

May 08, 2023

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers Dalal
Street, Mumbai 400 001
Stock Code: 543227 & 974728

Listing & Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai 400 051
Stock Code: HAPPSTMNDS

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on May 08, 2023

We wish to inform that the Board of Directors of the Company at its meeting held today i.e., May 08, 2023, transacted the following businesses:

1. Financial results:

Approved the audited financial statements of the Company (both standalone and consolidated) prepared in accordance with Indian Accounting Standards (IndAS) for the quarter and financial year ended as on March 31, 2023. A copy of the said Financial Results together with Auditor's Report, Investor presentation, Press release and the declaration as per regulation 33(3)(d) and 52(3)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are enclosed herewith.

2. Dividend:

Recommended a final dividend of Rs.3.40/- per equity share of Rs.2/- each for the financial year ended March 31, 2023, subject to the approval of the members at the ensuing 12th Annual General Meeting of the Company (AGM).

3. Annual General Meeting:

The AGM has been scheduled on Monday, July 17, 2023, through Video Conference / Other Audio-Visual means without the physical presence of the members at a common venue. The Register of Members of the Company will be closed from Saturday, July 8, 2023 to Monday, July 17, 2023 (both days inclusive) for the purpose of 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 Friday, July 7, 2023, and the dividend approved by the members will be paid on and after July 24, 2023.

4. Allotment of Non-Convertible Debentures:

Approved the allotment of the Debentures for raising funds to be utilized towards the general corporate purposes of the Company.

The relevant details pertaining to the Debentures are as below:

SECURITY NAME	Reset Rate Unsecured Rated Listed Redeemable Non-Convertible Debentures (INE419U08025)
ISSUER NAME	Happiest Minds Technologies Limited
MODE OF ISSUE	Private Placement
DATE OF ALLOTMENT	May 08, 2023
NUMBER OF DEBENTURES ISSUED	4,500 (Four Thousand Five Hundred)
ISSUE SIZE	INR 45,00,00,000 (Indian Rupees Forty-Five Crores)

The Board meeting commenced at 1.45 pm and concluded at 2.40 pm.

This is for your information and records.

Thanking you,

Yours faithfully,

For **Happiest Minds Technologies Limited**

Praveen Kumar Darshankar

Company Secretary & Compliance Officer

Membership No. F6706



May 08, 2023

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Dear Sir/Madam,

Sub: Declaration under regulation 33(3)(d) and 52(3)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

Pursuant to Regulation 33(3)(d) and 52(3)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that M/s. Deloitte Haskin and Sells, Chartered Accountants (FRN-008072S), Statutory Auditors of the Company, have issued the Auditor's Report with unmodified opinion on the audited financial results of the Company (both standalone and consolidated) for the financial year ended March 31, 2023.

This is for your information and records.

Thanking you,
Yours faithfully,
For **Happiest Minds Technologies Limited**

Praveen Kumar Darshankar
Company Secretary & Compliance Officer
Membership No. F6706



**Statement indicating utilization and deviation/ variation in the use of proceeds of issue of listed
Non-convertible Debentures**

Securities for quarter ended March 31, 2023

[Regulation 52(7) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and SEBI Circular No.

SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/000000103 dated July 29, 2022]

A. Statement of utilization of issue proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising (Public issues/ Private placement)	Type of instrument	Date of raising funds	Amount Raised (in Crs)	Funds utilized (in Crs)	Any deviation (Yes/ No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, if any
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
Happiest Minds Technologies Limited	INE419U08017	Private Placement	Non-Convertible Debentures	March 27, 2023	45.00	44.65	No	-	NA

B. Statement of deviation/ variation in use of Issue proceeds:

Particulars	Remarks
Name of listed entity	Happiest Minds Technologies Limited
Mode of fund raising	Private Placement
Type of instrument	Non-Convertible Debentures
Date of raising funds	March 27, 2023
Amount raised	Rs. 45.00 Crs
Report filed for quarter ended	March 31, 2023
Is there a deviation/ variation in use of funds raised?	No
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?	NA
If yes, details of the approval so required?	NA
Date of approval	NA
Explanation for the deviation/ variation	NA
Comments of the audit committee after review	NA
Comments of the auditors, if any	NA

Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:						
Original object	Modified object, if any	Original allocation (in Crs)	Modified allocation, if any	Funds utilised (in Crs)	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
General corporate purposes	NA	45.00	NA	44.65	0	NA
Deviation could mean: <ol style="list-style-type: none"> Deviation in the objects or purposes for which the funds have been raised. Deviation in the amount of funds actually utilized as against what was originally disclosed 						
Name of signatory: Praveen Kumar Darshankar Designation: Company Secretary & Compliance Officer Date: May 8, 2023						

INDEPENDENT AUDITOR’S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HAPPIEST MINDS TECHNOLOGIES LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2023 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2023 of **HAPPIEST MINDS TECHNOLOGIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and financial statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP trust") for the quarter and year ended March 31, 2023, ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the ESOP trust auditors and other auditors on separate financial statements of a subsidiary referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2023:

(i) includes the results of the following entities:

Happiest Minds Inc. wholly owned subsidiary of Happiest Minds Technologies Limited;

(ii) is presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2023.

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(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2023

With respect to the Consolidated Financial Results for the quarter ended March 31, 2023, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the ESOP trust and other auditor referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2023

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group and the ESOP trust, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the ESOP trust auditor and other auditor in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2023, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group and the ESOP trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and the ESOP trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial

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controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and the ESOP Trust are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the ESOP trust are responsible for overseeing the financial reporting process of the Group and the ESOP trust.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2023 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

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significant doubt on the ability of the Group and the ESOP trust to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the ESOP trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the entities within the Group and the ESOP trust to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the trust auditor and other auditor, such trust auditor and other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2023

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2023 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified

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under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- We did not audit the financial statements of the ESOP trust included in the Statement whose financial statements reflect total assets of Rs. 30,190 Lakhs as at March 31, 2023 and total revenues of Rs Nil and Rs. Nil for the quarter and year ended March 31, 2023 respectively, total net profit after tax of Rs 35 Lakhs and Rs. 213 Lakhs for the quarter and year ended March 31, 2023 respectively and total comprehensive loss of Rs 5,452 lakhs and Rs. 16,475 Lakhs for the quarter and year ended March 31, 2023 respectively and net cash flows of Rs. 653 Lakhs for the year ended March 31, 2023, as considered in the Statement. The financial statements of the ESOP trust has been audited by the Trust auditors whose reports have been furnished to us, and our opinion and conclusion in so far as it relates to the amounts and disclosures included in respect of such ESOP trusts, is based solely on the reports of such ESOP trust auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.
- We did not audit the financial statements of a subsidiary included in the consolidated financial results, whose financial statements reflect total assets of Rs. 3,583 Lakhs as at March 31, 2023 and total revenues of Rs 2,053 Lakhs and Rs. 2,053 Lakhs for the quarter and year ended March 31, 2023 respectively, total net profit after tax of Rs 404 lakhs and Rs. 404 Lakhs for the quarter and year ended Month 31, 2023 respectively and total comprehensive income of Rs 366 Lakhs and Rs. 366 Lakhs for the quarter and year ended March 31, 2023 respectively and net cash flows (net) of Rs. (5) Lakhs for the quarter ended March 31, 2023, as considered in the Statement. These financial statements have been audited/ reviewed, as applicable, by other auditor whose report have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

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Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

VIKAS
BAGARIA



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VIKAS BAGARIA
Date: 2023.05.08
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Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN:23060408BGYGOS5655)

Place: Bengaluru
Date: May 8, 2023

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Regd. Office:#53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

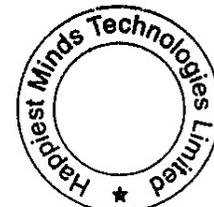
Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

Consolidated Statement of Assets and Liabilities as at March 31, 2023

(Rs. in lakhs)

SI No	Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,278	78
	Capital work-in-progress	185	-
	Goodwill	13,913	7,896
	Other intangible assets	10,182	2,396
	Right-of-use assets	5,786	5,390
	Intangible assets under development	81	35
	Financial assets:		
	i. Investments	1,296	762
	ii. Other financial assets	9,389	1,827
	Income tax assets (net)	1,310	680
	Deferred tax assets, net	1,246	697
	Other assets	119	1
	Total non-current assets	56,785	19,762
B	Current assets		
	Financial assets		
	i. Investments	-	46,400
	ii. Trade receivables	21,319	16,738
	iii. Cash and cash equivalents	6,999	6,729
	iv. Bank balance other cash and cash equivalent	62,184	10,071
	v. Loans	64	4
	vi. Other financial assets	12,237	9,405
	Other assets	4,495	3,392
	Total current assets	107,298	92,739
	Total assets (A+B)	164,083	112,501
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,866	2,854
	Other equity	81,016	63,726
	Total Equity	83,882	66,580
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	11,278	1,724
	ii. Lease liabilities	4,761	4,119
	iii. Other Financial liabilities	1,996	1,291
	Provisions	2,466	1,858
	Deferred tax liabilities (net)	2,060	468
	Non-current liabilities	22,561	9,460
E	Current liabilities		
	Contract liability	1,157	1,346
	Financial liabilities		
	i. Borrowings	35,477	17,340
	ii. Lease liabilities	1,859	1,792
	iii. Trade payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	83	79
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,969	5,993
	iv. Other financial liabilities	7,428	5,788
	Income tax liabilities (net)	517	239
	Other current liabilities	2,375	2,426
	Provisions	1,775	1,458
	Total current liabilities	57,640	36,461
F	Total liabilities (D+E)	80,201	45,921
	Total equity and liabilities (C+F)	164,083	112,501

[Handwritten Signature]

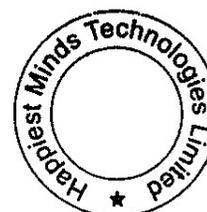


(Rs. in lakhs)

Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer note 2	(Unaudited)	(Unaudited)	Audited	Audited
I. Revenue					
(a) Revenue from operations	37,798	36,688	30,057	142,929	109,365
(b) Other income	845	780	991	2,111	3,710
Total Revenue	38,643	37,468	31,048	145,040	113,075
II. Expenses					
(a) Employee benefits expense	22,109	20,882	16,694	80,681	62,000
(b) Finance costs	875	576	286	2,186	995
(c) Depreciation and amortisation expense	1,294	992	884	4,191	3,288
(d) Other expenses	6,472	6,860	6,196	26,362	21,598
Total Expenses	30,750	29,310	24,060	113,420	87,881
III. Profit before exceptional items and tax (I-II)	7,893	8,158	6,988	31,620	25,194
IV. Exceptional items: charge / (credit) (refer note 8)	-	634	-	634	609
V. Profit before tax (III-IV)	7,893	7,524	6,988	30,986	24,585
VI. Taxes					
Current tax	2,210	2,335	1,737	8,508	6,266
Expense for earlier periods	-	-	-	-	44
Deferred tax	(83)	(569)	40	(621)	155
Total Tax expense	2,127	1,766	1,777	7,887	6,465
VII. Profit for the period / year (V-VI)	5,766	5,758	5,211	23,099	18,120
VIII. Other comprehensive income, net of tax [(loss)/income]					
(i) Items to be reclassified to profit or loss in subsequent periods / year					
a) Exchange difference on translation of foreign operation	(47)	109	29	517	202
b) Net change in fair value of derivatives designated as cash flow hedges	782	165	(405)	(632)	(316)
c) Income tax effect on above	(197)	(41)	102	159	80
(ii) Items not to be reclassified to profit or loss in subsequent periods / year					
a) Re-measurement of defined benefit plans	14	13	26	(155)	(97)
b) Income tax effect on above	(4)	(3)	(7)	39	24
c) Net change in equity instruments through other comprehensive income	(351)	-	-	(351)	-
d) Income tax effect on above	74	-	-	74	-
IX. Total comprehensive income for the period / year (VII-VIII)	6,037	6,001	4,956	22,750	18,013
X. Paid-up equity share capital (face value of Rs. 2/- each)	2,866	2,863	2,854	2,866	2,854
XI. Other equity				81,016	63,726
XI. Earnings per share ("EPS") (face value of Rs.2/- each) (not annualised for quarters):					
Basic EPS (Rs.)	4.01	4.02	3.68	16.13	12.84
Diluted EPS (Rs.)	3.98	3.98	3.58	16.01	12.55

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Consolidated Statement of Cash Flows for the year ended March 31, 2023

(Rs. in lakhs)

	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
A. Cash flow from operating activities		
Profit before tax	30,986	24,585
Adjustments to reconcile profits before tax to net cash flows:		
Depreciation and amortization expense	4,191	3,288
(Gain)/ loss on disposal of property, plant and equipment, net	-	(10)
Share-based payment expense	120	300
Gain on investments carried at fair value through profit and loss	-	(368)
Gain on sale of investments carried at fair value through profit and loss	(803)	(1,377)
Interest income	(2,610)	(636)
Fair value loss on warrant liability	634	609
Net unrealised foreign exchange loss	1,219	404
Rent concession	(71)	(323)
Impairment loss on financial assets	-	189
Finance costs	2,186	995
Operating profit before working capital changes	35,852	27,656
Movements in working capital		
Increase in trade receivables	(3,468)	(4,526)
Decrease in loans	964	10
Increase in non-financial assets	(1,190)	(1,610)
Increase in financial assets	(1,961)	(3,078)
Increase/ (decrease) in trade payables	756	1,489
Increase/ (decrease) in financial liabilities	(1,362)	1,004
Increase in provisions	478	58
Increase/ (decrease) in contract liabilities	(225)	660
Decrease in other non-financial liabilities	(245)	496
Total movements in working capital	(6,253)	(5,497)
Cash generated from operating activities	29,599	22,159
Income tax paid (net of refunds)	(8,882)	(5,347)
Net cash generated from operating activities	20,717	16,812
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(13,106)	(67)
Purchase of intangible assets	(835)	(346)
Proceeds from sale of property, plant and equipment	-	10
Investment in equity shares of Tech4TH Solutions Inc.	(827)	(762)
Investments in fixed deposits, net	(56,995)	(3,020)
Acquisition of subsidiary	(10,987)	-
Investments in mutual funds	-	(40,049)
Proceeds from sale of mutual funds	47,203	34,542
Interest received	445	84
Net cash used in investing activities	(35,102)	(9,608)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(2,609)	(2,053)
Proceeds from long-term borrowings	12,383	-
Proceeds from issue of redeemable non-convertible debentures	4,500	-
Net proceeds from short-term borrowings	4,617	4,012
Payment of principal portion of lease liabilities	(2,004)	(1,702)
Payment of interest portion of lease liabilities	(544)	(487)
Payment of contingent consideration	(2,034)	(1,861)
Dividend paid	(5,715)	(6,830)
Proceeds from exercise of share options	147	171
Interest paid	(1,534)	(328)
Net cash generated from/(used in) financing activities	7,207	(9,078)
Net increase in cash and cash equivalents	(7,178)	(1,874)
Net foreign exchange difference	323	20
Cash and cash equivalents at the beginning of the year	6,729	8,583
Cash acquired on acquisition of subsidiary	6	-
Cash and cash equivalents at the end of the year	(120)	6,729
Components of cash and cash equivalents		
Balance with banks		
- on current account	5,346	5,649
- in EEFC accounts	1,653	1,080
Less : Bank overdraft	(7,119)	-
Total cash and cash equivalents	(120)	6,729

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Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Regd. Office: #53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
1	Debt-Equity ratio	0.64	0.51	0.38	0.64	0.38
2	Debt Service Coverage ratio (DSCR)	3.88	4.08	5.02	4.39	4.89
3	Interest Service Coverage ratio (ISCR)	10.71	14.57	32.76	16.04	31.35
4	Current ratio	1.86	2.37	2.54	1.86	2.54
5	Long-term Debt to Working Capital ratio	0.27	0.23	0.07	0.27	0.07
6	Bad debts to Trade receivable ratio	-	0.003	-	-	0.01
7	Current liability ratio	0.72	0.67	0.79	0.72	0.79
8	Total Debt to total Assets ratio	0.33	0.28	0.22	0.33	0.22
9	Trade Receivable Turnover Ratio	7.95	7.31	8.31	7.51	7.56
10	Operating margin (%)	0.24	0.24	0.24	0.25	0.24
11	Net profit margin (%)	0.15	0.16	0.17	0.16	0.17
12	Inventory turnover ratio	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	83,486	76,942	65,832	83,486	65,727

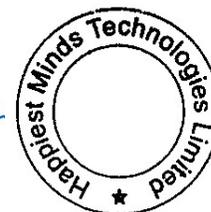
Note:

a. The aforesaid ratios for quarter ended December 31, 2022 has not been reviewed by the Statutory Auditors.

Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formulae
1	Debt-Equity ratio	$\frac{\text{Total Debt}}{\text{Shareholder's Equity}}$
2	Debt Service Coverage ratio (DSCR)	$\frac{\text{Profit after tax + Interest + Non cash operating expense}}{\text{Interest \& Lease Payments + Principal Repayments}}$ (Principal repayments excludes repayments for Packing credit foreign currency loan)
3	Interest Service Coverage ratio (ISCR)	$\frac{\text{Profit before interest, tax and exceptional items}}{\text{Interest expense}}$
4	Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
5	Long-term Debt to Working Capital ratio	$\frac{\text{Long term borrowings (Including current maturities of long term borrowings)}}{\text{Current assets (-) Current liabilities [excluding current maturities of long term]}}$
6	Bad debts to Trade receivable ratio	$\frac{\text{Bad debts}}{\text{Average Trade receivables}}$
7	Current Liability ratio	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$
8	Total Debt to total Assets ratio	$\frac{\text{Total Debt}}{\text{Total Assets}}$
9	Trade Receivable Turnover Ratio	$\frac{\text{Net revenue}}{\text{Average Trade receivables}}$
10	Operating margin (%)	$\frac{\text{Profit before depreciation, finance cost, tax and exceptional items (-) Other income}}{\text{Revenue from operations}}$
11	Net profit margin (%)	$\frac{\text{Net profit after tax}}{\text{Revenue from operations}}$
12	Inventory turnover ratio	Not applicable
13	Debenture Redemption Reserve	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	aggregate value of the paid-up share capital + all reserves created out of the profits+ securities premium account -aggregate value of the accumulated losses- deferred expenditure- miscellaneous expenditure not written off - revaluation reserve - write-back of depreciation - amalgamation reserve

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Notes to Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023 ("Consolidated Financial Results") of Happiest Minds Technologies Limited (the "Holding Company" or the "Company") and its subsidiaries, Happiest Minds Inc. and Sri Mookambika Infosolutions Private Limited (together referred to as "the Group") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 8, 2023.

2. The figures for the quarter ended March 31, 2023 are balancing figures between audited figures in respect of full financial year upto March 31, 2023 and the published year-to-date figure upto December 31, 2022 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2022 was subjected to a limited review by the Statutory Auditors of the Company.

3. The Consolidated Financial Results of the Group have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013, and as amended, read with relevant rules thereunder and in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and SEBI Circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019.

4. The Board of Directors of the Company at their meeting held on May 8, 2023 have, for the financial year ended March 31, 2023, recommended the payout of a final dividend of Rs. 3.40/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of Shareholders at the 12th Annual General Meeting of the Company scheduled to be held on July 17, 2023.

5. The financial results of the Company on standalone basis is as follows:

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Total revenue (including other income)	35,104	35,294	29,724	135,489	107,125
Profit before tax	7,258	7,325	8,084	29,168	25,085
Profit for the period / year	5,126	5,727	6,221	21,638	18,648
Total comprehensive income for the period / year ended	5,744	5,861	5,937	21,072	18,339

6. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments'. The Group executive management committee examines the Group's performance on the basis of its business units and has identified three reportable segments: Infrastructure Management & Security Services (IMSS), Digital Business Solutions (DBS) and Product Engineering Services (PES).

Segment wise revenue and results are as follows:

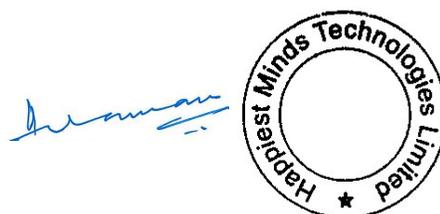
(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1. Segment revenue					
IMSS	7,525	7,910	6,848	30,694	24,168
DBS	11,180	11,267	8,762	43,070	32,887
PES	19,093	17,511	14,447	69,165	52,310
Total	37,798	36,688	30,057	142,929	109,365
2. Segment results					
IMSS	2,119	2,535	1,739	9,243	5,917
DBS	3,673	3,082	2,261	13,089	8,789
PES	7,422	6,842	5,929	28,113	20,693
Total	13,214	12,459	9,929	50,445	35,399
Unallocable other income	845	780	991	2,111	3,710
Unallocable finance cost	(791)	(576)	(286)	(2,102)	(995)
Unallocable depreciation and amortisation expenses	(1,294)	(992)	(884)	(4,191)	(3,288)
Other unallocable expenses	(4,080)	(4,147)	(2,762)	(15,276)	(10,241)
Tax expense	(2,128)	(1,766)	(1,777)	(7,888)	(6,465)
Profit after tax	5,766	5,758	5,211	23,099	18,120

Segment wise assets and liabilities are as follows:

(Rs. in lakhs)

Particulars		
	March 31, 2023	March 31, 2022
	(Audited)	Refer note 2
1. Segment assets		
IMSS	6,420	7,202
DBS	19,590	19,140
PES	34,452	12,632
Other unallocable assets	103,621	73,527
Total assets	164,083	112,501
2. Segment liabilities		
IMSS	965	1,234
DBS	6,560	9,144
PES	8,775	1,884
Other unallocable liabilities	63,901	33,659
Total liabilities	80,201	45,921



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Notes to Statement of Consolidated Financial Results for the quarter and year ended March 31, 2023

7. On January 1, 2023, the Group obtained operational and management control of Sri Mookambika Infosolutions Private Limited ('SMI'), a Madurai based Company which provides IT services, through a Control Agreement. The Group acquired 100% equity in SMI for total consideration of INR 13,694 lakhs, comprising cash consideration of INR 11,132 lakhs and fair-value of contingent consideration of INR 2,562 lakhs payable over the next 2 years subject to achievement of set targets. The Company paid the cash consideration of INR 11,132 lakhs on February 6 2023 and the shares were transferred on the same day. As a result of this acquisition the Group recorded goodwill of INR 5,404 lakhs and other intangible assets of INR 8,259 lakhs. The Group has consolidated SMI w.e.f January 1, 2023.

8. The Group had acquired 100% Equity interest in Happiest Minds Inc. (erstwhile PGS Inc.) vide definitive agreements signed on January 27, 2021, for a total recorded consideration of US \$ 13.31 million (INR 9,720 lakhs), comprising cash consideration of US \$ 8.25 million (INR 6,025 lakhs) and fair-valued contingent consideration in the form of warrants of US \$ 5.06 million (INR 3,696 lakhs) payable over the next 3 years.

The contingent consideration was classified as a financial liability as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The Group carried out a fair valuation during the year and there was increase in the liability. The said increase amounting to INR 634 lakhs (March 31, 2022 : INR 609 lakhs) has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item'.

9. Rules in relation to 'The Code on Social Security, 2020 ('Code') yet to be notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect.

10. Previous quarter's/ year's figures have been regrouped/ reclassified wherever necessary to conform with current year classification.

11. The above Consolidated Financials Results of the Group are available on the Company's website www.happiestminds.com and also that of BSE (www.bseindia.com) and NSE (www.nseindia.com).



For and on behalf of the Board
For Happiest Minds Technologies Limited

Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

Place: Bengaluru, India
Date: May 8, 2023

INDEPENDENT AUDITOR’S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HAPPIEST MINDS TECHNOLOGIES LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2023 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2023 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2023 of **HAPPIEST MINDS TECHNOLOGIES LIMITED** ("the Company"), which includes financial statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP trust") ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the ESOP trust auditors as referred to in Other Matters section below the Standalone Financial Results for the year ended March 31, 2023:

- i. is presented in accordance with the requirements of Regulation 33 and ,Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2023

With respect to the Standalone Financial Results for the quarter ended March 31, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the ESOP trust auditors as referred in Other Matters section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2023, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Deloitte Haskins & Sells

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2023

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those Standards are further described in paragraph (a) of Auditor’s Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“the ICAI”) together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the ESOP trust auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management’s Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company’s Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2023 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company’s ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Deloitte Haskins & Sells

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2023

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2023 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.

Deloitte Haskins & Sells

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company and the ESOP trust to express an opinion on the Annual Standalone Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities or business activities included in the Annual Standalone Financial Results of which we are the independent auditors. For the other entities or business activities included in the Annual Standalone Financial Results, which have been audited by the ESOP trust auditors, such trust auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2023

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2023 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Deloitte Haskins & Sells

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.
- We did not audit the financial statements of the ESOP trust included in the Statement, whose financial statement reflect total assets of Rs. 30,190 lakhs as at March 31, 2023 and total revenues of Rs. Nil and Rs. Nil for the quarter and year ended March 31, 2023 respectively, total net profit after tax of Rs. 35 Lakhs and Rs. 213 Lakhs for the quarter and year ended March 31, 2023 respectively and total comprehensive loss of Rs. 5,452 lakhs and Rs. 16,475 Lakhs for the quarter and year ended March 31, 2023, respectively, and net cash flows of Rs. 653 Lakhs for the year ended March 31, 2023 as considered in the Statement. The financial statements of the ESOP trust have been audited/ reviewed, as applicable, by the Trust auditors whose reports have been furnished to us, and our opinion and conclusion in so far as it relates to the amounts and disclosures included in respect of such ESOP Trust, is based solely on the reports of such ESOP trust auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of this matter.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

VIKAS
BAGARIA

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VIKAS BAGARIA
Date: 2023.05.08
14:59:38 +05'30'

Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN: 23060408BGYGOT6158)

Place: Bengaluru
Date: May 8, 2023

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

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Standalone Statement of Assets and Liabilities as at March 31, 2023

(Rs. in lakhs)

SI No	Particulars	As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,111	77
	Capital work-in-progress	185	-
	Goodwill	611	611
	Other intangible assets	394	271
	Right-of-use assets	5,786	5,389
	Intangible assets under development	81	35
	Financial assets:		
	i. Investment	19,719	6,025
	ii. Loans	2,465	2,274
	iii. Other financial assets	9,349	1,827
	Income tax assets (net)	1,196	679
	Deferred tax assets, net	1,246	697
	Other assets	93	1
	Total non-current assets	54,236	17,886
B	Current assets		
	Financial assets		
	i. Investments	-	46,400
	ii. Trade receivables	19,885	16,127
	iii. Cash and cash equivalents	5,966	5,601
	iv. Bank balance other than cash and cash equivalent	61,441	10,071
	v. Loans	64	4
	vi. Other financial assets	11,901	8,955
	Other assets	4,147	3,235
	Total current assets	103,404	90,393
	Total assets (A+B)	157,640	108,279
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,866	2,854
	Other equity	79,732	64,120
	Total Equity	82,598	66,974
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	11,278	1,724
	ii. Lease liabilities	4,761	4,119
	iii. Other financial liabilities	1,996	-
	Provisions	2,179	1,858
	Total non-current liabilities	20,214	7,701
E	Current liabilities		
	Contract liability	759	972
	Financial liabilities		
	i. Borrowings	36,377	17,340
	ii. Lease liabilities	1,859	1,792
	iii. Trade payables		
	(A) Total outstanding dues of micro enterprises and small enterprises	83	79
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,160	5,215
	iv. Other financial liabilities	5,590	4,321
	Other current liabilities	2,243	2,427
	Provisions	1,757	1,458
	Total current liabilities	54,828	33,604
F	Total liabilities (D+E)	75,042	41,305
	Total equity and liabilities (C+F)	157,640	108,279

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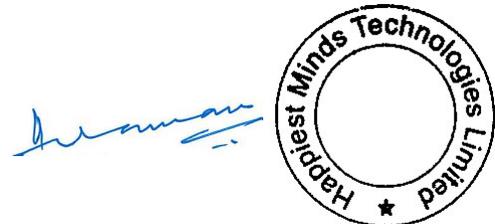
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(Rs. in lakhs)

Statement of Standalone Financial Results for the quarter and year ended March 31, 2023

Particulars	Quarter ended			Year ended	
	March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
	Refer Note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
I. Revenue					
(a) Revenue from operations	34,233	34,476	28,682	133,255	103,354
(b) Other income	871	818	1,042	2,234	3,771
Total Revenue	35,104	35,294	29,724	135,489	107,125
II. Expenses					
(a) Employee benefits expense	20,540	20,740	16,492	78,690	61,210
(b) Finance costs	861	601	221	2,150	830
(c) Depreciation and amortisation expense	795	752	665	2,996	2,423
(d) Other expenses	5,650	5,876	4,871	22,485	17,577
Total Expenses	27,846	27,969	22,249	106,321	82,040
III. Profit before exceptional items and tax (I-II)	7,258	7,325	7,475	29,168	25,085
IV. Exceptional items: charge / (credit)	-	-	(609)	-	-
V. Profit before tax (III-IV)	7,258	7,325	8,084	29,168	25,085
VI. Tax expense					
Current tax	2,121	2,113	1,772	7,889	6,004
Deferred tax	11	(515)	91	(359)	433
Total tax expense	2,132	1,598	1,863	7,530	6,437
VII. Profit for the period / year (V-VI)	5,126	5,727	6,221	21,638	18,648
VIII. Other comprehensive income, net of tax [(loss)/income]					
(i) Items to be reclassified to profit or loss in subsequent periods / year					
a) Net change in fair value of derivatives designated as cash flow hedges	783	165	(405)	(631)	(316)
b) Income tax effect on above	(197)	(41)	102	159	80
(ii) Items not to be reclassified to profit or loss in subsequent periods / year					
a) Re-measurement of defined benefit plans	44	13	26	(125)	(97)
b) Income tax effect on above	(12)	(3)	(7)	31	24
IX. Total comprehensive income for the period / year (VII-VIII)	5,744	5,861	5,937	21,072	18,339
X. Paid-up equity share capital (face value of Rs. 2/- each)	2,866	2,863	2,854	2,866	2,854
XI. Other equity				79,732	64,120
XI. Earnings per share ("EPS") (face value of Rs.2/- each) (not annualised for quarters):					
Basic EPS (Rs.)	3.56	4.00	4.38	15.11	13.21
Diluted EPS (Rs.)	3.54	3.96	4.28	15.00	12.91



Standalone Statement of Cash Flows for the year ended March 31, 2023

(Rs. in lakhs)

	Year ended March 31, 2023 (Audited)	Year ended March 31, 2022 (Audited)
A. Cash flow from operating activities		
Profit before tax	29,168	25,085
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	2,996	2,423
Share-based payment expense	120	300
Gain on investments carried at fair value through profit and loss	-	(1,377)
Gain on sale of investments carried at fair value through profit and loss	(803)	(368)
Interest income	(2,725)	(667)
(Gain)/ loss on disposal of property, plant and equipment, net	-	(10)
Net unrealised foreign exchange loss / (gain)	1,209	354
Rent concession	(71)	(323)
Impairment loss on financial assets	-	33
Finance costs	2,150	830
Operating profit before working capital changes	32,044	26,280
Movements in working capital		
Increase in trade receivables	(3,687)	(4,415)
Decrease in loans	(60)	10
Increase in non-financial assets	(1,004)	(1,484)
Increase in financial assets	(2,092)	(2,635)
Increase in trade payables	936	1,303
Increase/ (decrease) in financial liabilities	(650)	648
Increase in provisions	495	58
Increase/ (decrease) in contract liabilities	(213)	607
Decrease in other non-financial liabilities	(184)	830
Total movements in working capital	(6,459)	(5,078)
Cash generated from operating activities	25,585	21,202
Income tax paid (net of refunds)	(8,406)	(5,275)
Net cash generated from operating activities	17,179	15,927
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(13,096)	(67)
Purchase of intangible assets	(409)	(346)
Proceeds from sale of property, plant and equipment	-	10
Maturities of / Investments in fixed deposits, net	(57,495)	(3,020)
Acquisition of subsidiary	(10,987)	-
Loan to subsidiary	-	(2,231)
Investments in mutual funds	-	(40,049)
Proceeds from sale of mutual funds	47,203	34,542
Interest received	440	84
Net cash used in investing activities	(34,344)	(11,077)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(2,609)	(2,053)
Proceeds from long-term borrowings	12,383	-
Net proceeds from short-term borrowings	4,721	4,012
Proceeds from issue of non-convertible debentures	4,500	-
Loan from subsidiary	900	-
Payment of principal portion of lease liabilities	(2,004)	(1,702)
Payment of interest portion of lease liabilities	(544)	(487)
Dividend paid	(5,715)	(6,830)
Proceeds from exercise of share options	147	171
Interest paid	(1,533)	(328)
Net cash generated from/(used in) financing activities	10,246	(7,217)
Net increase in cash and cash equivalents	(6,919)	(2,367)
Net foreign exchange difference	165	16
Cash and cash equivalents at the beginning of the year	5,601	7,952
Cash and cash equivalents at the end of the year	(1,153)	5,601
Components of cash and cash equivalents		
Balance with banks		
- on current account	4,313	4,521
- in EEFC accounts	1,653	1,080
Less : Bank overdraft	(7,119)	-
Total cash and cash equivalents	(1,153)	5,601

[Handwritten Signature]



Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

Regd. Office:#53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300

Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2023	December 31, 2022	March 31, 2022	March 31, 2023	March 31, 2022
1	Debt-Equity ratio	0.66	0.51	0.37	0.66	0.37
2	Debt Service Coverage ratio (DSCR)	3.32	3.94	5.59	4.00	4.46
3	Interest Service Coverage ratio (ISCR)	9.94	13.19	34.82	14.86	31.22
4	Current ratio	1.89	2.46	2.69	1.89	2.69
5	Long-term Debt to Working Capital ratio	0.27	0.24	0.06	0.27	0.06
6	Bad debts to Trade receivable ratio	-	0.004	0.004	-	-
7	Current liability ratio	0.73	0.69	0.81	0.73	0.81
8	Total Debt to total Assets ratio	0.34	0.29	0.23	0.34	0.23
9	Trade Receivable Turnover Ratio	7.60	7.57	8.27	7.40	7.45
10	Operating margin (%)	0.23	0.23	0.26	0.24	0.24
11	Net profit margin (%)	0.15	0.17	0.22	0.16	0.18
12	Inventory turnover ratio	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	82,662	77,226	66,447	82,662	66,342

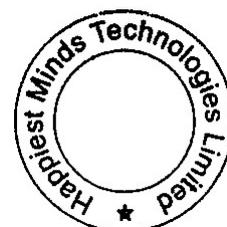
Note:

a. The aforesaid ratios for quarter ended December 31, 2022 has not been reviewed by the Statutory Auditors.

Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formulae
1	Debt-Equity ratio	$\frac{\text{Total Debt}}{\text{Shareholder's Equity}}$
2	Debt Service Coverage ratio (DSCR)	$\frac{\text{Profit after tax + Interest + Non cash operating expense}}{\text{Interest \& Lease Payments + Principal Repayments}}$ (Principal repayments excludes repayments for Packing credit foreign currency loan)
3	Interest Service Coverage ratio (ISCR)	$\frac{\text{Profit before interest, tax and exceptional items}}{\text{Interest expense}}$
4	Current ratio	$\frac{\text{Current assets}}{\text{Current liabilities}}$
5	Long-term Debt to Working Capital ratio	$\frac{\text{Long term borrowings (Including current maturities of long term borrowings)}}{\text{Current assets (-) Current liabilities (excluding current maturities of long term)}}$
6	Bad debts to Trade receivable ratio	$\frac{\text{Bad debts}}{\text{Average Trade receivables}}$
7	Current Liability ratio	$\frac{\text{Current liabilities}}{\text{Total liabilities}}$
8	Total Debt to total Assets ratio	$\frac{\text{Total Debt}}{\text{Total Assets}}$
9	Trade Receivable Turnover Ratio	$\frac{\text{Net revenue}}{\text{Average Trade receivables}}$
10	Operating margin (%)	$\frac{\text{Profit before depreciation, finance cost, tax and exceptional items (-) Other income}}{\text{Revenue from operations}}$
11	Net profit margin (%)	$\frac{\text{Net profit after tax}}{\text{Revenue from operations}}$
12	Inventory turnover ratio	Not applicable
13	Debenture Redemption Reserve	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	aggregate value of the paid-up share capital + all reserves created out of the profits+ securities premium account -aggregate value of the accumulated losses- deferred expenditure- miscellaneous expenditure not written off - revaluation reserve - write-back of depreciation - amalgamation reserve

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Happiest Minds Technologies Limited
CIN : L72900KA2011PLC057931

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Notes to Statement of Standalone Financial Results for the quarter and year ended March 31, 2023

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Standalone Financial Results for the quarter and year ended March 31, 2023 ("Standalone Financial Results") of Happiest Minds Technologies Limited (the "Company") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 8, 2023.
2. The figures for the quarter ended March 31, 2023 are balancing figures between audited figures in respect of full financial year upto March 31, 2023 and the unaudited published year-to-date figure upto December 31, 2022 being the date of the end of the third quarter of the financial year. The published year-to-date results upto December 31, 2022 was subjected to a limited review by the Statutory Auditors of the Company.
3. The Standalone Financial Results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013 and, as amended, read with relevant rules thereunder and in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and SEBI Circular No.CIR/CFD/CMD1/44/2019 dated March 29, 2019.
4. The Board of Directors of the Company at their meeting held on May 8, 2023 have, for the financial year ended March 31, 2023, recommended the payout of a final dividend of Rs. 3.40/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of Shareholders at the 12th Annual General Meeting of the Company scheduled to be held on July 17, 2023.
5. The Company publishes standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the audited interim consolidated financial statements. Accordingly, the segment information is given in the audited consolidated financial results of Happiest Minds Technologies Limited and its subsidiary for the quarter and year ended March 31, 2023.
6. On January 1, 2023, the Company obtained operational and management control of Sri Mookambika Infosolutions Private Limited ("SMI"), a Madurai based Company which provides IT services, through a Control Agreement. The Company acquired 100% equity in SMI for total consideration of INR 13,694 lakhs, comprising cash consideration of INR 11,132 lakhs and fair-value of contingent consideration of INR 2,562 lakhs payable over the next 2 years subject to achievement of set targets. The Company paid the cash consideration of INR 11,132 lakhs on February 6, 2023 and the shares were transferred on the same day.
7. Rules in relation to 'The Code on Social Security, 2020 ('Code')' yet to be notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect.
8. Previous quarter's/ year's figures have been regrouped/ reclassified wherever necessary to conform with current year classification.
9. The above Standalone Financials Results of the Company are available on the Company's website www.happiestminds.com and also that of BSE (www.bseindia.com) and NSE (www.nseindia.com).



For and on behalf of the Board
For Happiest Minds Technologies Limited

Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

Place: Bengaluru, India
Date: May 8, 2023

PRESS RELEASE

Happiest Minds FY 23 net profit accelerates by 27.5% to ₹ 231 Crores.

FY23 Revenue grows 23.7% backed by a superior EBITDA margin of 26.2%

FY24 revenue guidance growth at 25%

Proposes final dividend of ₹ 3.4 per share

Bengaluru, India, San Jose, California and London, May 08, 2023: Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', digital transformation and IT solutions company, today announced its consolidated results for the fourth quarter and year ended March 31, 2023 as approved by its Board of Directors.

Ashok Soota, Executive Chairman, said "I am pleased to announce that Happiest Minds has delivered outstanding results for FY23 with 23.7% revenue growth and 26.2% of EBITDA. We have missed our revenue growth target by 1.3% due to the right-shifting of some Q4 revenues. This has been more than compensated by delivering an EBITDA which exceeded the upper band of our guidance of 22 to 24%. In view of our strong business pipeline, we are planning a record people addition of 1,300. Accordingly, we are retaining our FY24 revenue guidance growth at 25%."

Financial highlights

Quarter ended March 31, 2023:

- Revenue in constant currency grew by 1.3% q-o-q and 17.6% y-o-y.
- Operating Revenues in US\$ stood at \$46 million (growth of 1.4% q-o-q; 15.2% y-o-y)
- Total Income of ₹ 38,643 lakhs (growth of 3.1% q-o-q; 24.5% y-o-y)
- EBITDA of ₹ 10,062 lakhs, 26.0% of Total Income (growth of 3.5% q-o-q; 23.3% y-o-y)
- PAT of ₹ 5,766 lakhs, 14.9% of Total Income (growth of 0.1% q-o-q; 10.7% y-o-y)
- Free cash flows of ₹ 9,946 lakhs
- EPS (diluted) for the quarter of ₹ 3.98.

Year ended March 31, 2023:

- Revenue in constant currency grew by 23.7%
- Operating Revenues in US\$ stood at \$178 million (growth of 21.2% y-o-y)
- Total Income of ₹ 145,040 lakhs (growth of 28.3% y-o-y)
- EBITDA of ₹ 37,997 lakhs, 26.2% of Total Income (growth of 28.9% y-o-y)
- PAT of ₹ 23,099 lakhs, 15.9% of Total Income (growth of 27.5% y-o-y)
- Free cash flows of ₹ 36,480 lakhs
- EPS (diluted) for the full year of ₹ 16.01.

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q4 FY 23	Q3 FY 23	QoQ	Q4 FY 22	YoY	FY 23	FY 22	YoY
Revenues	37,798	36,688	3.0%	30,057	25.8%	142,929	109,365	30.7%
Other Income	845	780	-	991	-	2,111	3,710	-
Total Income	38,643	37,468	3.1%	31,048	24.5%	145,040	113,075	28.3%
EBITDA	10,062	9,726	3.5%	8,158	23.3%	37,997	29,477	28.9%
%	26.0%	26.0%		26.3%		26.2%	26.1%	
PBT	7,893	7,524	4.9%	6,988	13.0%	30,986	24,585	26.0%
%	20.4%	20.1%		22.5%		21.4%	21.7%	
Tax	2,127	1,766	-	1,777	-	7,887	6,465	-
%	5.5%	4.7%		5.7%		5.4%	5.7%	
PAT	5,766	5,758	0.1%	5,211	10.7%	23,099	18,120	27.5%
%	14.9%	15.4%		16.8%		15.9%	16.0%	
Revenues (\$'000)	45,918	45,279	1.4%	39,876	15.2%	177,768	146,634	21.2%
Growth in Constant Currency	-	-	1.3%	-	17.6%	-	-	23.7%

Venkatraman N, MD & CFO, said "Our excellent results both in terms of growth and profitability reflect our operating strengths. This is the 12th successive quarter where we have reported EBITDA of more than 25%. Based on our strong financial results we are happy to recommend a final dividend of ₹3.4 per share."

Joseph Anantharaju, Executive Vice Chairman, said "Our compelling value proposition and effective land and expand strategy has led to good performance on our customer metrics. The average revenue per customer and the number of billion-dollar corporations have shown consistent progression during the fiscal. We saw a marked improvement in pipeline and deal velocity in the second half of the quarter setting us up well for the first quarter and FY24."

Clients:

- 237 as of March 31, 2023
- 16 additions in the quarter

Our People - Happiest Minds:

- 4,917 as of March 31, 2023 (net addition for the quarter 306)
- Trailing 12-month attrition of 19.8%
- Utilization of 74.6%, from 80.1% in last quarter

Q4 FY23 Key Project Wins:

- For a large EduTech company that enables learners and academic institutions to achieve their goals, Happiest Minds was chosen as their strategic partner to provide digital engineering and test automation services.
- For a leading provider of hardware for the gaming industry, Happiest Minds was chosen to provide embedded and software development services.
- For a world leader in the recreational travel and hospitality industry, this consulting-led engagement entails Happiest Minds to evaluate, recommend and advise for building their ESG Reporting Platform.
- For a global industrial technology leader, Happiest Minds is providing application testing services.
- For this existing client in the property and casualty insurance industry in North America, Happiest Minds has been chosen to provide security services.
- For a large loyalty program provider in the ANZ region, Happiest Minds is chosen to provide consulting, support and implementation services to enhance security and privacy environments around data and cloud.
- For this Australia-based existing client in the Quick Service Restaurant industry, Happiest Minds is a partner of choice in their digital transformational initiatives.
- For a reputed Hi-Tech company providing digital transformational services in the middle east, Happiest Minds has been chosen to provide cloud migration services.
- For an India-based international provider of quality B2B solutions in the higher education space, Happiest Minds is building their next-gen platform for test prep leveraging cloud.
- For a reputed India-headquartered global automotive company, Happiest Minds has been chosen to provide engineering services leveraging 5G for their connected car program.

Recognitions:

- Happiest Minds won the ICAI Award for Excellence in Financial Reporting 2021-22
- Happiest Minds' MD & CFO, Mr. Venkatraman Narayanan recognized as a '**Leading CFO of the Year**' at the CII CFO Excellence Awards 2022.
- Happiest Minds is among the **Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023**.
- Happiest Minds is among **Top 10 India's Best Workplaces™ in Health & Wellness 2022**
- Priya Kanduri was awarded at '**Women In Tech Leadership Awards 2023**' by AIM and the '**Women at Work Achiever of the Year 2023**' by FKCCI

Analyst Mentions

- Happiest Minds is selected as '**Standout Case Study**' - ISG Digital Case Study Awards 2022.

Announcements

- The Board of Directors of the Company at their meeting held on May 8, 2023, has recommended a final dividend of ₹3.4 per equity share of face value ₹ 2/- for the financial year 2022-23 subject to shareholder approval.

For further details please refer to the Investors presentation on the Company's website

About Happiest Minds Technologies:

[Happiest Minds Technologies Limited](#) (NSE: HAPPSTMNDS), a Mindful IT Company, enables [digital transformation](#) for enterprises and technology providers by delivering seamless customer experiences, business efficiency and actionable insights. We do this by leveraging a spectrum of disruptive technologies such as: [artificial intelligence](#), [blockchain](#), [cloud](#), [digital process automation](#), [internet of things](#), robotics/drones, [security](#), [virtual/augmented reality](#), etc. Positioned as 'Born Digital . Born Agile', our capabilities span digital solutions, infrastructure, product engineering and security. We deliver these services across industry sectors such as automotive, BFSI, consumer packaged goods, e-commerce, EduTech, engineering R&D, healthcare, hi-tech, manufacturing, retail and travel/transportation/hospitality.

A Great Place to Work-Certified™ company, Happiest Minds is headquartered in Bangalore, India with operations in the U.S., UK, Canada, Australia and Middle East.

Safe harbor

This release may contain certain forward-looking statements, which involves risks and uncertainties that could cause our future results to differ materially from those in such forward-looking statements. The COVID-19 pandemic could decrease our customers' technology spend, delaying prospective customers' purchasing decisions, and impact our ability to provide services; all of which could adversely affect our future revenue, margin, and overall financial performance. Our operations could also be negatively impacted by a range of external factors not within our control including those due to the pandemic. We do not undertake to update any of our forward-looking statements that may be made from time to time by us or on our behalf.

For more information, contact:

Media Contact: media@happiestminds.com

Investors Relations:

IR@happiestminds.com

Investor Presentation & FACT SHEET: Q4 FY 23

May 2023

About Happiest Minds

Next-Gen Digital Transformation, Infrastructure, Security and Product Engineering Services Company

<p>96% Digital Born Digital</p>	<p>94% Agile Born Agile</p>	<p>237 Active Clients 55 Fortune2000 / Forbes200 Billion \$ Corporations 91% Repeat Business</p>	<p>33.1% RoCE 28.1% RoE</p>
<p>Mission Statement Happiest People Happiest Customers SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>4,917 Happiest Minds across 7 Countries 27.4% Gender Diversity 4.3 rating on Glassdoor</p>	<p>Great Place To Work®</p> <ul style="list-style-type: none"> • Top 10 India's Best Workplaces™ in Health & Wellness 2022 • Top 25 India's Best Workplaces™ in IT & IT-BPM 2022 • Top 50 India's Best Workplaces™ for Women 2022 • Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023 	<p>Growth in Constant Currency 23.7% EBITDA margin 26.2%</p>

Promoter



Ashok Soota

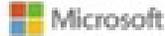


IPO - In September 2020

- Completed 11 years in August 2022
- Strong Management Team & Corporate Governance
- 700K+ Investors
- Robust Growth and Profitability

Great Place To Work®

Gold
Microsoft Partner





'Best Governed Company'
in Medium Category



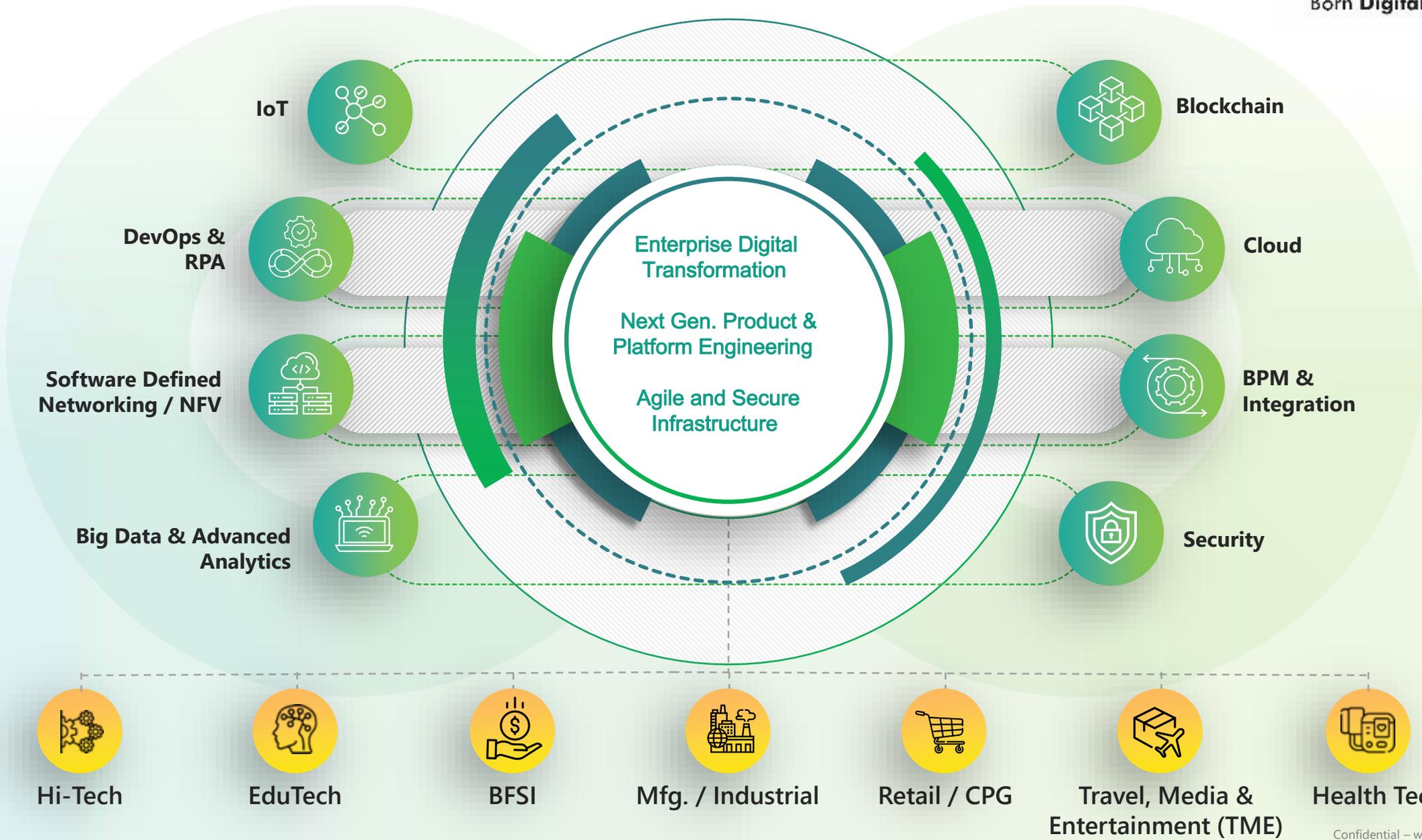
Mission, Vision and Values

Our 2021-31 Vision - DELiGHT

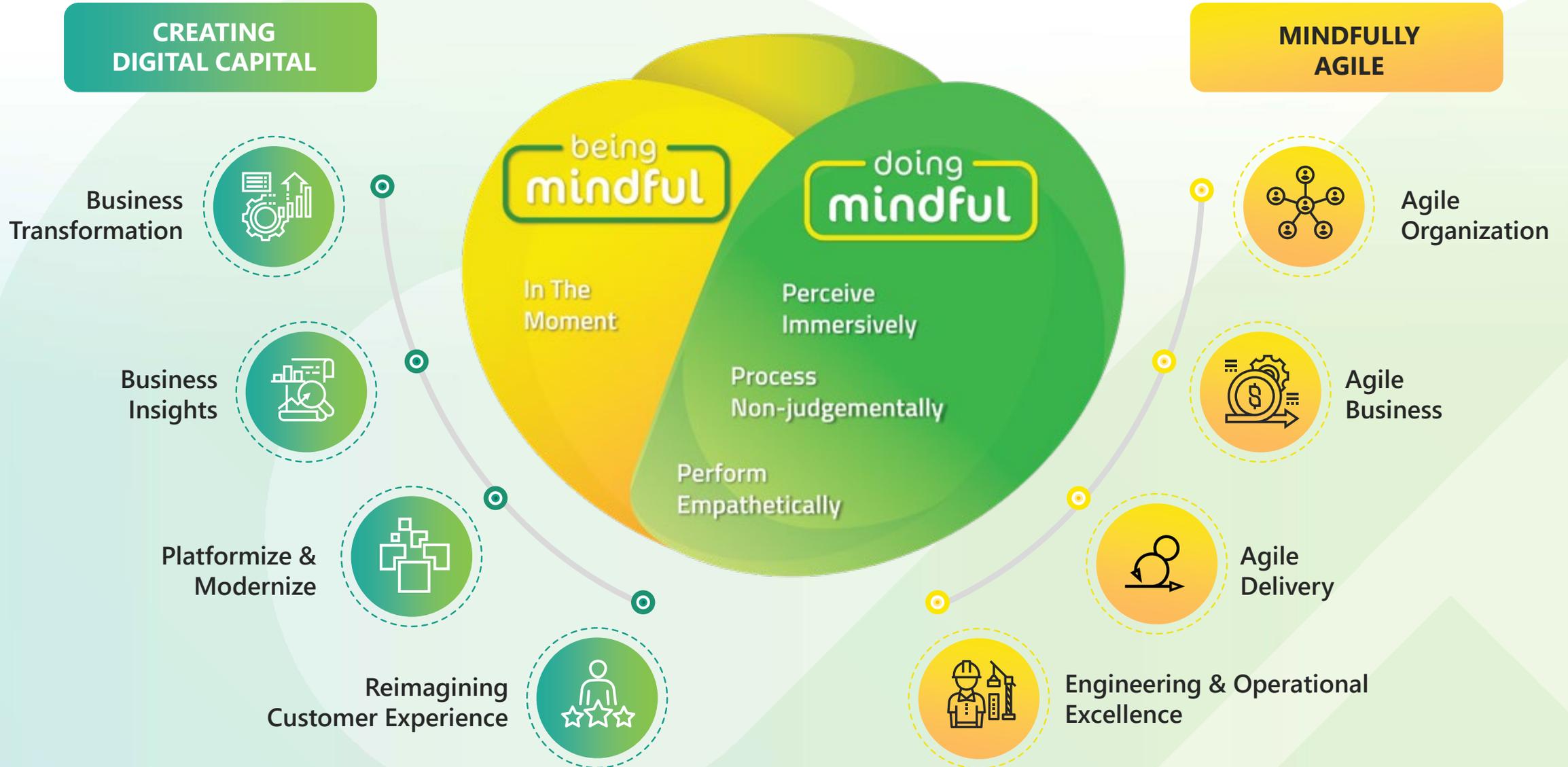
Our SMILES Values



Our Business



Born Digital . Born Agile ∞ The Mindful IT Company



Key Project Wins

For a **large EduTech company** that enables learners and academic institutions to achieve their goals, Happiest Minds was chosen as their strategic partner to provide digital engineering and test automation services.

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For a **large loyalty program provider in the ANZ region**, Happiest Minds is chosen to provide consulting, support and implementation services to enhance security and privacy environments around data and cloud

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For a **reputed Hi-Tech company providing digital transformational services in the middle east**, Happiest Minds has been chosen to provide cloud migration services

For an **India-based international provider of quality B2B solutions in the higher education space**, Happiest Minds is building their next-gen platform for test prep leveraging cloud

For a **reputed India-headquartered global automotive company**, Happiest Minds has been chosen to provide engineering services leveraging 5G for their connected car program

Awards & Analyst Mentions



Happiest Minds won the **ICAI Award for Excellence in Financial Reporting 2021-22**



Happiest Minds' MD & CFO, Mr. **Venkatraman Narayanan** recognized as a **'Leading CFO of the Year'** at the **CII CFO Excellence Awards 2022**



Happiest Minds is among **Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023.**



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Priya Kanduri was awarded at **'Women In Tech Leadership Awards 2023'** by AIM



Priya Kanduri was awarded at **'Women at Work Achiever of the Year 2023'** by FKCCI

Analyst Mentions



Happiest Minds is selected as **'Standout Casestudy'**

ISG Digital Case Study Awards 2022



Operational and Financial Metrics – Q4 FY23

Results Q4 FY 23

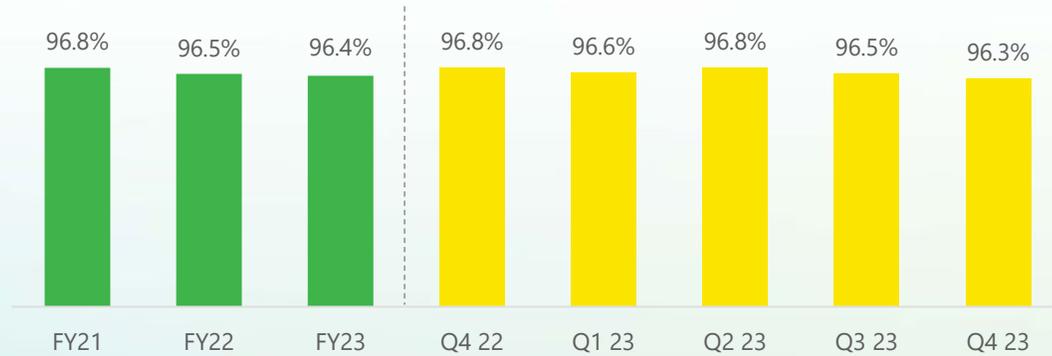
All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q4 FY 23	Q3 FY 23	QoQ	Q4 FY 22	YoY	FY 23	FY 22	YoY
Revenues	37,798	36,688	3.0%	30,057	25.8%	142,929	109,365	30.7%
Other Income	845	780	-	991	-	2,111	3,710	-
Total Income	38,643	37,468	3.1%	31,048	24.5%	145,040	113,075	28.3%
EBITDA	10,062	9,726	3.5%	8,158	23.3%	37,997	29,477	28.9%
%	26.0%	26.0%		26.3%		26.2%	26.1%	
PBT	7,893	7,524	4.9%	6,988	13.0%	30,986	24,585	26.0%
%	20.4%	20.1%		22.5%		21.4%	21.7%	
Tax	2,127	1,766	-	1,777	-	7,887	6,465	-
%	5.5%	4.7%		5.7%		5.4%	5.7%	
PAT	5,766	5,758	0.1%	5,211	10.7%	23,099	18,120	27.5%
%	14.9%	15.4%		16.8%		15.9%	16.0%	
Revenues (\$'000)	45,918	45,279	1.4%	39,876	15.2%	177,768	146,634	21.2%
Growth in Constant Currency	-	-	1.3%	-	17.6%	-	-	23.7%

Born Digital. Born Agile

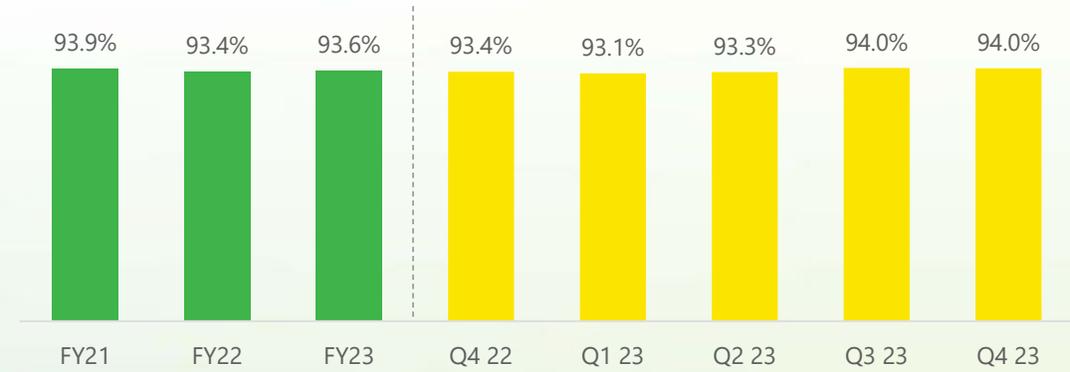
Digital

% of Revenue



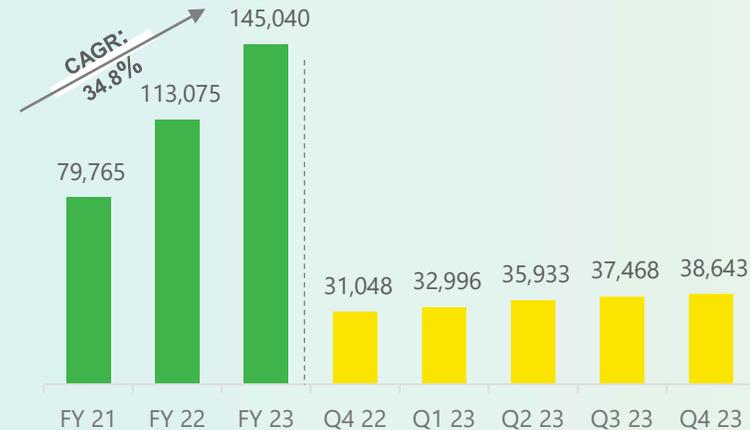
Agile

% of Revenue

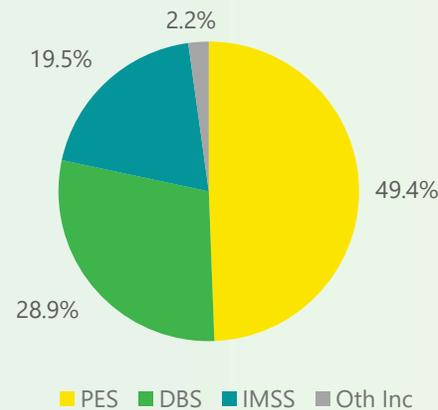


Revenue

Total Income (₹ Lakhs)



Revenue by BU



Tenure of Customer

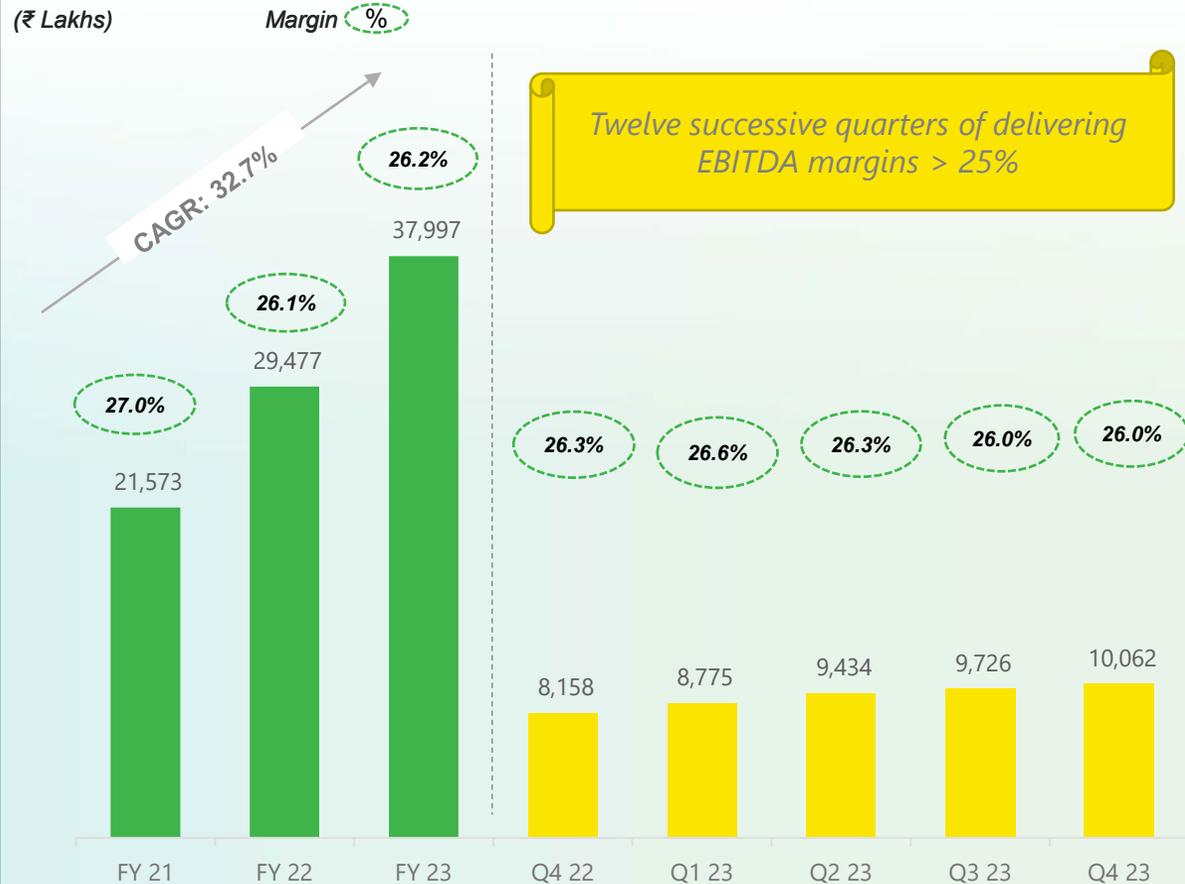
% revenue from Clients



PES : Product Engineering Services; DBS : Digital Business Solutions; IMSS : Infrastructure Management and Security Services

Operational & Financial Metrics

EBITDA

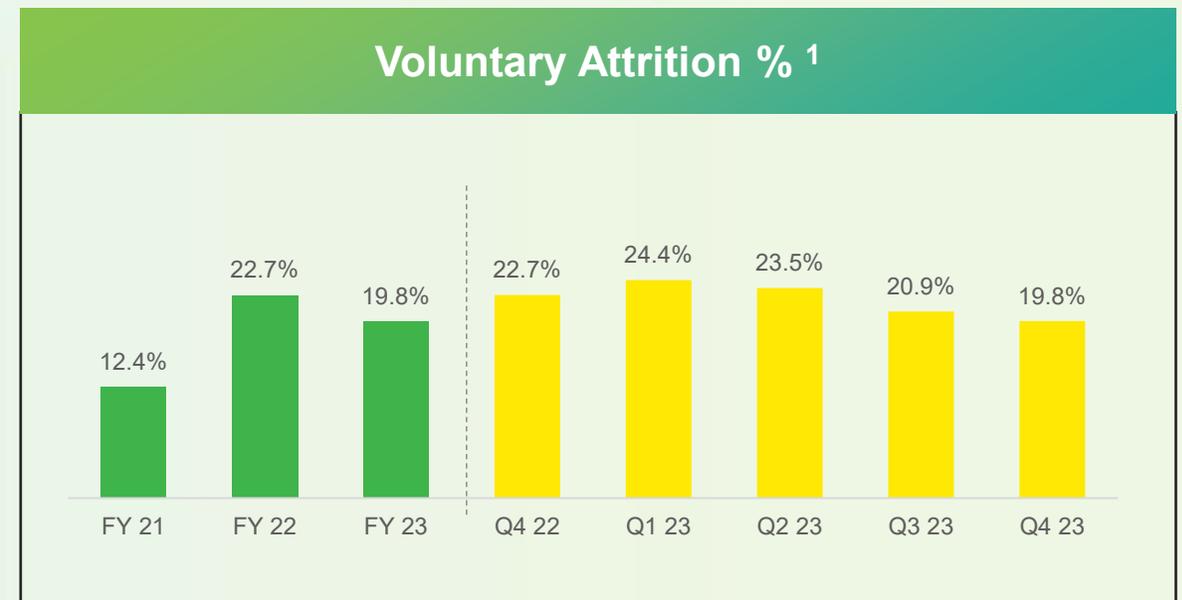
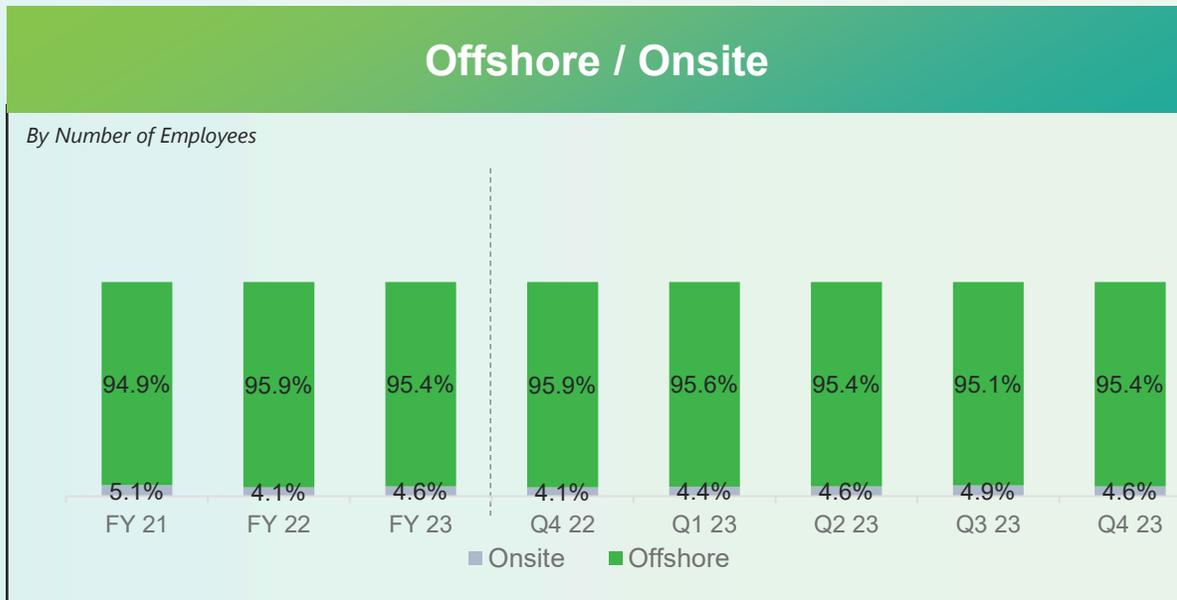
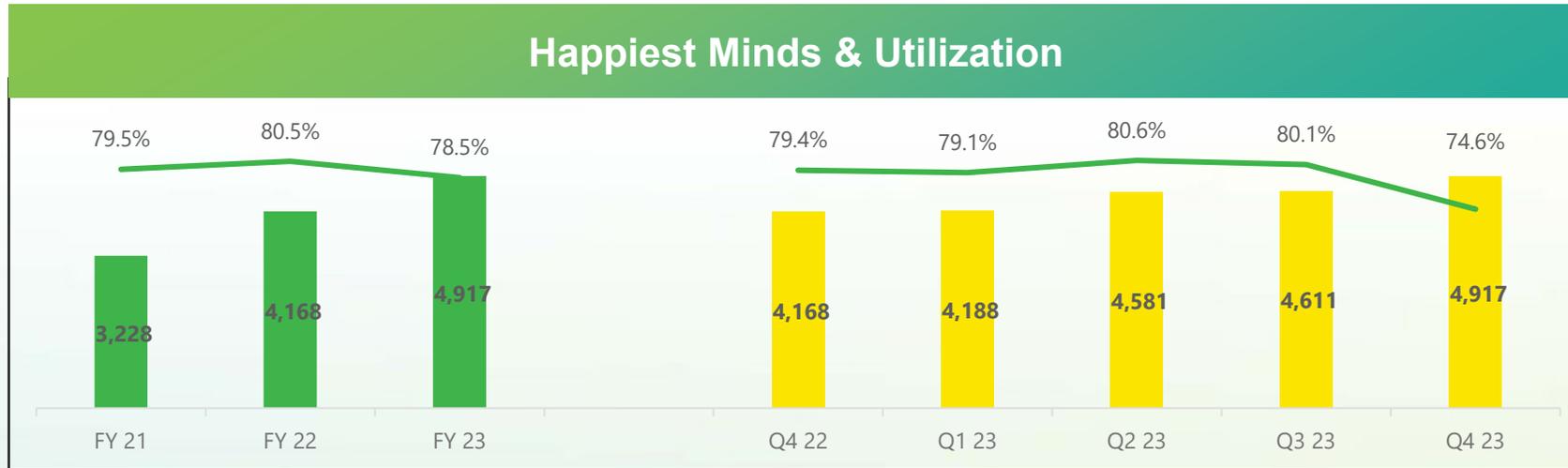


High FCF Conversion



Note: 1. FCF = Free Cash Flow Conversion = FCF/EBITDA and FCF = EBITDA – Capex. (Non-GAAP Measure)

Operational & Financial Metrics



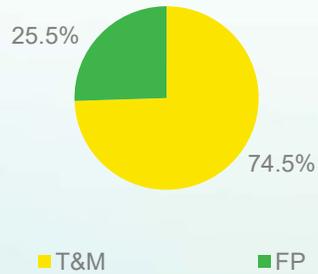
Note 1: Trailing 12 Months

Operational & Financial Metrics

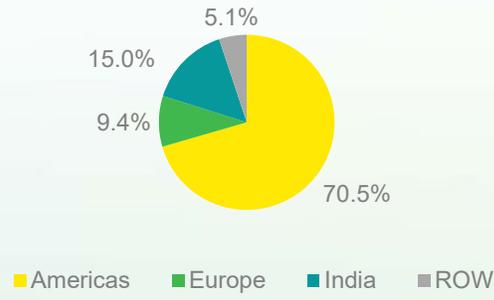
Revenue Model

Q4 23

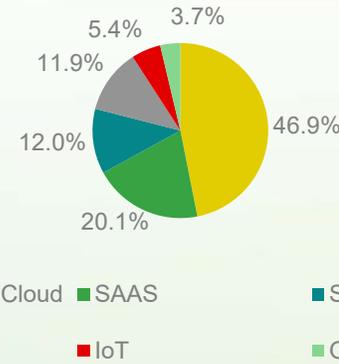
Model



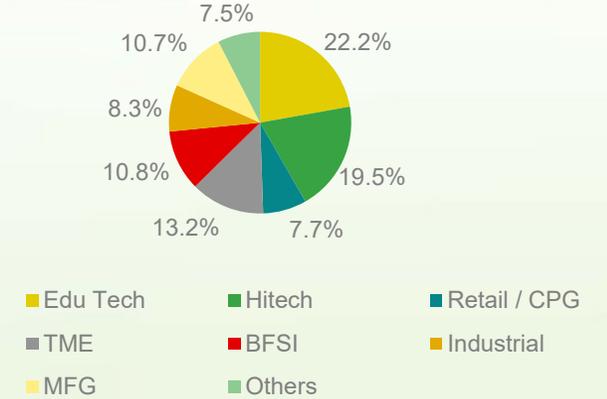
Geography



Digital Revenue¹

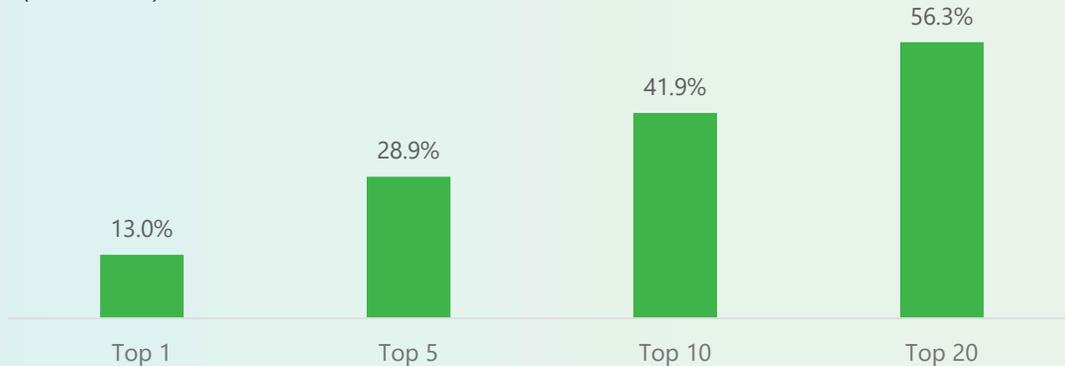


Vertical¹



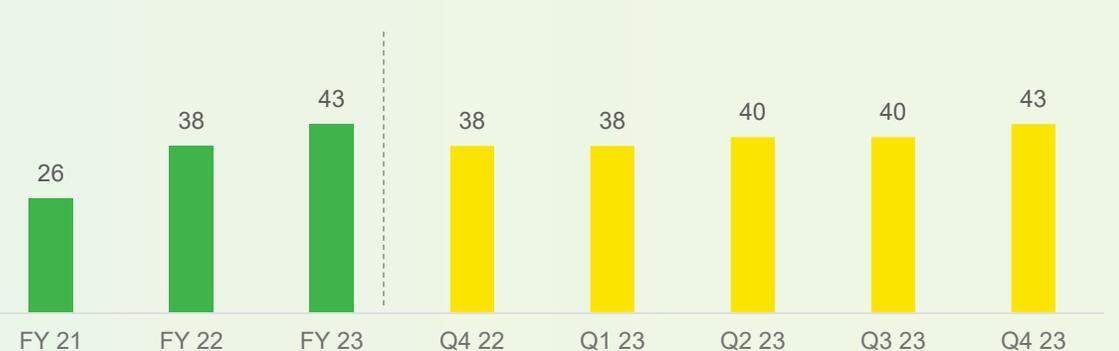
Revenue Concentration³

Q4 23 (% Revenue)



Million \$ Customers²

(#)

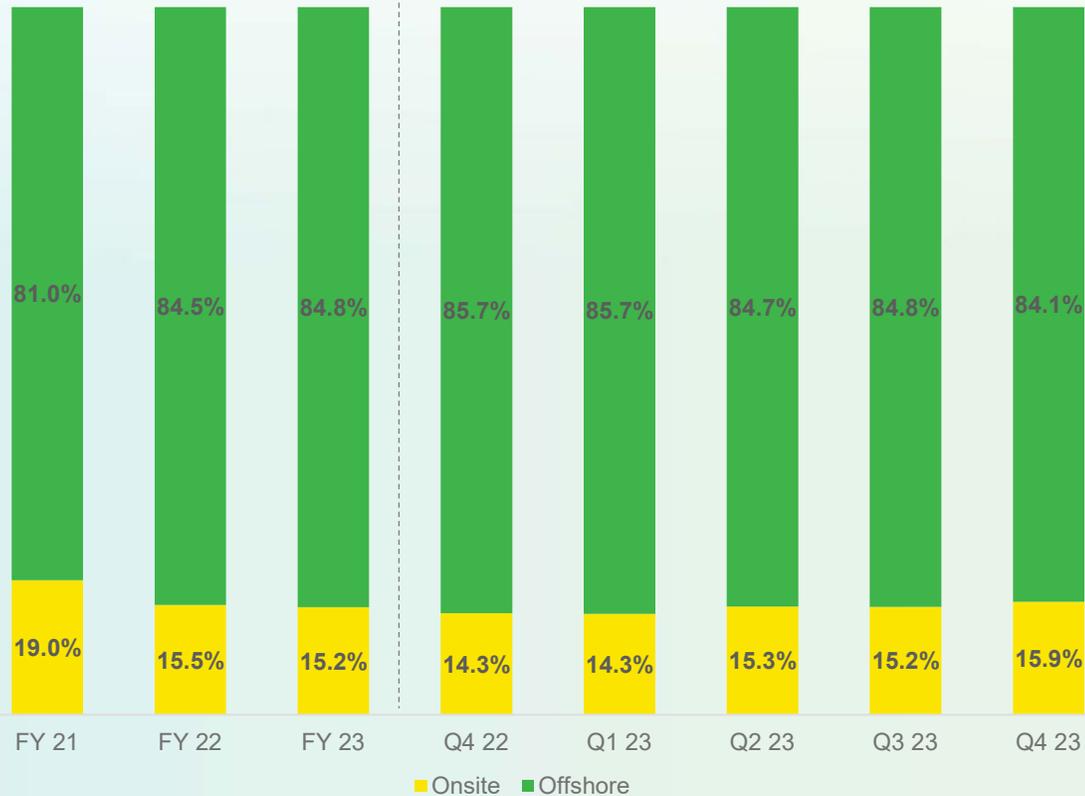


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

Operational & Financial Metrics

Onsite/Offshore

By Revenue



Average Revenue / Active Customer

(USD '000)



Operational & Financial Metrics

	FY21	FY22 Q4	FY 22	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY 23
Customer Industry group								
Edutech	25.6%	23.6%	23.2%	23.7%	23.8%	23.2%	22.2%	23.2%
Hitech	18.2%	16.7%	15.8%	15.6%	16.6%	15.7%	19.5%	16.9%
BFSI	16.4%	13.7%	13.2%	13.7%	14.2%	10.3%	10.8%	12.2%
Travel, Media and Entertainment (TME)	13.6%	13.7%	13.2%	12.7%	12.5%	13.1%	13.2%	12.9%
Retail / CPG	5.4%	10.1%	10.3%	10.0%	8.9%	10.4%	7.7%	9.2%
Industrial	7.1%	6.6%	6.9%	8.2%	7.7%	9.2%	8.3%	8.4%
Manufacturing	6.6%	10.1%	8.6%	10.0%	10.4%	10.0%	10.7%	10.3%
Others	7.1%	5.4%	8.8%	6.1%	5.8%	8.2%	7.5%	6.9%
Total	100.0%							
Digital Service Offerings								
Digital infrastructure/Cloud	41.6%	45.5%	43.6%	45.7%	45.4%	45.4%	46.9%	45.8%
SaaS	22.7%	21.7%	20.3%	21.5%	21.3%	20.1%	20.1%	20.7%
Security Solutions	8.7%	11.8%	11.9%	11.7%	12.3%	13.4%	12.0%	12.3%
Analytics/AI	13.3%	11.3%	12.1%	11.6%	12.8%	12.5%	11.9%	12.2%
IoT	10.5%	6.6%	8.6%	6.2%	5.1%	5.2%	5.4%	5.4%
Total	96.8%	96.8%	96.5%	96.6%	96.8%	96.5%	96.3%	96.4%
Automation	25.2%	26.2%	25.4%	26.0%	25.4%	27.7%	27.3%	26.6%

Note : All metrics are reported as % of operating revenues

Operational & Financial Metrics

	FY 21	FY22 Q4	FY 22	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY 23
Revenue by Geo								
USA	73.4%	65.7%	66.4%	66.6%	67.9%	67.5%	70.5%	68.1%
India	11.8%	16.2%	14.1%	15.8%	16.1%	15.4%	15.0%	15.6%
Europe	10.4%	10.4%	10.4%	10.7%	9.3%	9.4%	9.4%	9.7%
ROW	4.4%	7.8%	9.0%	6.9%	6.7%	7.7%	5.1%	6.6%
Million \$ Customers¹								
\$ 10 M +	1	1	1	2	2	2	1	1
\$ 5M to \$ 10M	3	4	4	4	4	4	6	6
\$ 3M to \$ 5M	6	8	8	7	7	7	6	6
\$ 1M to \$ 3M	16	25	25	25	27	27	30	30
Total	26	38	38	38	40	40	43	43
Tenure of customers								
0 - 5 Years	53.0%	-	50.0%	-	-	-	-	47.0%
> 5 Years	47.0%	-	50.0%	-	-	-	-	53.0%
Revenue Mix								
Onsite	19.0%	14.3%	15.5%	14.3%	15.3%	15.2%	15.9%	15.2%
Offshore ²	81.0%	85.7%	84.5%	85.7%	84.7%	84.8%	84.1%	84.8%
Revenue by contracting Model								
Fixed Price	21.7%	24.5%	25.1%	24.9%	24.4%	26.4%	25.5%	25.3%
Time and Material	78.3%	75.5%	74.9%	75.1%	75.6%	73.6%	74.5%	74.7%
# Active Customers	173	206	206	211	226	230	237	237
# Billion \$ Corporation	46	54	54	56	54	55	55	55

Note: 1: Based on quarter revenue annualized 2: Offshore: Revenues from customers served from India;

Operational & Financial Metrics

	FY21	FY22 Q4	FY22	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY23
Happiest Minds								
Onsite	166	172	172	185	210	228	227	227
Offshore	3,062	3,996	3,996	4,003	4,371	4,383	4,690	4,690
Onsite %	5.1%	4.1%	4.1%	4.4%	4.6%	4.9%	4.6%	4.6%
Offshore %	94.9%	95.9%	95.9%	95.6%	95.4%	95.1%	95.4%	95.4%
Utilization	79.5%	79.4%	80.5%	79.1%	80.6%	80.1%	74.6%	78.5%
Diversity	24.5%	26.4%	26.4%	26.0%	27.6%	27.7%	27.4%	27.4%
DSO								
Billed	57	55	55	58	60	60	54	54
Unbilled	28	35	35	36	31	29	31	31
Total	85	90	90	94	91	90	86	86
EPS ₹ : Diluted	11.45	3.58	12.55	3.88	4.09	3.98	3.98	16.01
Capital Ratios¹								
RoCE	31.2%	34.8%	34.8%	39.1%	35.2%	34.9%	33.1%	33.1%
RoE	29.8%	27.3%	27.3%	31.5%	31.3%	29.4%	28.1%	28.1%

Note: 1: Capital Return Ratios are YTD Annualized

Operational & Financial Metrics

All figures in ₹ Lakhs

	FY21		FY22 Q4		FY22		FY23 Q1		FY23 Q2		FY23 Q3		FY23 Q4		FY23	
Revenue by BU																
IMSS	16,421	20.6%	6,848	22.1%	24,168	21.4%	7,356	22.3%	7,902	22.0%	7,912	21.1%	7,525	19.5%	30,694	21.2%
DBS	21,288	26.7%	8,762	28.2%	32,891	29.1%	9,903	30.0%	10,722	29.8%	11,266	30.1%	11,180	28.9%	43,070	29.7%
PES	39,632	49.7%	14,447	46.5%	52,308	46.3%	15,633	47.4%	16,927	47.1%	17,511	46.7%	19,093	49.4%	69,165	47.7%
Total Revenue	77,341	97.0%	30,057	96.8%	109,367	96.7%	32,892	99.7%	35,551	98.9%	36,688	97.9%	37,798	97.8%	142,929	98.5%
Other income	2,424	3.0%	991	3.2%	3,708	3.3%	104	0.3%	382	1.1%	780	2.1%	845	2.2%	2,111	1.5%
Total income	79,765	100%	31,048	100%	113,075	100%	32,996	100%	35,933	100%	37,468	100%	38,643	100%	145,040	100%

IMSS: Infrastructure Management & Security Services
DBS : Digital Business Services
PES: Product Engineering Services

Summary Profit & Loss Statement

All figures in ₹ Lakhs

	FY 21	FY 22 Q4	FY 22	FY 23 Q1	FY 23 Q2	FY 23 Q3	FY 23 Q4	FY 23
Income								
Operating revenue	77,341	30,057	109,365	32,892	35,551	36,688	37,798	142,929
Other income	2,424	991	3,710	104	382	780	845	2,111
Total income	79,765	31,048	113,075	32,996	35,933	37,468	38,643	145,040
Cost of revenue	44,382	17,289	64,404	18,499	20,592	21,394	22,342	82,827
Gross margin	32,959	12,768	44,961	14,393	14,959	15,294	15,456	60,101
%	42.6%	42.5%	41.1%	43.8%	42.1%	41.7%	40.9%	42.0%
SG&A	13,810	5,601	19,193	5,722	5,907	6,348	6,239	24,215
%	17.9%	18.6%	17.5%	17.4%	16.6%	17.3%	16.5%	16.9%
EBITDA	21,573	8,158	29,477	8,775	9,434	9,726	10,062	37,997
%	27.0%	26.3%	26.1%	26.6%	26.3%	26.0%	26.0%	26.2%
Depreciation	2,274	884	3,288	934	971	992	1,294	4,191
%	2.9%	2.9%	3.0%	2.8%	2.7%	2.7%	3.4%	2.9%
EBIT	19,299	7,274	26,189	7,841	8,463	8,734	8,768	33,806
%	24.2%	23.4%	23.2%	23.8%	23.6%	23.3%	22.7%	23.3%
Finance cost	697	286	995	283	452	576	875	2,186
PBT before exceptional item*	18,602	6,988	25,194	7,558	8,011	8,158	7,893	31,620
%	23.3%	22.4%	22.2%	22.9%	22.3%	21.8%	20.4%	21.7%
Exceptional Items⁺	-	-	609	-	-	634	-	634
PBT *	18,602	6,988	24,585	7,558	8,011	7,524	7,893	30,986
%	23.3%	22.5%	21.7%	22.9%	22.3%	20.1%	20.4%	21.4%
Current tax	3,527	1,737	6,310	2,325	1,638	2,335	2,210	8,508
Deferred tax	(1,171)	40	155	(401)	432	(569)	(83)	(621)
Total Tax	2,356	1,777	6,465	1,924	2,070	1,766	2,127	7,887
%	3.0%	5.7%	5.7%	5.8%	5.8%	4.7%	5.5%	5.4%
PAT *	16,246	5,211	18,120	5,634	5,941	5,758	5,766	23,099
%	20.4%	16.8%	16.0%	17.1%	16.5%	15.4%	14.9%	15.9%

* Exceptional items for FY22 & Q3 FY23 refers to Loss on Fair Valuation of Warrant Liability

Condensed Balance Sheet

All figures in ₹ Lakhs

	31.03.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022	31.12.2022	31.03.2023
Assets							
Non-current Assets							
Property, plant and equipment	69	77	78	89	12,894	12,899	13,278
Goodwill	7,644	7,772	7,896	8,202	8,430	8,562	13,913
Financial & Other assets	10,029	20,609	11,788	24,594	34,347	77,536	29,594
Total non-current assets (A)	17,742	28,458	19,762	32,885	55,671	98,997	56,785
Current assets							
Financial & Other assets							
i. Trade receivable	12,192	18,212	16,738	20,937	22,408	23,250	21,319
ii. Cash & Cash equivalents, Investments & Other financial assets	60,928	59,928	72,609	65,503	55,746	17,061	81,484
iii. Other assets	1,333	2,655	3,392	1,782	3,420	2,811	4,495
Total current assets (B)	74,453	80,795	92,739	88,222	81,574	43,122	107,298
Total assets (A + B)	92,195	109,253	112,501	121,107	137,245	142,119	164,083
Equity and Liabilities							
Total equity (A)	54,599	61,035	66,580	71,907	74,591	77,791	83,882
Non-current liabilities							
Financial liabilities	7,339	12,907	7,134	8,761	18,759	18,678	18,035
Provisions & Deferred tax liability	2,378	2,340	2,086	1,966	2,205	2,344	4,526
Total non-current liabilities (B)	9,717	15,247	9,220	10,727	20,964	21,022	22,561
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	4,101	5,775	6,072	6,967	6,907	5,779	7,052
ii. Others	20,340	23,340	26,266	27,230	30,697	33,767	45,921
Provisions & Other current liabilities	3,438	3,856	4,363	4,276	4,086	3,760	4,667
Total current liabilities (C)	27,879	32,971	36,701	38,473	41,690	43,306	57,640
Total liabilities (D = B + C)	37,596	48,218	45,921	49,200	62,654	64,328	80,201
Total equity and liabilities (A + D)	92,195	109,253	112,501	121,107	137,245	142,119	164,083

