other, and the number of Directorships/Committee memberships held by Executive and Non-Executive Independent Directors are within the permissible limits under SEBI (LODR), Regulations, 2015 and Companies Act, 2013.

(a) Composition of Board of Directors

The composition and category of Directors as on March 31, 2023:

Sl. No.	Name of the Director	Category	Number of other Directorships held in other public Companies	Number of Committee membership held in other public companies (limited to only Audit and Stakeholders' Relationship Committees)		No and % of Equity Shares held in the Company (%)
				As Chairperson	As Member	
1	Mr. Ashok Soota	Promoter & Executive Director	Nil	Nil	Nil	78,024,177 (53.13%) ¹
2	Mr. Joseph Anantharaju	Executive Director	Nil	Nil	Nil	425,000 (0.29%)
3	Mr. Venkatraman Narayanan	Executive Director	Nil	Nil	Nil	628,170 (0.43%)
4	Mrs. Anita Ramachandran	Non-Executive Independent Director	8	1	7	Nil
5	Mr. Rajendra Kumar Srivastava	Non-Executive Independent Director	Nil	Nil	Nil	Nil
6	Mrs. Shuba Rao Mayya	Non-Executive Independent Director	4	2	6	Nil

1. Including shares held in the name of Ashok Soota Medical Research LLP

Directorship in other listed entities as on March 31, 2023:

Sl. No.	Name of the Director	Directorship in other listed entities	Category of Directorship
1	Mr. Ashok Soota	Nil	NA
2	Mr. Joseph Anantharaju	Nil	NA
3	Mr. Venkatraman Narayanan	Nil	NA
4	Mrs. Anita Ramachandran	1. Grasim Industries Limited 2. Metropolis Healthcare Limited 3. FSN E-Commerce Ventures Limited 4. Ujjivan Small Finance Bank Limited 5. Blue Star Limited	Independent Director Independent Director Independent Director Independent Director Independent Director
5	Mr. Rajendra Kumar Srivastava	Nil	NA
6	Mrs. Shuba Rao Mayya	1. Stove Kraft Limited	Independent Director

During the FY 2022-23, seven (7) meetings of the Board were held and the gap between two meetings did not exceed one hundred and twenty days. The Board Meetings are prescheduled, and adequate notice is given to the Board members. Board Meetings are generally held at the registered office of the Company either through video conference or through physical presence.

These Board Meetings were held on May 05, 2022; July 21, 2022; October 05, 2022, October 20, 2022; January 19, 2023, March 02, 2023, and March 27, 2023. The necessary quorum was present for all the meetings.

(b) Core Skills/Expertise/Competencies of the Board of Directors

The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The following are the core skills, expertise and competencies identified for effective functioning of the Board and the names of directors who have such skills/expertise/competence:

Name of the Director	Interpersonal skills and personal qualities/values	Information Technology business & industry knowledge	Legal, regulatory, and financial knowhow	Strategic and analytical mindset	Leadership, Management & Governance
Mr. Ashok Soota	✓	✓	✓	✓	✓
Mr. Venkatraman Narayanan	✓	✓	✓	✓	✓
Mr. Joseph Anantharaju	✓	✓	✓	✓	✓
Mrs. Anita Ramachandran	✓	✓	✓	✓	✓
Mr. Rajendra Kumar Srivastava	✓	✓	✓	✓	✓
Mrs. Shuba Rao Mayya	✓	✓	✓	✓	✓

(c) Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) held during the FY 2022-23:

Name of the Director	Board Meetings entitled to attend	Board Meetings attended	Whether present at AGM held on June 30, 2022*
Mr. Ashok Soota	7	7	Yes
Mr. Joseph Anantharaju	7	7	Yes
Mr. Venkatraman Narayanan	7	7	Yes
Mrs. Anita Ramachandran	7	5	Yes
Mr. Rajendra Kumar Srivastava	7	7	Yes
Mrs. Shuba Rao Mayya	7	7	Yes

* Note: The AGM was held through video conferencing and other audio-visual means ("VC")

(d) Independent Directors

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and SEBI (LODR), Regulations, 2015 and that they are independent of the management.

During the FY 2022-23, three (3) meetings of the Independent Directors were held on May 03, 2022, October 18, 2022, and January 18, 2023, interalia to review the Audit strategies, administrative matters and succession planning and the meeting was attended by all the Independent Directors:

The familiarization program and other disclosures as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the Company's website at <https://www.happiestminds.com/investors/disclosures/HappiestMinds-Details-of-Familiarization-Programme.pdf>

No Independent Director had resigned during the FY 2022-23.

(e) CEO/CFO Certification

As required under Regulation 17 (8) of SEBI (LODR) Regulations, CEO/CFO have certified to the Board that the Financial Statements for the financial year ended March 31, 2023, do not contain any untrue statement and that these statements represent a true and fair view of the Company's affairs and other matters as specified thereunder. A copy of the Certificate is attached as Annexure I to this Report.

(f) Code of Conduct for Directors and Senior Management

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure that the business of the Company is conducted with the highest standards of ethics and values in accordance with the applicable laws, regulations and rules and is critical to the success of the Company. The Code is available on the Company's website at <https://www.happiestminds.com/investors/policy-documents/>

All the Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by the CEO/CFO to this effect is enclosed as part of Annexure I to this Report.

III. Audit Committee

(a) Terms of Reference

The Audit Committee has interalia the following mandate:

- Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee.
- Approval of payments to Statutory Auditors for any other services rendered by the Statutory Auditors of the Company.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications/modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Formulating a policy on related party transactions, which shall include materiality of related party transactions.
- Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.
- Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

16. Discussion with internal auditors of any significant findings and follow up there on.
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
18. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
20. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
21. Reviewing the functioning of the whistle blower mechanism.
22. Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate.
23. Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws.
24. To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time.
25. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; and
26. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
27. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
28. Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

(b) Number of Meetings: During the FY 2022-23, four (4) meetings were held i.e., on May 05, 2022; July 21, 2022; October 20, 2022; January 19, 2023.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mrs. Shuba Rao Mayya	Independent Director	Chairperson	4	4
Mrs. Anita Ramachandran	Independent Director	Member	4	4
Mr. Venkatraman Narayanan	Executive Director	Member	4	4

IV. Nomination, Remuneration and Board Governance Committee

(a) Terms of Reference

The Nomination, Remuneration and Board Governance Committee has interalia the following mandate:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report.
5. Analysing, monitoring and reviewing various human resource and compensation matters.
6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors.

7. Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary).
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.
9. Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
11. Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme").
12. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme.
13. Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time.
14. Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination, Remuneration and Board Governance Committee.
15. Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

(b) Number of Meetings: During the FY 2022-23, one (1) meeting was held i.e., on October 20, 2022.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mr. Rajendra Kumar Srivastava	Independent Director	Chairperson	1	1
Mrs. Anita Ramachandran	Independent Director	Member	1	1
Mrs. Shuba Rao Mayya	Independent Director	Member	1	1
Mr. Ashok Soota	Executive Director	Member	1	1

(d) Performance Evaluation Criteria for the Independent Directors

The indicative criteria for evaluation of performance of the Independent Director that are provided in their terms of appointment are as under:

- (i) Attendance and contribution at Board and Committee meetings.
- (ii) Appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- (iii) Knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes, and corporate governance.
- (iv) Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- (v) Effective decision-making ability.
- (vi) Ability to open channels of communication with executive management and other colleagues on Board to maintain high standards of integrity and probity.
- (vii) His/her global presence, rational, physical, and mental fitness, broader thinking, vision on corporate social responsibility etc.
- (viii) His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place by ensuring the right level of contact with external stakeholders.
- (ix) His/her contribution to enhance overall brand image of the Company.

V. Administrative and Stakeholders Relationship Committee

(a) Terms of Reference

The Administrative and Stakeholders Relationship Committee has interalia the following mandate:

1. Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints.
2. Reviewing of measures taken for effective exercise of voting rights by shareholders.
3. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities.
4. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures, and other securities from time to time.
5. Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
6. Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services.
7. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

(b) Number of Meetings: During the financial year 2022-2023, three (3) meetings were held i.e., on May 05, 2022; July 21, 2022, and January 19, 2023.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mrs. Anita Ramachandran	Independent Director	Chairperson	3	3
Mrs. Shuba Rao Mayya	Independent Director	Member	3	3
Mr. Venkatraman Narayanan	Executive Director	Member	3	3

(d) Name and designation of Compliance Officer: Mr. Praveen Kumar Darshankar, Company Secretary & Compliance Officer.

(e) Details of Shareholders' complaints:

- (i) Number of shareholders complaints received upto March 31, 2023: 191
- (ii) Number of shareholders complaints resolved upto March 31, 2023: 191
- (iii) Number of pending complaints as on March 31, 2023: Nil

VI. Corporate Social Responsibility Committee

(a) Terms of Reference

The Corporate Social Responsibility Committee has interalia the following mandate:

1. To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board.
2. To Identify corporate social responsibility policy partners and corporate social responsibility policy programmes.
3. To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company.

4. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities.
5. To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
6. To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.

(b) Number of Meetings: During the FY 2022-23, one (1) meeting was held i.e., on May 05, 2022.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mrs. Shuba Rao Mayya	Independent Director	Chairperson	1	1
Mr. Ashok Soota	Executive Director	Member	1	1
Mr. Joseph Anantharaju	Executive Director	Member	1	1

VII. Risk Management Committee

(a) Terms of Reference

The Risk Management Committee has interalia the following mandate:

1. To assist the Board in fulfilling its responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, and external environment risks.
2. Formulating, monitoring, and overseeing the risk management plan and policy of the Company.
3. Review the Cyber Security Functions of the Company on regular intervals.
4. Approve/recommend to the Board for its approval/review the policies, risk assessment models, strategies, and associated frameworks for the management of risk.
5. To perform such other duties and functions as the Board may require or as may be prescribed by applicable law, from time to time.

(b) Number of Meetings: During the FY 2022-23, Two (2) meetings were held on July 21, 2022, and January 18, 2023.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mr. Joseph Anantharaju	Executive Director	Chairperson	2	2
Mrs. Anita Ramachandran	Independent Director	Member	2	2
Mrs. Shuba Rao Mayya	Independent Director	Member	2	2
Mr. Venkatraman Narayanan	Executive Director	Member	2	2

VIII. Strategic Initiatives Committee

(a) Terms of Reference

The Strategic Initiatives Committee has interalia the following mandate:

1. Strategic planning;
2. New strategic projects and initiatives;
3. Mergers, acquisitions and joint ventures;
4. Asset management (including physical infrastructure and information technology);
5. Strategic human resources and other matters;
6. To perform such other duties and functions as the Board may require from time to time.

(b) Number of Meetings: During the FY 2022-23, one (1) meeting was held i.e., on January 18, 2023.

(c) Composition of the Committee and Meetings attended by each member:

Name of the Member	Category	Position	Meetings	
			Held	Attended
Mr. Rajendra Kumar Srivastava	Independent Director	Chairperson	1	1
Mrs. Anita Ramachandran	Independent Director	Member	1	1
Mr. Ashok Soota	Executive Director	Member	1	1
Mr. Venkatraman Narayanan	Executive Director	Member	1	1
Mr. Joseph Anantharaju	Executive Director	Member	1	1

IX. Remuneration to Directors:

(a) Criteria of Making Payments to Non-Executive Directors

Non-Executive Directors are paid sitting fees for attending the Meetings of the Board and of Committees of which they are members at the rate of ₹ 1,00,000/- (Rupees One Lakh Only) per meeting and commission based on their performance provided however that the aggregate remuneration including commission, so paid to such Directors in a financial year shall not exceed 1% of the net profits of the Company.

(b) Criteria of Making Payments to Executive Directors

The Executive Directors are paid as per the remuneration approved by the Shareholders at the time of their appointment, which is in line with the statutory requirements and the Company's policies. A revision in remuneration, if any, is recommended by the Nomination Remuneration and Board Governance Committee to the Board for its consideration by taking into account their individual performance and as well the performance of the Company in a given year. Perquisites, performance-linked incentives, and retirement benefits are paid in accordance with the Company's compensation policies, as applicable to all employees, which also details the criteria for such payments. As per the current terms of their appointment, none of the Executive Directors are entitled to commission on the net profits of the Company.

(c) Details of Remuneration paid to Directors for the FY 2022-23

Name of the Director	Salary (In ₹ lakhs)		Perquisites (In lakhs)	Sitting Fees & Commission (In lakhs)	Shares Issued under ESOPs	Total Remuneration paid (In lakhs)	Details of Service Contracts, Notice Period & Severance fees
	Fixed	Variable					
Mr. Ashok Soota	90	34	4	NIL	NIL	128	Appointed as Executive Chairman and Director for a period of 5 years from April 01, 2019, till March 31, 2024. All other terms as per employment agreement. Three months' notice period and no severance fees.
Mr. Joseph Anantharaju	272	104	13	NIL	NIL	389	Appointed as a Whole-time Director of the Company designated as Executive Vice Chairman, for a period of five years from November 4, 2020, to November 3, 2025. All other terms as per employment agreement. Three months' notice period and no severance fees.
Mr. Venkatraman Narayanan	92	36	6	NIL	NIL	134	Appointed as the Managing Director and Chief Financial Officer of the Company, for a period of five years from November 4, 2020, to November 3, 2025. All other terms as per employment agreement. Three months' notice period and no severance fees.
Mrs. Anita Ramachandran	Nil	Nil	Nil	25	Nil	25	NA
Mr. Rajendra Kumar Srivastava	Nil	Nil	Nil	30	Nil	30	NA
Mrs. Shuba Rao Mayya	Nil	Nil	Nil	25	Nil	25	NA

X. General Body Meetings

Annual General Meetings (AGM)

The Annual General Meetings of the Company were held at the registered office of the Company either through video conference or through physical presence. Details of last three AGMs held are as below:

Financial Year	Date	Time (IST)	Mode of Meeting
2019-2020	August 6, 2020	5:00 p.m.	Physical
2020-2021	July 7, 2021	4:00 p.m.	Video Conference
2021-2022	June 30, 2022	4:00 p.m.	Video Conference

All resolutions moved at the Annual General Meetings were passed through remote e-voting or by show of hands by the requisite majority of members attending the meeting. The following are the special resolutions passed at the previous three AGMs:

AGM held on	Summary of Special Resolutions
August 6, 2020	<ol style="list-style-type: none"> Appointment of Mr. Rajendra Kumar Srivastava as Non-Executive Independent Director of the Company; Appointment of Ms. Anita Ramachandran as Non-Executive Independent Director of the Company; Appointment of Ms. Shuba Rao Mayya as Non-Executive Independent Director of the Company; Approval of payment of commission to Non-Executive Directors of the Company.
July 7, 2021	<ol style="list-style-type: none"> Appointment of Mr. Joseph Vinod Anantharaju as Whole-time Director of the Company designated as Executive Vice Chairman, for a period of five years from November 4, 2020, to November 3, 2025 Appointment of Mr. Venkatraman Narayanan as Managing Director and Chief Financial Officer of the Company, for a period of five years from November 4, 2020, to November 3, 2025. Ratification and approval of the 'Happiest Minds Employee Stock Option Scheme 2020', formulated and approved prior to the Initial Public Offering of the Company.
June 30, 2022	There were no special resolutions proposed/passed in this meeting.

Extra-Ordinary General Meetings (EGM)

During the year there were no Extra-Ordinary General Meeting held.

Postal Ballot

During the year, the Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated October 11, 2022 for raising of funds through Qualified Institutional Placement (QIP) through remote E-voting (Voting through Electronic means) in compliance with section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Resolution was approved with requisite majority on November 10, 2022, and the results of the Postal Ballot were displayed on the website of the Company (https://www.happiestminds.com/investors/Scrutinizer_Report_and_Voting_results.pdf).

XI. Means of Communication

(a) Financial Results and Newspaper Publication

Quarterly and annual financial results are filed with stock exchanges and displayed on stock exchanges websites. The results are also made available on the Company's website. The results are also normally published in The Financial Express (English newspaper – all India edition) and Vishwavani (Regional Newspaper).

(b) Website

The Company maintains an active website at <https://www.happiestminds.com/investors/> wherein all the information relevant for the Shareholders are displayed.

(c) Press Releases and Analysts/Investors Presentations

The official news releases, meetings scheduled with analysts and detailed presentations made to analysts are disseminated to stock exchanges and as well displayed on the Company's website at <https://www.happiestminds.com/investors/>. The management participates in the analyst/earnings call every quarter, after the announcement of results. The audio recording of analyst calls and transcripts are posted on the Company's website.

(d) Annual report

Annual Report containing audited standalone and consolidated financial statements together with Board's Report, Auditors' Report and other reports/information are circulated to members entitled thereto and is also made available on the Company Website at <https://www.happiestminds.com/investors/>.

XII. General Shareholders Information

General shareholder information is provided under "Shareholders Information" section attached as Annexure II to this Report.

XIII. Other Disclosures

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

During the financial year ended March 31, 2023, there were no materially significant related party transactions that had potential conflict with the interest of the Company at large.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company became a listed company from September 17, 2020. No penalty or stricture was imposed by the Stock Exchanges or SEBI or any other authority, from the date of listing. All applicable requirements were fully complied with.

(c) Vigil Mechanism/Whistle-Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as required under Regulation 22 of the SEBI (LODR) Regulations, the details of which have been provided in the Board's Report. The Company affirms that no personnel has been denied access to the Audit Committee.

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the applicable mandatory requirements of SEBI (LODR) Regulations. Details of adoption of non-mandatory requirements are provided in clause XV below.

(e) Weblink for Policy on determination of Material Subsidiary and Policy on Related Party Transactions

Both the policies can be accessed at <https://www.happiestminds.com/investors/policy-documents/>.

(f) Disclosure of Commodity price risks and commodity hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI (LODR) Regulations is not applicable.

(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the financial year ended March 31, 2023, there were no funds raised through preferential allotment or qualified institutions placement.

(h) Certificate from Practicing Company Secretary on Non-Disqualification of Directors

The Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority in accordance with SEBI (LODR) Regulations. Copy of the Certificate is attached as Annexure III.

(i) Recommendation of Committees

During the financial year ended March 31, 2023, the Board of Directors of the Company had accepted recommendation of all the committees of the Board, which were mandatorily required.

(j) Auditors' Remuneration

The details of total fees for all services paid by the Company during FY 2022-23, to the Statutory Auditors are as follows:

Particulars	Amount (in ₹ lakhs)
Payment to Statutory Audit fees (including out of pocket expenses)	78
Certification fees	7
Total	85

(k) Disclosures as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a gender neutral Anti-Sexual Harassment Policy at workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the applicable rules, the details of which have been provided in the Boards' Report.

Details of sexual harassment complaints received:

- (i) No. of complaints received during FY 2022-23: Nil
- (ii) No. of complaints disposed of during FY 2022-23: NA
- (iii) No. of complaints pending as on end of the FY 2022-23: NA
- (l) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:

During the Financial Year ended March 31, 2023, there are no loans or advances provided by the Company and its subsidiaries to firms/companies in which directors are interested.

XIV. Non-compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any

The Company is fully compliant with SEBI (LODR) Regulations and there are no such non-compliances to report.

XV. Discretionary Requirements

The Company has adopted the following discretionary requirements as provided in the SEBI (LODR) Regulations:

(a) Modified opinion(s) in Audit Report

The Company is in the regime of unmodified opinions on financial statements and that the Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the financial year ended March 31, 2023.

(b) Reporting of Internal Auditor

The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings held every quarter.

XVI. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

The Company does not have any unclaimed shares and hence the disclosure pursuant to SEBI (LODR) Regulations is not applicable.

XVII. Compliance

The Company is in compliance with all the mandatory requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), Regulations, 2015 as applicable with regards to Corporate Governance.

The Company has obtained a certificate from a Practicing Company Secretary in compliance with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations. A Copy of the Certificate is attached to the Boards' Report.

ANNEXURE I TO CG REPORT

CEO / CFO CERTIFICATION

May 08, 2023
 The Board of Directors
Happiest Minds Technologies Limited
 Bengaluru

We, Joseph Anantharaju, Executive Vice Chairman & CEO-PES, Rajiv Shah, President & CEO-DBS, Ram Mohan C, President & CEO-IMSS and Venkatraman Narayanan, Managing Director & CFO of Happiest Minds Technologies Limited to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the quarter and financial year ended March 31, 2023 and confirm that:
 - (i) these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these financial statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;
- (b) There is, to the best of our knowledge and belief, no transaction entered into by the Company during the quarter and financial year ended March 31, 2023, which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit committee that for the quarter and financial year ended March 31, 2023, that there were:

- (i) no significant changes in Internal Control over financial reporting;
- (ii) no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statement; and
- (iii) no instances of significant fraud of which we have become aware and there has been no involvement therein of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

We further declare that all the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct in respect of the financial year ended March 31, 2023.

**Executive Vice Chairman
& CEO-PES**
 Bengaluru, India

President & CEO-DBS
 Bengaluru, India

President & CEO-IMSS
 Bengaluru, India

MD & CFO
 Bengaluru, India

ANNEXURE II TO CG REPORT

SHAREHOLDERS INFORMATION

1. Annual General Meeting (AGM) of the Company

Date: Monday, the July 17, 2023
 Time: 4.00 pm (IST)
 Venue: Through Video Conference. For details, please refer to Notice of this AGM.

2. Financial Year

The financial year of the Company was from April 1, 2022, to March 31, 2023. The quarterly results for the financial year were announced as follows:

For the quarter ended June 30, 2022	July 21, 2022
For the quarter ended September 30, 2022	October 20, 2022
For the quarter ended December 31, 2022	January 19, 2023
For the quarter and Financial Year ended March 31, 2023	May 08, 2023

Company's tentative calendar (subject to change) for the announcement of quarterly results & AGM during the financial year 2023-24 would be as below:

For the quarter ended June 30, 2023	July, 2023
For the quarter ended September 30, 2023	October, 2023
For the quarter ended December 31, 2023	January, 2024
For the quarter and financial year ended March 31, 2024	April, 2024
For Annual General Meeting of the Company	June, 2024

3. Dividend Payment

The Board of Directors of the Company has recommended a final dividend of ₹ 3.40/- per equity share of face value of ₹ 2/- each, for the financial year ended March 31, 2023, subject to the approval of the shareholders at the ensuing AGM.

The Register of Members of the Company will be closed from Saturday, July 08, 2023, to Monday, July 17, 2023, (both days inclusive) for the purpose of the AGM, annual closing and for determining entitlement of members for the final dividend for FY'23. The record date for payment of the final dividend would be July 07, 2023.

The final dividend, if approved, will be paid on or after July 24, 2023.

4. Stock Exchanges

The Company's equity shares are listed on following Stock Exchanges as on March 31, 2023:

Name of the Exchange and Stock Code	Address & Contact details
BSE Limited ("BSE") Stock Code: 543227 & 974728	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India Tel: +91 22 22721233/34; Fax: +91 22 22721919
National Stock Exchange of India Limited ("NSE") Stock Code: HAPPSTMNDS	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India Tel: +91 22 26598100-14; Fax: +91 22 26598120

The Company hereby confirms that it has duly paid the listing fees for the financial year 2023-24 to both BSE and NSE. It further confirms that the equity shares of the Company have never been suspended from trading either by the BSE or NSE from the time it has been listed.

5. Stock Market Price Data

High and Low (based on daily closing prices) and volume (total number of equity shares traded) during each month in the last financial year ended March 31, 2023, is as follows:

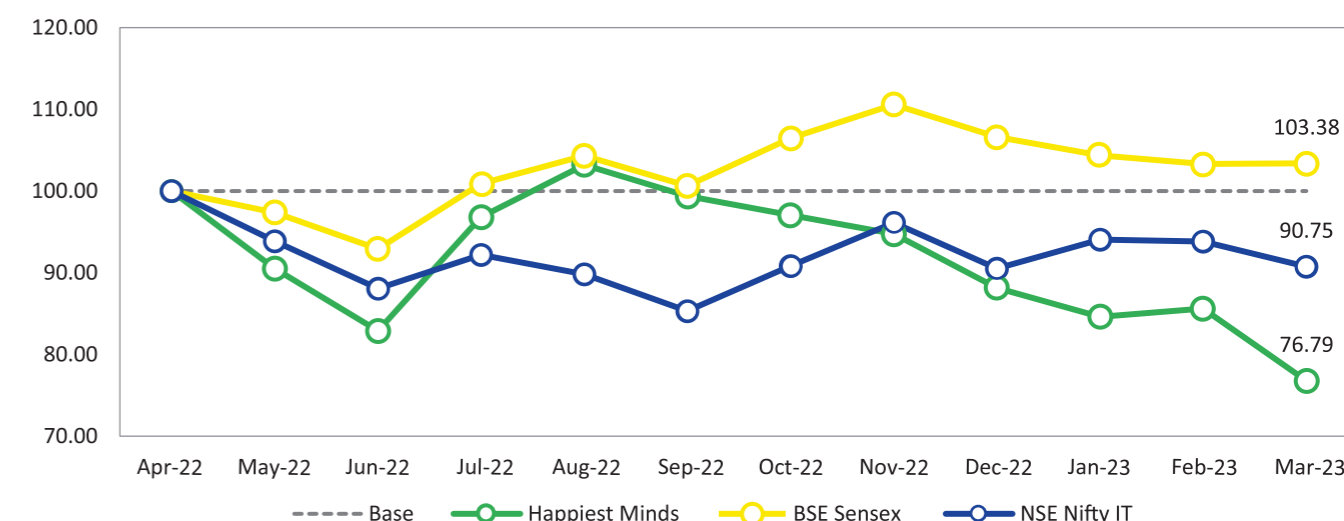
Month	BSE			NSE		
	High (Amt in ₹)	Low (Amt in ₹)	Total Volume (in lakhs)	High (Amt in ₹)	Low (Amt in ₹)	Total Volume (in lakhs)
April, 2022	1,178.85	991.1	8.09	1,179.40	990	57.5
May, 2022	1,023.90	823.55	11.12	1,024.90	823	81.02
June, 2022	1,024.00	785.55	32.23	1,023.90	785.6	115.1
July, 2022	1,032.95	812.70	12.76	1,027.75	813.00	111.18
August, 2022	1,136.45	943.00	12.45	1,136.00	946.00	152.56
September, 2022	1,091.30	965.75	9.53	1,092.90	965.00	73.62
October, 2022	1,043.05	969.00	9.38	1,043.65	969.00	42.49
November, 2022	1,014.70	920.65	5.77	1,014.60	866.00	45.61
December, 2022	996.00	845.45	6.36	996.15	845.45	47.06
January, 2023	895.15	822.35	4.06	895.00	822.00	46.84
February, 2023	928.00	825.00	6.33	928.85	828.00	63.66
March, 2023	873.90	763.50	5.48	873.80	763.25	41.07

6. Stock Performance

Performance of the Company's equity shares (closing share price on last trading day of each month) on NSE in comparison to BSE Sensex and NSE Nifty IT during the financial year ended March 31, 2023, is as follows:

Month	Happiest Minds	BSE Sensex	NSE Nifty IT
April, 2022	999.90	57,060.87	31,622.40
May, 2022	905.10	55,566.41	29,679.05
June, 2022	828.95	53,018.94	27,843.35
July, 2022	967.95	57,570.25	29,152.30
August, 2022	1,031.90	59,537.07	28,407.90
September, 2022	993.95	57,426.92	26,981.15
October, 2022	970.35	60,746.59	28,727.60
November, 2022	947.55	63,099.65	30,391.70
December, 2022	881.20	60,840.74	28,621.70
January, 2023	846.10	59,549.90	29,740.35
February, 2023	856.05	58,962.12	29,663.95
March, 2023	767.85	58,991.52	28,698.60

Stock Performance



7. Registrars and Transfer Agents (RTA)

All work related to Share Registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, whose name and contact details are as given below:

M/s. KFin Technologies Limited
Unit: Happiest Minds Technologies Limited
"Selenium" Tower B, Plot No. 31 & 32, Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad - 500 032, Telangana, India
Tel. No. + 91 - 1 - 800-309-4001; E-mail: einward.ris@kfintech.com
Website: <https://www.kfintech.com/>

8. Share Transfer System

Pursuant to Regulation 40 (1) of SEBI (LODR) Regulations, effective from April 1, 2019, transfer of shares in physical mode has been discontinued and accordingly the Company has not processed transfer of shares in physical mode (except in case of request received for transmission or transposition of shares) from the time the said Regulation was applicable and all the transfer of shares would be carried out only in dematerialized form by the respective Depository Participants of the shareholders.

Accordingly, shareholders holding shares in physical form are urged to have their shares dematerialized at the earliest so that they can transfer them in dematerialized form and participate in various corporate actions.

9. Distribution of Shareholding

(a). Distribution of equity shareholding as on March 31, 2023:

Category (No. of Shares)	No. of Shareholders	% of Shareholders	No. of Shares	% of Total No. of Shares
1 – 5,000	729,099	99.81	34,242,532	23.32
5,001 – 10,000	679	0.09	2,436,515	1.65
10,001 – 20,000	345	0.05	2,447,630	1.67
20,001 – 30,000	125	0.01	1,524,078	1.04
30,001 – 40,000	59	0.01	1,033,954	0.70
40,001 – 50,000	28	0.01	631,373	0.43
50,001 – 100,000	61	0.01	2,174,816	1.48
100,001 & above	90	0.01	102,372,658	69.71
Total	730,486	100	146,863,556	100

(b). Shareholding pattern:

Category of Shareholders	As on March 31, 2023*				As on March 31, 2022			
	No. of Share-holders	% of total Share-holders	Total Shares	% of total shares	No. of Share-holders	% of total Share-holders	Total Shares	% of total Shares
Promoters and Promoter group	6	0.00	78,193,080	53.24	6	0	78,214,420	53.26
Body corporates	808	0.11	5,696,614	3.88	826	0.12	3,293,558	2.24
FII's/NRI's/FPI's	7,759	1.09	9,783,028	6.66	4,857	0.72	11,819,453	8.05
Mutual funds/ Banks/ FI's/ QIB	15	0.00	1,147,570	0.78	15	0	2,173,041	1.48
Clearing Members	69	0.01	28,309	0.02	127	0.02	238,872	0.16
Trust	4	0.00	865	0.00	5	0	2,800	0
Public	702,907	98.78	52,014,090	35.42	669,286	99.14	51,121,412	34.81
Total	711,568	100.00	146,863,556	711,568	675,122	100	146,863,556	100

* Post consolidation of multiple folios/client IDs

10. Dematerialization of shares and liquidity

98.98% of the Company's shares are in dematerialized form as on March 31, 2023, held with both the Depositories viz., the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') and the break-up is as follows:

Description	As on March 31, 2023*			As on March 31, 2022		
	No of Holders	No. of Shares	% to Total Shares	No of Holders	No. of Shares	% to Total Shares
NSDL	171,585	119,045,277	81.06	167,972	119,875,867	81.62
CDSL	558,754	26,316,877	17.92	524,240	23,960,285	16.32
Physical	147	1,501,402	1.02	368	3,027,404	2.06
Total	730,486	146,863,556	100.00	692,580	146,863,556	100.00

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE419U01012.

11. Outstanding Global Depository Receipts (GDR) or American Depository Receipts (ADR) or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has no outstanding GDR / ADR / warrants or any convertible Instruments as of March 31, 2023.

12. Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI (LODR) Regulations is not applicable. For a detailed discussion on foreign exchange risk and hedging activities with regard to Company's revenue in foreign currency, please refer to the Management Discussion and Analysis Report forming part of the Annual Report.

13. Plant Locations

We do not have any manufacturing plants. The registered office address and the branch locations along with the contact details have been provided separately in the Annual Report and the details are also available at <https://www.happiestminds.com/location/>.

14. Address for Correspondence

Shareholders can send their correspondence with respect to their shares, dividend, request for annual reports and grievances, if any to the Company's RTA as per contact details provided in Sl.No.7 above. They can also correspond with the Company as per below contact details:

Mr. Praveen Kumar Darshankar
Company Secretary & Compliance Officer
Happiest Minds Technologies Limited
#53/1-4, Hosur Main Road, Madivala, Bengaluru-560068,
Karnataka, India; Tel No.: +91 80 61960300
Email: investors@happiestminds.com

The Company has also designated a person for addressing queries relating to results/analyst calls viz., Mr. Sunil Gujjar, Head of Investor Relations and he can be contacted at the above address and through email at IR@happiestminds.com.

15. Credit Ratings

The following are the credit ratings of the Company issued by India Ratings and Research (Ind-Ra) and Care Ratings Limited for the loans and debt instruments issued by the Company. The instrument-wise ratings outlook and action are as follows:

India Ratings and Research (Ind-Ra):

Instrument type	Maturity Date	Size of Issue (₹ Mn)	Rating Outlook	Rating action
Term Loans	January, 2024	348.44	INDA+/Positive	Outlook revised to Positive from Stable
Fund Based Limit	NA	2,300	IND A+/Positive/IND A1+	Outlook revised to Positive from Stable

Care Ratings Limited:

Instrument type	Maturity Date	Size of Issue (₹ Mn)	Rating Outlook	Rating action
Non-convertible debenture	Tranche I- March 27, 2026 Tranche II- May 08, 2026	1,250	CARE AA-/ Stable (Double A Minus)	Stable
Long term bank facilities	July, 2032	1,250	CARE AA-/ Stable (Double A Minus)	Stable

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
 The Members of
HAPPIEST MINDS TECHNOLOGIES LIMITED
 # 53/1-4, Hosur Main Road, Madivala
 (Next to Madivala Police Station)
 Bengaluru - 560068

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HAPPIEST MINDS TECHNOLOGIES LIMITED**, having CIN - L72900KA2011PLC057931 and having registered office at # 53/1-4, Hosur Main Road, Madivala (Next to Madivala Police Station), Bengaluru - 560068 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).

Details of Directors:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Mrs. Anita Ramachandran	00118188	June 04, 2020
2.	Mr. Ashok Soota	00145962	April 01, 2011
3.	Mr. Venkatraman Narayanan	01856347	January 16, 2018
4.	Mr. Rajendra Kumar Srivastava	07500741	June 04, 2020
5.	Mrs. Shuba Rao Mayya	08193276	June 04, 2020
6.	Mr. Joseph Vinod Anantharaju	08859640	November 04, 2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V SREEDHARAN & ASSOCIATES

Company Secretaries

Devika Sathyanarayana

Partner

FCS: 11323; CP No. 17024

Place: Bengaluru

Date: May 8, 2023

UDIN: F011323E000267601