

October 17, 2023

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers Dalal
Street, Mumbai 400 001
Stock Code: 543227, 974728, 974820 & 975101

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 October 17, 2023

We wish to inform that the Board of Directors of the Company at its meeting held today i.e., October 17, 2023, transacted inter alia the following businesses:

1. Financial results:

Approved the unaudited financial statements of the Company (both standalone and consolidated) prepared in accordance with Indian Accounting Standards (IndAS) for the quarter and half year ended as on September 30, 2023.

2. Interim Dividend for FY 24:

Declared an interim dividend of Rs.2.50/- per equity share of face value Rs.2/- for the financial year 2023-24. Record date for the purpose of interim dividend has been fixed on October 30, 2023, and the dividend will be paid on and after November 13, 2023, to the equity shareholders of the Company whose names appear in the Register of Members of the Company or in the records of Depositories as beneficial owners of shares as on the aforesaid record date.

3. Re-organization of Business Units:

Approved the establishment of its latest Business Unit, Generative AI Business Services (GBS) which will offer full-scale Generative AI offerings across multiple domains. Also approved the formation of the Product and Digital Engineering Services (PDES) Business Unit by combining the Product Engineering Services (PES) and Digital Business Services (DBS) Business Units.

Attached are copies of the financial results together with Auditor's review reports (with UDIN), presentation to Investors and press release covering the results for the quarter and half year ended September 30, 2023, disclosure of security cover and statement of utilisation of issue proceed of NCD.

The Board meeting commenced at 9.00 p.m. and concluded at 9.30 p.m.

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



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF

HAPPIEST MINDS TECHNOLOGIES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **HAPPIEST MINDS TECHNOLOGIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and six months ended September 30, 2023 ("the Statement") which includes the financial statements of Happiest Minds Technologies Share Ownership Trust (the "ESOP trust"), being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent'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 Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 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.

4. The Statement includes the interim financial results of the following entities:

- a) Happiest Minds Inc. (formerly known as PGS Inc) wholly owned subsidiary of Happiest Minds Technologies Limited
- b) Sri Mookambika Infosolutions Private Limited wholly owned subsidiary of Happiest Minds Technologies Limited
- c) Happiest Minds Technologies Share Ownership Plan Trust (the "ESOP trust")

**Deloitte
Haskins & Sells**

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial results of the ESOP trust included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs. 31,196 lakhs as at September 30, 2023 and, total revenues of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2023, total net profit after tax of Rs. 108 Lakhs and of Rs. 173 lakhs for the quarter and six months ended September 30, 2023 and total comprehensive income/(loss) of Rs. (4,133) Lakhs and Rs. 570 Lakhs for the quarter and six months ended September 30, 2023 respectively and net cash flows of Rs. 601 Lakhs for the six months ended September 30, 2022, as considered in the Statement. The interim financial results have been reviewed by other auditor whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of ESOP trust, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

7. We did not review the interim financial results of a subsidiary included in the unaudited consolidated financial results, whose interim financial results reflect total assets of Rs. 4,593 lakhs as at September 30, 2023 and, total revenues of Rs. 2,159 lakhs and Rs. 4,255 lakhs for the quarter and six months ended September 30, 2023, total net profit after tax of Rs. 467 Lakhs and Rs. 857 Lakhs for the quarter and six months ended September 30, 2023 and total comprehensive income of Rs 479 Lakhs and Rs. 877 Lakhs for the quarter and six months ended September 30, 2023 respectively and net cash flows of Rs 896 Lakhs for the six months ended September 30, 2023, as considered in the Statement. The interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of these matters.

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



Vikas Bagaria
Partner
(Membership No. 060408)
(UDIN: 23060408BGYQY5896)

Place: Hyderabad
Date: October 17, 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

Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2023

(Rs. in lakhs)

SI No	Particulars	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,386	13,278
	Capital work-in-progress	331	185
	Goodwill	13,997	13,913
	Other intangible assets	9,077	10,182
	Right-of-use assets	6,728	5,786
	Intangible assets under development	-	81
	Financial assets:		
	i. Investments	1,054	1,296
	ii. Other financial assets	15,366	9,389
	Income tax assets (net)	1,966	1,310
	Deferred tax assets, net	1,307	1,246
	Other assets	12	119
	Total non-current assets	63,224	56,785
B	Current assets		
	Financial assets		
	i. Investments	-	-
	ii. Trade receivables	23,308	21,319
	iii. Cash and cash equivalents	4,292	6,999
	iv. Bank balance other than cash and cash equivalents	1,09,389	62,184
	v. Loans	100	64
	vi. Other financial assets	13,838	12,237
	Other assets	6,184	4,495
	Total current assets	1,57,111	1,07,298
	Total assets (A+B)	2,20,335	1,64,083
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,980	2,866
	Other equity	1,36,423	81,016
	Total Equity	1,39,403	83,882
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	10,876	11,278
	ii. Lease liabilities	5,344	4,761
	iii. Other financial liabilities	1,737	1,996
	Provisions	2,929	2,466
	Deferred tax liabilities (net)	1,702	2,060
	Non-current liabilities	22,588	22,561
E	Current liabilities		
	Contract liability	1,684	1,157
	Financial liabilities		
	i. Borrowings	34,320	35,477
	ii. Lease liabilities	2,452	1,859
	iii. Trade payables		
	(A) Total outstanding dues of micro and small enterprises	87	83
	(B) Total outstanding dues of creditors other than micro and small enterprises	7,717	6,969
	iv. Other financial liabilities	7,254	7,428
	Income tax liabilities (net)	324	517
	Other current liabilities	2,313	2,375
	Provisions	2,193	1,775
	Total current liabilities	58,344	57,640
F	Total liabilities (D+E)	80,932	80,201
	Total equity and liabilities (C+F)	2,20,335	1,64,083



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(Rs. in lakhs)

Statement of Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2023

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
I. Revenue						
(a) Revenue from operations	40,662	39,087	35,551	79,749	68,443	1,42,929
(b) Other income	2,221	1,366	382	3,587	486	2,111
Total revenue	42,883	40,453	35,933	83,336	68,929	1,45,040
II. Expenses						
(a) Employee benefits expense	25,510	23,543	19,856	49,053	37,690	80,681
(b) Finance costs	1,115	1,007	452	2,122	735	2,186
(c) Depreciation and amortisation expense	1,455	1,424	971	2,879	1,905	4,191
(d) Other expenses	6,891	6,611	6,643	13,502	13,030	26,362
Total expenses	34,971	32,585	27,922	67,556	53,360	1,13,420
III. Profit before exceptional items and tax (I-II)	7,912	7,868	8,011	15,780	15,569	31,620
IV. Exceptional items (refer note 9)	-	-	-	-	-	634
V. Profit before tax (III-IV)	7,912	7,868	8,011	15,780	15,569	30,986
VI. Tax expense						
Current tax	2,237	2,280	1,638	4,517	3,963	8,508
Deferred tax charge / (credit)	(171)	(245)	432	(416)	31	(621)
Total Tax expense	2,066	2,035	2,070	4,101	3,994	7,887
VII. Profit for the period / year (V-VI)	5,846	5,833	5,941	11,679	11,575	23,099
VIII. Other comprehensive income, net of tax [(loss)/profit]						
(i) Items to be reclassified to profit or loss in subsequent periods / year						
a) Exchange difference on translation of foreign operation	92	(12)	208	80	455	517
b) Net change in fair value of derivatives designated as cash flow hedges	(464)	836	(608)	372	(1,579)	(632)
c) Income tax effect on above	116	(210)	153	(94)	397	159
(ii) Items not to be reclassified to profit or loss in subsequent periods / year						
a) Re-measurement of defined benefit plans	(165)	(20)	(313)	(185)	(182)	(155)
b) Income tax effect on above	42	5	79	47	46	39
c) Net change in equity instruments through other comprehensive income	(260)	-	-	(260)	-	(351)
d) Income tax effect on above	55	-	-	55	-	74
IX. Total comprehensive income for the period / year (VII+VIII)	5,262	6,432	5,460	11,694	10,712	22,750
X. Paid-up equity share capital (Rs. 2/- each)	2,980	2,872	2,861	2,980	2,861	2,866
XI. Other equity						81,016
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):						
Basic EPS (Rs.)	3.92	4.04	4.15	7.96	8.10	16.13
Diluted EPS (Rs.)	3.90	4.02	4.09	7.92	7.99	16.01



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Unaudited Consolidated Statement of Cash Flows for the half year ended September 30, 2023

(Rs. in lakhs)

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	15,780	15,569
Adjustments to reconcile profits before tax to net cash flows:		
Depreciation and amortization expense	2,879	1,905
Share-based payment expense	23	70
Gain on investments carried at fair value through profit and loss	-	(556)
Gain on sale of investments carried at fair value through profit and loss	(1)	(173)
Interest income	(3,331)	(429)
Net unrealised foreign exchange loss / (gain)	109	841
Rent concession	-	(71)
Impairment loss on financial assets	307	2
Finance costs	2,122	735
Operating profit before working capital changes	17,888	17,893
Movements in working capital		
(Increase) in trade receivables	(2,211)	(5,024)
(Increase) in loans	(36)	(55)
(Increase) in other assets	(1,582)	(95)
Increase in financial assets	(686)	(1,986)
Increase in trade payables	739	709
(Decrease)/ Increase in financial liabilities	(189)	(71)
Increase in provisions	696	403
(Decrease)/ Increase in contract liabilities	527	(751)
(Decrease)/ Increase in other non-financial liabilities	(72)	(587)
Cash generated from operating activities	15,074	10,436
Income tax paid	(5,364)	(4,725)
Net cash generated from operating activities (A)	9,710	5,711
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(423)	(12,120)
Purchase of intangible assets	(230)	(384)
Investments in fixed deposits, net	(49,439)	(23,411)
Investments in mutual funds	(350)	(1,001)
Proceeds from sale of mutual funds	351	21,720
Interest received	(1,455)	40
Net cash used in investing activities (B)	(51,546)	(15,156)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(1,471)	(1,175)
Proceeds from long-term borrowings	-	12,383
Net proceeds/ (repayment) of short-term borrowings	(1,164)	1,143
Proceeds from issue of redeemable non-convertible debentures	7,992	-
Payment of principal portion of lease liabilities	(1,002)	(1,011)
Payment of interest portion of lease liabilities	(298)	(255)
Proceeds from issue of equity shares	48,593	-
Dividend paid	(4,879)	(2,856)
Proceeds from exercise of share options	92	85
Interest paid	(1,633)	(425)
Net cash generated from financing activities (C)	46,230	7,889
Net increase in cash and cash equivalents (A+B+C)	4,394	(1,556)
Net foreign exchange difference	(1)	91
Cash and cash equivalents at the beginning of the period	6,999	6,729
Less : Bank overdraft at the beginning of the year	(7,119)	-
Cash and cash equivalents at the end of the period	4,273	5,264
Components of cash and cash equivalents		
Balance with banks		
- on current account	3,489	4,277
- in EEFC accounts	803	987
Less : Bank overdraft	(19)	-
Total cash and cash equivalents	4,273	5,264



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

Sr. No	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
1	Debt-Equity ratio	0.38	0.58	0.53	0.38	0.53	0.64
2	Debt Service Coverage ratio (DSCR)	5.00	5.15	4.92	5.08	5.28	4.95
3	Interest Service Coverage ratio (ISCR)	8.50	9.29	18.76	8.87	23.63	16.04
4	Current ratio	2.69	2.00	1.96	2.69	1.96	1.86
5	Long-term Debt to Working Capital ratio	0.12	0.22	0.36	0.12	0.36	0.27
6	Bad debts to Trade receivable ratio	-	-	-	-	-	-
7	Current liability ratio	0.72	0.72	0.67	0.72	0.67	0.72
8	Total Debt to total Assets ratio	0.24	0.31	0.29	0.24	0.29	0.33
9	Trade Receivable Turnover Ratio	7.29	6.82	7.23	7.15	6.96	7.51
10	Operating margin (%)	0.20	0.23	0.25	0.22	0.26	0.25
11	Net profit margin (%)	0.14	0.15	0.17	0.15	0.17	0.16
12	Inventory turnover ratio	NA	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	1,38,934	89,449	74,500	1,38,934	74,500	83,486

Note:

a. The aforesaid ratios for quarter and half year ended September 30, 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	$\frac{\text{Total Debt (including Lease liabilities)}}{\text{Shareholder's Equity}}$
2	Debt Service Coverage ratio (DSCR)	$\frac{\text{Profit after tax + Finance cost + Non cash operating expense}}{\text{Interest on Long-term borrowings + Principal Repayments of Long-term borrowings+ Lease Payments}}$
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	$\frac{\text{Total Debt (including lease liabilities)}}{\text{Total Assets}}$
9	Trade Receivable Turnover Ratio	$\frac{\text{Net revenue (Annualised)}}{\text{Average Trade receivables}}$
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	Not applicable
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 Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2023

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Unaudited Consolidated Financial Results for the quarter and half ended September 30, 2023 ("Unaudited 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 October 17, 2023.

2. The unaudited financials results for quarter and half year ended September 30, 2022 and in respect of comparative financial results for the quarter ended June 30, 2023 was subjected to a limited review by the Statutory Auditors of the Company.

3. The Unaudited 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 October 17, 2023 has declared an interim dividend of Rs.2.50/- per equity share of face value Rs.2/- for the financial year 2023-24. Record date for the purpose of interim dividend has been fixed on October 30, 2023 and the dividend will be paid on and after November 13, 2023.

5. The Group raised capital of Rs.50,000 lakhs through Qualified Institutions Placement ("QIP") of equity shares. The Fund-Raising Committee of the Board of Directors of the Company, at its meeting held on July 14, 2023, approved the allotment of 54,11,255 equity shares of face value Rs.2 each to eligible investors at a price Rs.924 per equity share (including a premium of Rs.922 per equity share).

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

(Rs. in lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
Total revenue (including other income)	39,228	37,098	34,176	76,326	65,091	1,35,489
Profit before tax	7,417	7,758	7,559	15,175	14,585	29,168
Profit for the period / year	5,453	5,744	5,531	11,197	10,785	21,638
Total comprehensive income for the period / year ended	4,959	6,348	4,842	11,307	9,467	21,072

7. 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 Services (DBS) and Product Engineering Services (PES).

Segment wise revenue and results are as follows:

(Rs. in lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
1. Segment revenue						
IMSS	7,381	7,516	7,904	14,897	15,259	30,694
DBS	11,672	11,175	10,719	22,847	20,623	43,070
PES	21,609	20,396	16,928	42,005	32,561	69,165
Total	40,662	39,087	35,551	79,749	68,443	1,42,929
2. Segment results						
IMSS	1,826	1,988	2,492	3,814	4,589	9,243
DBS	2,936	3,168	3,172	6,104	6,334	12,138
PES	7,733	7,406	6,982	15,139	13,849	27,870
Total	12,495	12,562	12,646	25,057	24,772	49,251
Unallocable other income	2,221	1,366	382	3,587	486	2,111
Unallocable finance cost	(1,054)	(949)	(452)	(2,003)	(735)	(2,102)
Unallocable depreciation and amortisation expenses	(870)	(754)	(971)	(1,624)	(1,905)	(2,997)
Other unallocable expenses	(4,880)	(4,357)	(3,594)	(9,237)	(7,049)	(15,276)
Tax (expense) / credit	(2,066)	(2,035)	(2,070)	(4,101)	(3,994)	(7,888)
Profit after tax	5,846	5,833	5,941	11,679	11,575	23,099

Segment wise assets and liabilities are as follows:

(Rs. in lakhs)

Particulars	As at	
	September 30, 2023	March 31, 2023
	(Unaudited)	(Audited)
1. Segment assets		
IMSS	6,971	6,420
DBS	20,939	19,590
PES	36,215	34,452
Other unallocable assets	1,56,210	1,03,621
Total assets	2,20,335	1,64,083
2. Segment liabilities		
IMSS	813	965
DBS	5,378	6,560
PES	9,126	8,775
Other unallocable liabilities	65,615	63,901
Total liabilities	80,932	80,201



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Notes to Statement of Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2023

8. 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.

9. 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 and any increase in the liability has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item'.

10. 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.

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

12. The above Unaudited Consolidated Financial 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: October 17, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF

HAPPIEST MINDS TECHNOLOGIES LIMITED

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Happiest Minds Technologies Limited ("the Company"), for the quarter and six months ended September 30, 2023 ("the Statement"), which includes the financial statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP trust"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India (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 Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.

4. Based on our review conducted as stated in paragraph 3 above and based on the consideration of the review report of the other auditor as referred in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Deloitte
Haskins & Sells**

5. We did not review the interim financial results of the ESOP trust included in the unaudited standalone financial results, whose interim financial results reflect total assets of Rs. 31,196 lakhs as at September 30, 2023 and, total revenues of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2023, total net profit after tax of Rs.108 Lakhs and of Rs.173 lakhs for the quarter and six months ended September 30, 2023 and total comprehensive income/(loss) of Rs. (4,133) Lakhs and Rs. 570 Lakhs for the quarter and six months ended September 30, 2023, and net cash flows of Rs. 601 for the six months ended September 30, 2023 as considered in the Statement. The interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of ESOP trust, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

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



Vikas Bagaria
(Partner)

(Membership No. 060408)

(UDIN: 23060408BGYGQZ7739)

Place: Hyderabad
Date: October 17, 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: Investors@happiestminds.com , Tel: +91 80 6196 0300

Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2023

(Rs. in lakhs)

SI No	Particulars	As at September 30, 2023 (Unaudited)	As at March 31, 2023 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,256	13,111
	Capital work-in-progress	331	185
	Goodwill	611	611
	Other intangible assets	496	394
	Right-of-use assets	6,729	5,786
	Intangible assets under development	-	81
	Financial assets:		
	i. Investments	19,719	19,719
	ii. Loans	1,661	2,465
	iii. Other financial assets	15,339	9,349
	Income tax assets (net)	1,601	1,196
	Deferred tax assets, net	1,307	1,246
	Other assets	12	93
	Total non-current assets	61,062	54,236
B	Current assets		
	Financial assets		
	i. Investments	-	-
	ii. Trade receivables	21,325	19,885
	iii. Cash and cash equivalents	2,694	5,966
	iv. Bank balance other than cash and cash equivalents	1,08,146	61,441
	v. Loans	870	64
	vi. Other financial assets	13,620	11,901
	Other assets	5,900	4,147
	Total current assets	1,52,555	1,03,404
	Total assets (A+B)	2,13,617	1,57,640
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,980	2,866
	Other equity	1,34,753	79,732
	Total Equity	1,37,733	82,598
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	10,876	11,278
	ii. Lease liabilities	5,507	4,761
	iii. Other financial liabilities	1,737	1,996
	Provisions	2,637	2,179
	Total non-current liabilities	20,757	20,214
E	Current liabilities		
	Contract liability	1,022	759
	Financial liabilities		
	i. Borrowings	35,219	36,377
	ii. Lease liabilities	2,289	1,859
	iii. Trade payables		
	(A) Total outstanding dues of micro and small enterprises	87	83
	(B) Total outstanding dues of creditors other than micro and small enterprises	6,653	6,160
	iv. Other financial liabilities	5,495	5,590
	Other current liabilities	2,206	2,243
	Provisions	2,156	1,757
	Total current liabilities	55,127	54,828
F	Total liabilities (D+E)	75,884	75,042
	Total equity and liabilities (C+F)	2,13,617	1,57,640

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(Rs. in lakhs)

Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2023

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
I. Revenue						
(a) Revenue from operations	37,001	35,705	33,765	72,706	64,546	1,33,255
(b) Other income	2,227	1,393	411	3,620	545	2,234
Total revenue	39,228	37,098	34,176	76,326	65,091	1,35,489
II. Expenses						
(a) Employee benefits expense	23,876	21,899	19,719	45,775	37,410	78,690
(b) Finance costs	1,119	1,011	451	2,130	688	2,150
(c) Depreciation and amortisation expense	868	755	739	1,623	1,449	2,996
(d) Other expenses	5,948	5,675	5,708	11,623	10,959	22,485
Total expenses	31,811	29,340	26,617	61,151	50,506	1,06,321
III. Profit before exceptional items and tax (I-II)	7,417	7,758	7,559	15,175	14,585	29,168
IV. Exceptional items (refer note 7)	-	-	-	-	-	-
V. Profit before tax (III-IV)	7,417	7,758	7,559	15,175	14,585	29,168
VI. Tax expense						
Current tax	1,981	2,096	1,538	4,077	3,655	7,889
Deferred tax charge / (credit)	(17)	(82)	490	(99)	145	(359)
Total tax expense	1,964	2,014	2,028	3,978	3,800	7,530
VII. Profit for the period / year (V-VI)	5,453	5,744	5,531	11,197	10,785	21,638
VIII. Other comprehensive income, net of tax [(loss)/profit]						
(i) Item to be reclassified to profit or loss in subsequent periods / year						
Net movement on effective portion of cash flow hedges [gains/ (losses)]	(464)	836	(608)	372	(1,579)	(631)
Income tax effect	116	(210)	153	(94)	397	159
(ii) Item not to be reclassified to profit or loss in subsequent periods / year						
Re-measurement gains/ (losses) on defined	(194)	(30)	(313)	(224)	(182)	(125)
Income tax effect	48	8	79	56	46	31
IX. Total comprehensive income for the period / year (VII-VIII)	4,959	6,348	4,842	11,307	9,467	21,072
X. Paid-up equity share capital (Rs. 2/- each)	2,980	2,872	2,861	2,980	2,861	2,866
XI. Other equity						79,732
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):						
Basic EPS (Rs.)	3.66	3.98	3.86	7.63	7.55	15.11
Diluted EPS (Rs.)	3.64	3.96	3.81	7.60	7.45	15.00

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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: Investors@happiestminds.com , Tel: +91 80 6196 0300

Unaudited Standalone Statement of Cash Flows for the half year ended September 30, 2023

(Rs. in lakhs)

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	15,175	14,585
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	1,623	1,449
Share-based payment expense	23	70
Gain on investments carried at fair value through profit and loss	-	(556)
Gain on sale of investments carried at fair value through profit and loss	(1)	(173)
Interest income	(3,361)	(491)
Net unrealised foreign exchange loss / (gain)	107	826
Rent concession	-	(71)
Impairment loss on financial assets	243	2
Finance costs	2,130	688
Operating profit before working capital changes	15,939	16,329
Movements in working capital		
Increase in trade receivables	(1,625)	(3,308)
Decrease in loans	24	(54)
Increase in other assets	(1,672)	(20)
Increase in financial assets	(788)	(1,884)
Increase in trade payables	502	909
Increase in financial liabilities	(84)	(71)
Increase in provisions	633	403
Increase in contract liabilities	263	(748)
Increase in other non-financial liabilities	(36)	(564)
Cash generated from operating activities	13,156	10,992
Income tax paid	(4,482)	(4,279)
Net cash generated from operating activities (A)	8,674	6,713
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(423)	(12,120)
Purchase of intangible assets	(230)	(384)
Investments in fixed deposits, net	(48,940)	(23,410)
Loan to subsidiary	-	-
Investment in mutual funds	(350)	(1,001)
Proceeds from sale of mutual funds	351	21,720
Interest received	(1,458)	36
Net cash used in investing activities (B)	(51,050)	(15,159)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(1,471)	(1,175)
Proceeds from long-term borrowings	-	12,383
Net proceeds/ (repayment) of short-term borrowings	(1,164)	1,143
Proceeds from issue of redeemable non-convertible debentures	7,992	-
Payment of principal portion of lease liabilities	(1,002)	(1,011)
Payment of interest portion of lease liabilities	(298)	(255)
Proceeds from issue of equity shares (Net of share issue expenses)	48,593	-
Dividend paid	(4,879)	(2,856)
Proceeds from exercise of share options	92	85
Interest paid	(1,650)	(425)
Net cash generated from financing activities (C)	46,213	7,889
Net increase in cash and cash equivalents (A+B+C)	3,837	(557)
Net foreign exchange difference	(8)	41
Cash and cash equivalents at the beginning of the period	5,966	5,601
Less : Bank overdraft at the beginning of the year	(7,119)	-
Cash and cash equivalents at the end of the period	2,676	5,085
Components of cash and cash equivalents		
Balance with banks		
- on current account	2,533	4,098
- in EEFC accounts	161	987
Less : Bank overdraft	(18)	-
Total cash and cash equivalents	2,676	5,085

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

Sr. No	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
1	Debt-Equity ratio	0.39	0.60	0.53	0.39	0.53	0.66
2	Debt Service Coverage ratio (DSCR)	4.42	4.68	4.49	4.55	4.80	4.50
3	Interest Service Coverage ratio (ISCR)	7.92	9.04	17.76	8.45	22.20	14.86
4	Current ratio	2.77	2.05	2.01	2.77	2.01	1.89
5	Long-term Debt to Working Capital ratio	0.13	0.23	0.36	0.13	0.36	0.27
6	Bad debts to Trade receivable ratio	-	-	-	-	-	-
7	Current liability ratio	0.73	0.73	0.67	0.73	0.67	0.73
8	Total Debt to total Assets ratio	0.25	0.33	0.30	0.25	0.30	0.34
9	Trade Receivable Turnover Ratio	7.18	6.66	7.46	7.06	7.13	7.40
10	Operating margin (%)	0.19	0.23	0.25	0.21	0.25	0.24
11	Net profit margin (%)	0.15	0.16	0.16	0.15	0.17	0.16
12	Inventory turnover ratio	NA	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	1,37,599	88,526	74,325	1,37,599	74,325	82,662

Note:

a. The aforesaid ratios for quarter and half year ended September 30, 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	$\frac{\text{Total Debt (including Lease liabilities)}}{\text{Shareholder's Equity}}$
2	Debt Service Coverage ratio (DSCR)	$\frac{\text{Profit after tax + Finance cost + Non cash operating expense}}{\text{Interest on Long-term borrowings + Principal Repayments of Long-term borrowings+ Lease Payments}}$
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	$\frac{\text{Total Debt (Including lease liabilities)}}{\text{Total Assets}}$
9	Trade Receivable Turnover Ratio	$\frac{\text{Net revenue (Annualised)}}{\text{Average Trade receivables}}$
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	Not applicable
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 Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2023

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2023 ("Unaudited 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 October 17, 2023 and subjected to a limited review by the Statutory Auditors of the Company.

2. The unaudited financials results for the quarter and half year ended September 30, 2022 and in respect of comparative financial results for the quarter ended June 30, 2023 was subjected to a limited review by the Statutory Auditors of the Company.

3. The Unaudited 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 October 17, 2023 has declared an interim dividend of Rs.2.50/- per equity share of face value Rs.2/- for the financial year 2023-24. Record date for the purpose of interim dividend has been fixed on October 30, 2023 and the dividend will be paid on and after November 13, 2023.

5. The Company raised capital of Rs.50,000 lakhs through Qualified Institutions Placement ("QIP") of equity shares. The Fund-Raising Committee of the Board of Directors of the Company, at its meeting held on July 14, 2023, approved the allotment of 54,11,255 equity shares of face value Rs.2 each to eligible investors at a price Rs.924 per equity share (including a premium of Rs.922 per equity share).

6. The Company publishes unaudited standalone financial results along with the unaudited consolidated financial results. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the unaudited interim consolidated financial results. Accordingly, the segment information is given in the unaudited consolidated financial results of Happiest Minds Technologies Limited and its subsidiary for the quarter ended June 30, 2023.

7. 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.

8. 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.

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

10. The above Unaudited Standalone Financial 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

October 17, 2023

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers Dalal
Street, Mumbai 400 001
Stock Code: 974728, 974820 & 975101

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

Dear Sir/Madam,

Subject: Disclosure under Regulation 52(7) and 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 52(7) and 52(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the statement of utilization of issue proceeds of Non-convertible Debentures (NCDs) and the statement of deviation/variation, if any, in use of proceeds of issue of NCDs for the quarter ended September 30, 2023, in the format prescribed under SEBI Circular No. SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/0000000103 dated July 29, 2022.

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

Securities for quarter ended September 30, 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	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	Debentures	March 27, 2023	45	45	No	-	NA
	INE419U08025	Private Placement	Debentures	May 8, 2023	45	45	No	-	NA
	INE419U08033	Private Placement	Debentures	September 26, 2023	35	35	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 Securities (Debentures)		
Date of raising funds	March 27, 2023	May 08, 2023	September 26, 2023
Amount raised	Rs. 45.00 Crs	Rs. 45.00 Crs	Rs. 35.00 Crs
Report filed for quarter ended	September 30, 2023	September 30, 2023	September 30, 2023
Is there a deviation/ variation in use of funds raised?	No	No	No

Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?			NA	NA	NA	NA	
If yes, details of the approval so required?			NA	NA	NA	NA	
Date of approval			NA	NA	NA	NA	
Explanation for the deviation/ variation			NA	NA	NA	NA	
Comments of the audit committee after review			NA	NA	NA	NA	
			Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:				
ISIN	Original object	Modified object, if any	Original allocation (In Rs. Crore)	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
INE419U08017	General corporate purposes	NA	45	NA	45	0	NA
INE419U08025	General corporate purposes	NA	45	NA	45	0	NA
INE419U08033	General corporate purposes	NA	35	NA	35	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: October 17, 2023				

October 17, 2023

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers Dalal
Street, Mumbai 400 001
Stock Code: 974728, 974820 & 975101

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: Disclosure under Regulation 54(2) & 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Pursuant to Regulation 54(2) & 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Non-convertible Debentures issued by the Company as on September 30, 2023 are unsecured and the regulation relating to disclosure of security cover is not applicable to the Company.

We enclose herewith a 'NIL/NA' report with respect to security cover for the quarter ended September 30, 2023 in the format prescribed under Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2023/50 dated 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



Format for Security Cover

Annexure

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not Offered as Security	Elimination (amount in negative)	(Total C to H)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/ book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value (=K+L+M+N)
		Book Value	Book Value	Yes/ No	Book Value	Book Value						Relating to Column F		
ASSETS														
Property, Plant and Equipment	NIL/NOT APPLICABLE													
Capital Work-in- Progress														
Right of Use Assets														
Goodwill														
Intangible Assets														
Intangible Assets Under Development														
Investments														
Loans														
Inventories														
Trade Receivables														
Cash and Cash Equivalents														
Bank Balances other than Cash and Cash Equivalents														
Others														
Total														
LIABILITIES														
Debt securities to which this certificate pertains														
Other debt Sharing pari-passu charge with above debt														
Other Debt														
<i>Subordinated debt</i>														
<i>Borrowings</i>														
<i>Bank</i>														
<i>Debt Securities</i>														
<i>Others</i>														
<i>Trade payables</i>														
<i>Lease Liabilities</i>														
<i>Provisions</i>														
<i>Others</i>														
Total														
Cover on Book Value														
Cover on Market Value														

Investor Presentation & FACT SHEET: Q2 FY 24

October 2023

About Happiest Minds

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

<p>95% Digital Born Digital</p>	<p>94% Agile Born Agile</p>	<p>244 Active Clients 57 Fortune2000 / Forbes200 Billion \$ Corporations 88% Repeat Business</p>	<p>22.9% RoCE¹ 16.9% RoE</p>
<p>Mission Statement Happiest People Happiest Customers SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>5,285 Happiest Minds across 7 Countries 28.1% Gender Diversity 4.2 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 50 India's Best Workplaces™ for Women 2023 • Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023 • Top 100 India's Best Companies to Work for 2023 	<p>Revenue Growth in CC* 3.6% q-o-q 11.6% y-o-y EBITDA margin 24.4%</p>

Promoter



Ashok Soota

 **IPO** - In September 2020

- Completed 12 years in August 2023
- Successful QIP Fund raise of ₹500 Cr /US \$61 Mn in July 2023
- Strong Management Team & Corporate Governance
- 750K+ Investors
- Robust Growth and Profitability

**Great
Place
To
Work[®]**

Gold
**Microsoft
Partner**



Digital Case Study Awards 2022

Media and Entertainment

North America



*Constant Currency

Note 1 : RoCE / RoE is six-month annualized. Sequential drop due to capital raise(QIP)

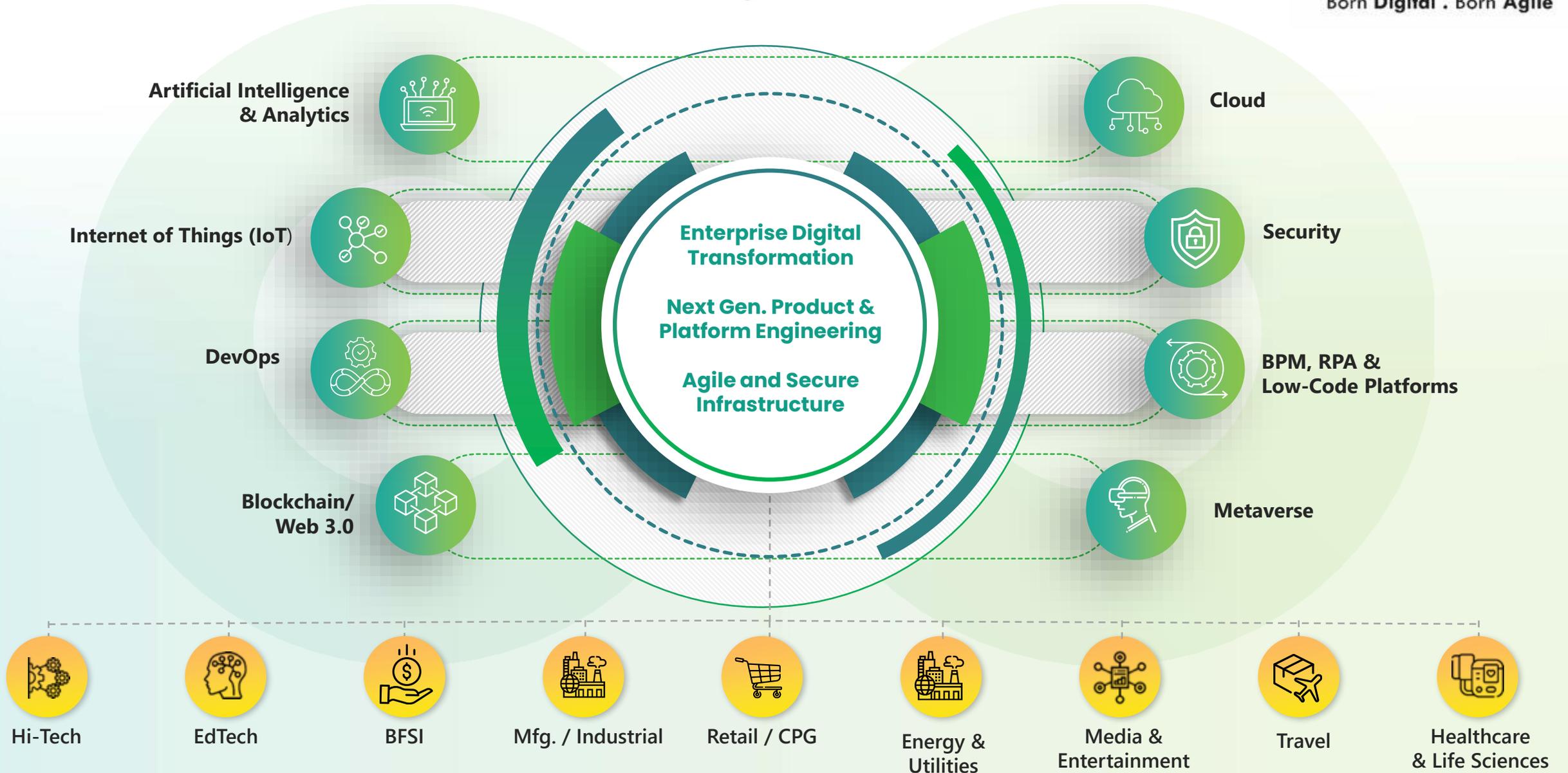
Mission, Vision and Values

Our 2021-31 Vision - DELiGHT

Our SMILES Values



Focus on Disruptive Technologies



Born Digital . Born Agile . The Mindful IT Company

CREATING DIGITAL CAPITAL

Business Transformation



Business Insights



Platformize & Modernize



Reimagining Customer Experience



being mindful

In The Moment

doing mindful

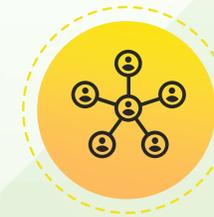
Perceive Immersively

Process Non-judgementally

Perform Empathetically

MINDFULLY AGILE

Agile Organization



Agile Business



Agile Delivery



Engineering & Operational Excellence



Key Project Wins

For a **large and global online retailer and hyperscaler**, Happiest Minds was chosen to design interactive user interfaces and to provide automation services for their IoT division



For a **global fabless semiconductor company** specializing in 5G and cellular networks, Happiest Minds was chosen to provide ASIC Design & Verification services



For a **large utilities company** in the United States, this new win entails Happiest Minds to be a key partner for providing data engineering and governance services



For a **multibillion-dollar enterprise in the energy distribution sector**, Happiest Minds was chosen to transform their document management systems for automated retention, intelligent search and faster retrieval next generation digital platforms



For an **industrial internet platforms provider** specializing in AI, IoT, and big data technologies, this new win entails Happiest Minds to build their data platform for their farm-to-table process



For a **US based networking services company**, Happiest Minds was chosen to transform their service delivery platform to drive user experience and end user outcomes



For a **leading warehouse club operator** in the United States, Happiest Minds is engaged in providing security assessment services which includes threat modelling and application security



For a **large Australian consumer durables retailer**, Happiest Minds is engaged in providing business intelligence and data visualization services



For a **large ANZ based retail property group**, Happiest Minds is engaged in delivering performance testing & vulnerability assessment



For a **Southeast Asian Bottling company**, Happiest Minds is engaged in setting up their automation Center of Excellence leveraging Microsoft Power Platform



Awards & Analyst Mentions



Top 50 India's Best Workplaces for Women™ 2023



'Cybersecurity Champion of the Year' at 100 CISO Forum – Summit & Awards 2023, Dubai



'IBM THINK Partner Excellence Award (Top Partner)' Trailblazers of 2023



Happiest Minds' work for DoubleVerify has been recognized by ISG as Standout in the 2022 Digital Case Study Awards

ANALYST MENTIONS





Operational and Financial Metrics – Q2 FY24

Results Q2 FY 24

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q2 FY 24	Q1 FY 24	QoQ	Q2 FY 23	YoY	HY 24	HY 23	YoY
Revenues	40,662	39,087	4.0%	35,551	14.4%	79,749	68,443	16.5%
Other Income	2,221	1,366	-	382	-	3,587	486	-
Total Income	42,883	40,453	6.0%	35,933	19.3%	83,336	68,929	20.9%
EBITDA	10,482	10,299	1.8%	9,434	11.1%	20,781	18,209	14.1%
%	24.4%	25.5%		26.3%		24.9%	26.4%	
PBT	7,912	7,868	0.6%	8,011	(1.2)%	15,780	15,569	1.4%
%	18.5%	19.4%		22.3%		18.9%	22.6%	
Tax	2,066	2,035	-	2,070	-	4,101	3,994	-
%	4.8%	5.0%		5.8%		4.9%	5.8%	
PAT	5,846	5,833	0.2%	5,941	(1.6)%	11,679	11,575	0.9%
%	13.6%	14.4%		16.5%		14.0%	16.8%	
Revenues (\$'000)	49,121	47,566	3.3%	44,347	10.8%	96,687	86,571	11.7%
Growth in Constant Currency		-	3.6%	-	11.6%	-	-	12.7%

Born Digital. Born Agile

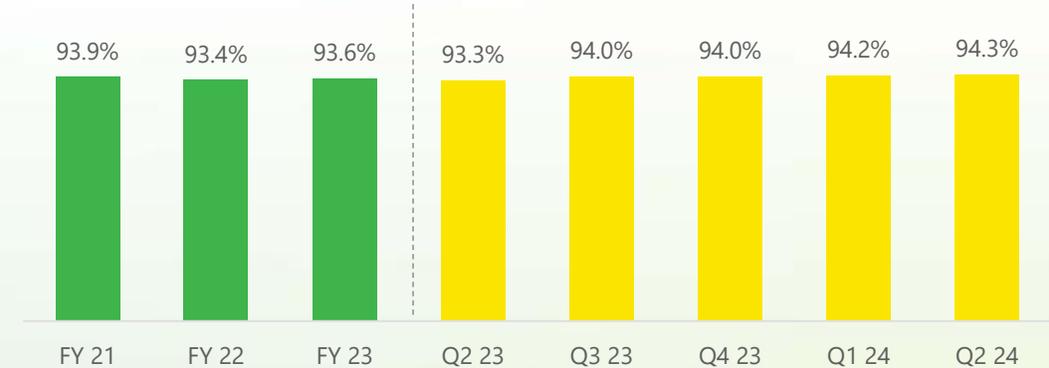
Digital

% of Revenue



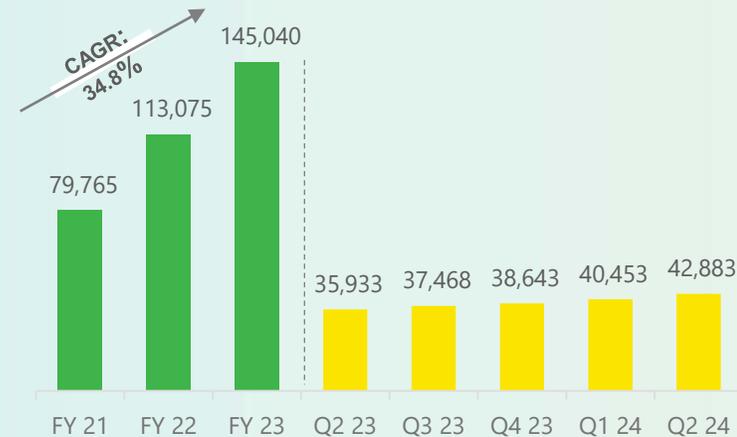
Agile

% of Revenue

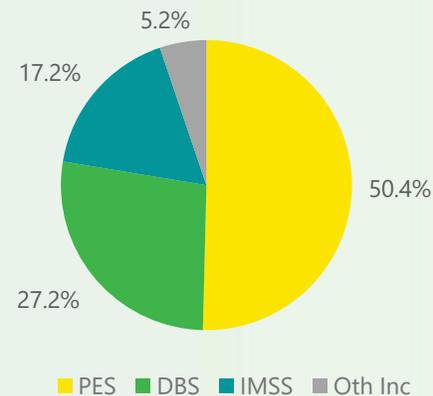


Revenue

Total Income (₹ Lakhs)



Revenue by BU



Tenure of Customer

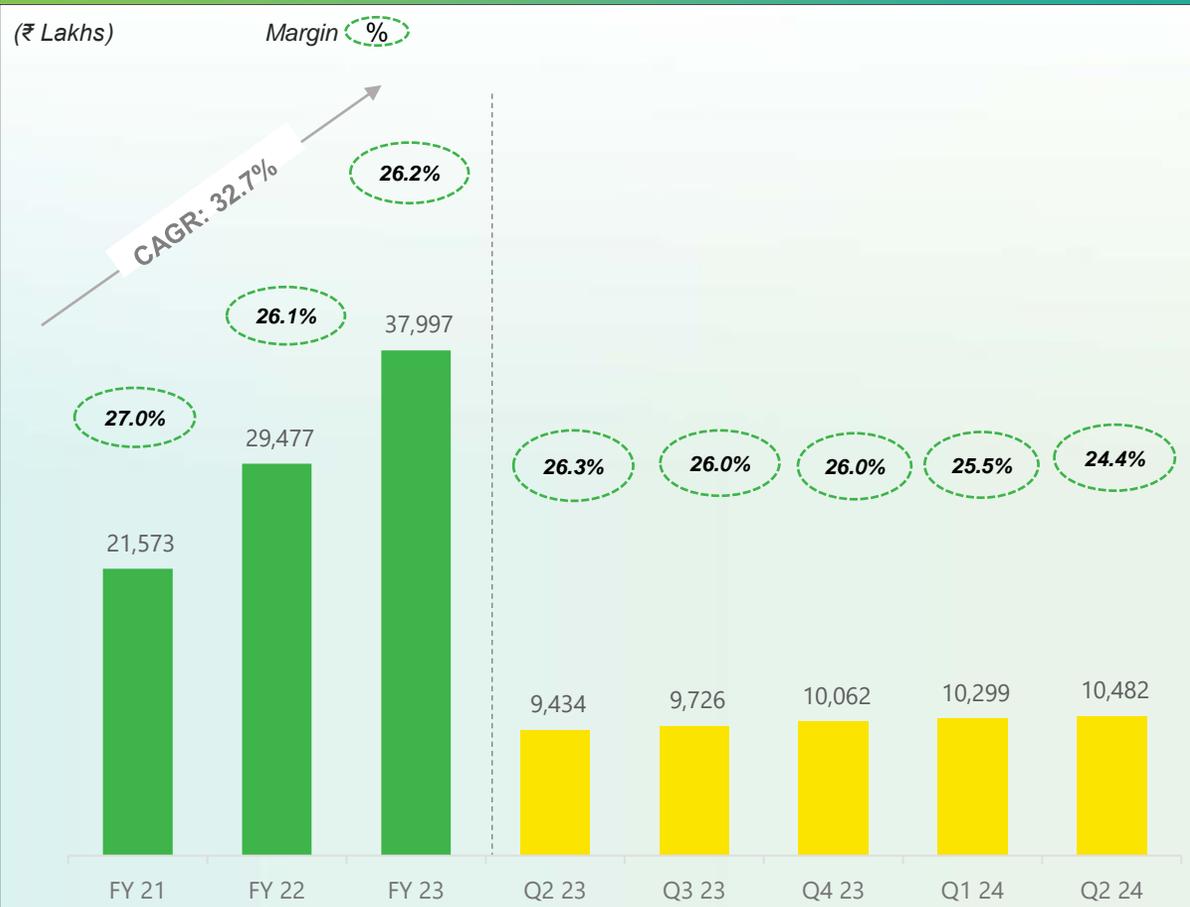
% revenue from Clients



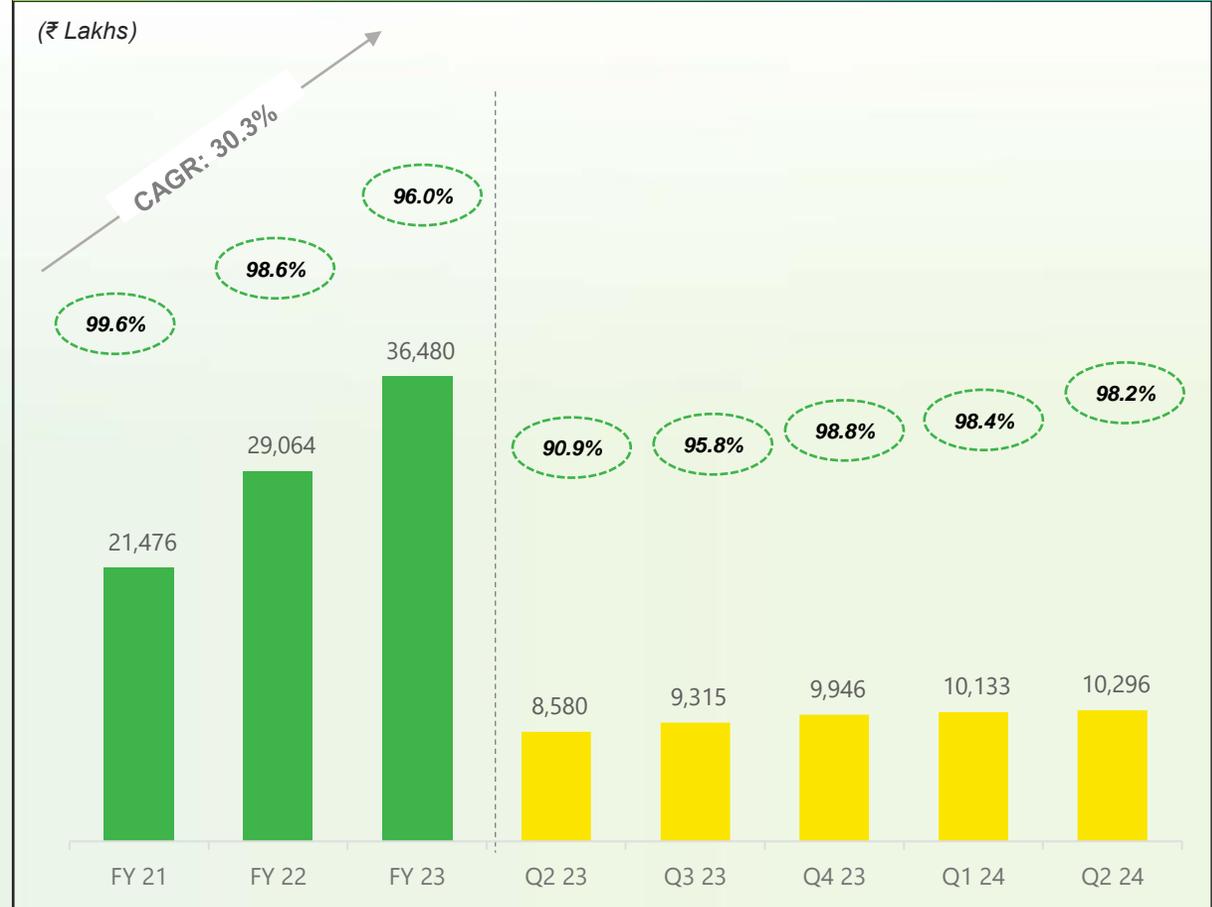
PES : Product Engineering Services; DBS : Digital Business Solutions; IMSS : Infrastructure Management and Security Services

Operational & Financial Metrics

EBITDA

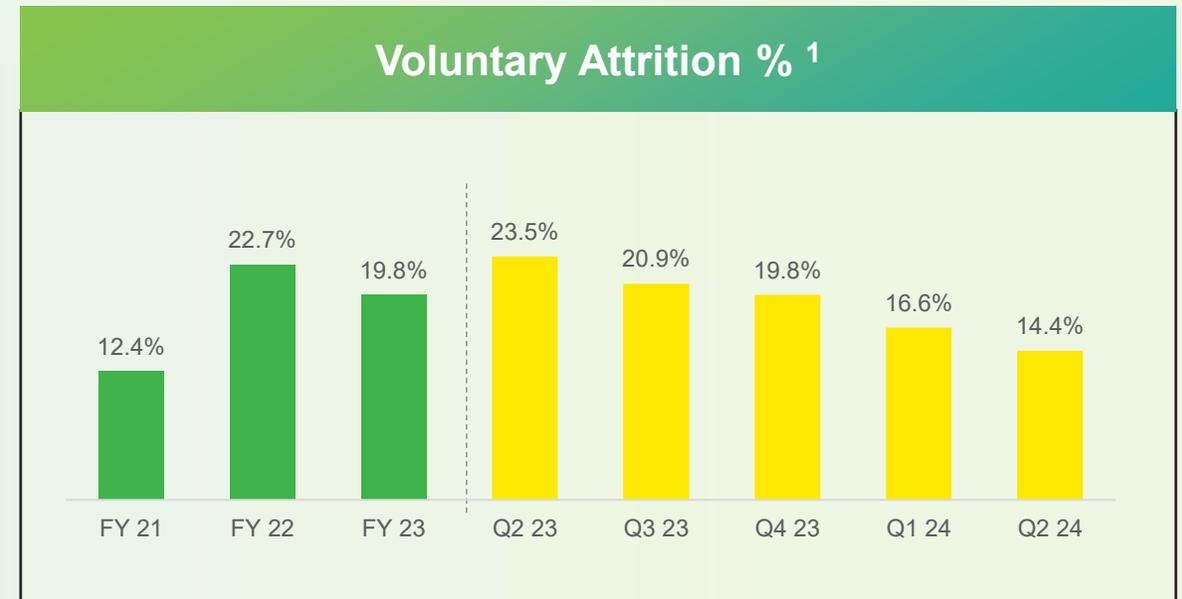
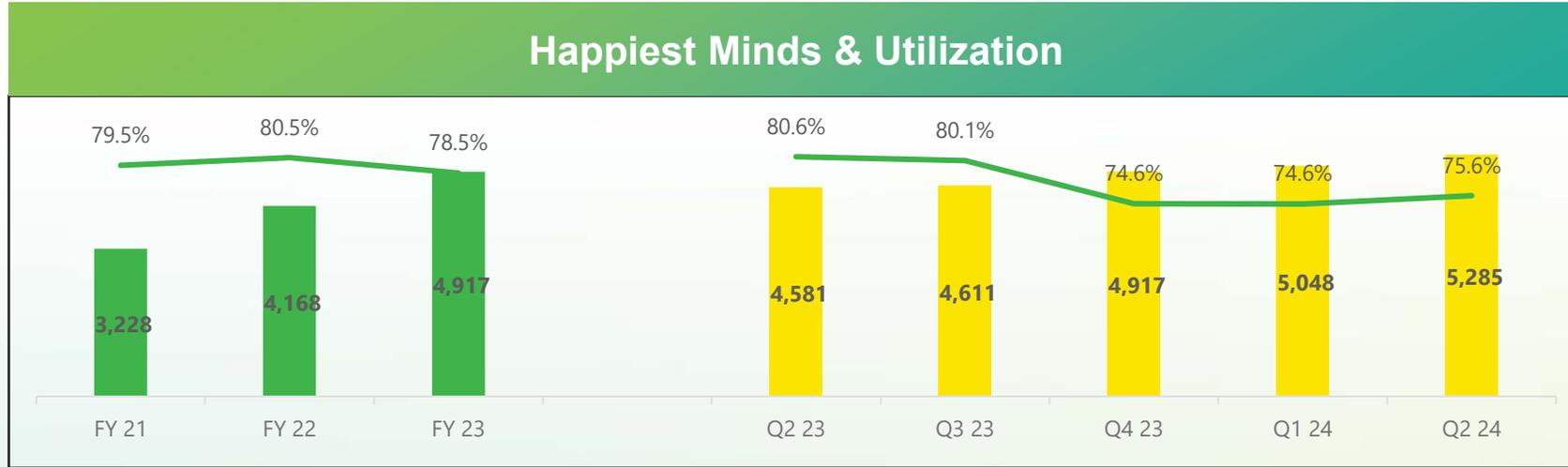


High FCF Conversion



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

Operational & Financial Metrics



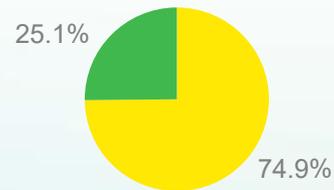
Note 1: Trailing 12 Months

Operational & Financial Metrics

Revenue Model

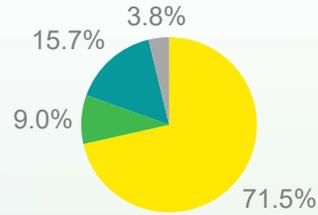
Q2 24

Model



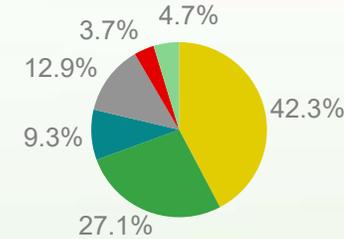
T&M FP

Geography



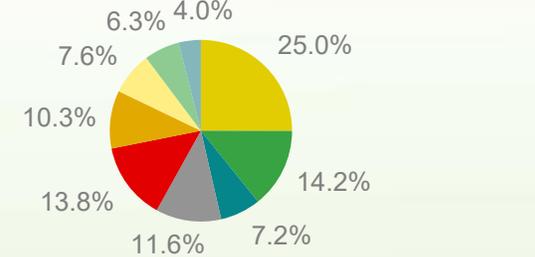
Americas Europe India ROW

Digital Revenue¹



Digital Infra / Cloud SAAS Security Analytics / AI IoT

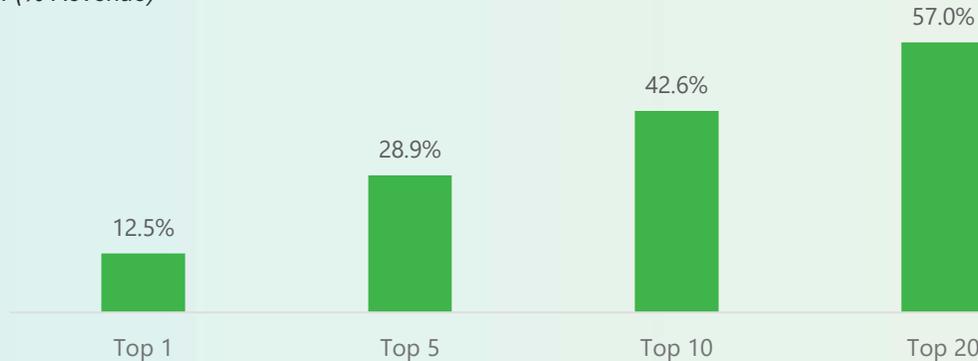
Vertical¹



Edu Tech HiTech (others) Retail / CPG TME Healthcare BFSI Industrial MFG

Revenue Concentration³

Q2 24 (% Revenue)



Million \$ Customers²

(#)

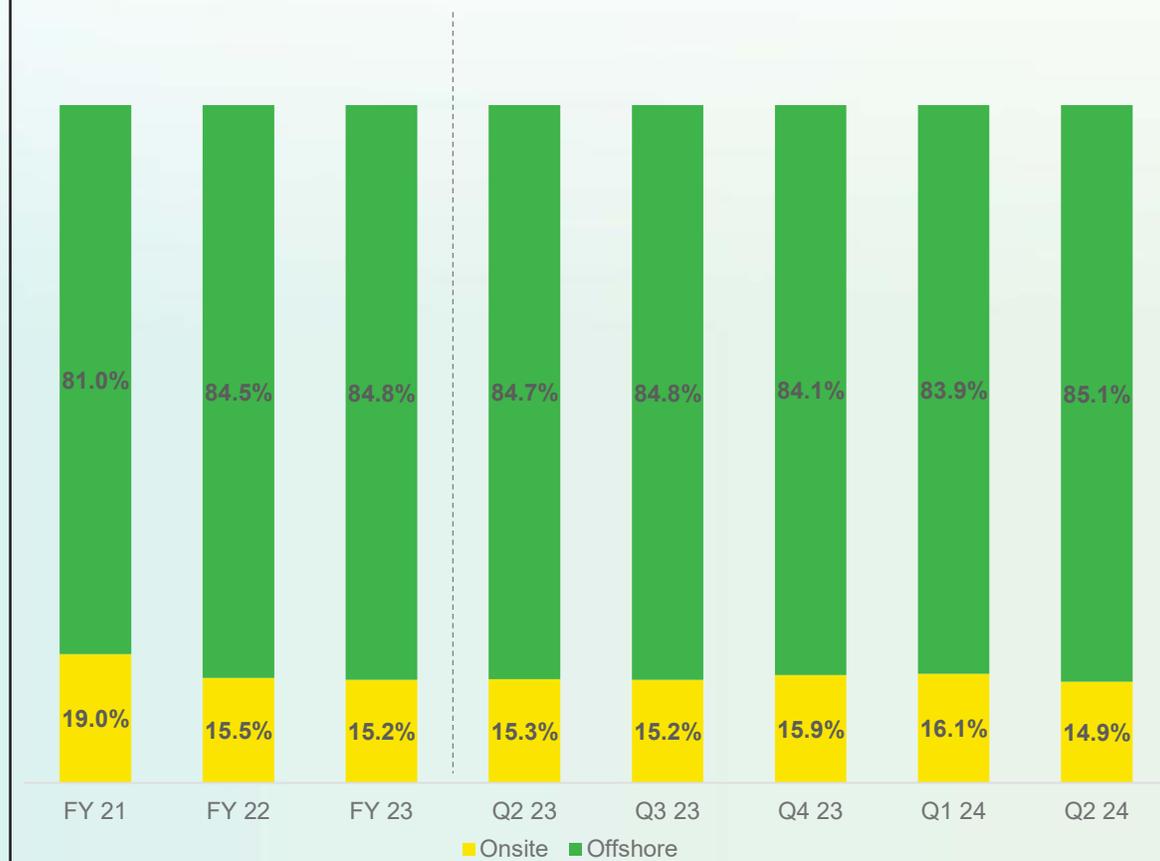


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

Operational & Financial Metrics

Onsite/Offshore

By Revenue



Average Revenue / Active Customer

(USD '000)



Operational & Financial Metrics

	FY21	FY 22	FY23 Q2	FY23 Q3	FY23 Q4	FY 23	FY24 Q1	FY24 Q2
Customer Industry group								
Edutech	25.6%	23.2%	23.8%	23.2%	22.2%	23.2%	24.1%	25.0%
Hitech	18.2%	15.8%	16.6%	15.7%	19.5%	16.9%	14.8%	14.2%
BFSI	16.4%	13.2%	14.2%	10.3%	10.8%	12.2%	11.0%	10.3%
Travel, Media and Entertainment (TME)	13.6%	13.2%	12.5%	13.1%	13.2%	12.9%	12.0%	11.6%
Healthcare*	-	-	-	-	-	-	12.9%	13.8%
Retail / CPG	5.4%	10.3%	8.9%	10.4%	7.7%	9.2%	7.1%	7.2%
Industrial	7.1%	6.9%	7.7%	9.2%	8.3%	8.4%	8.2%	7.6%
Manufacturing	6.6%	8.6%	10.4%	10.0%	10.7%	10.3%	5.4%	6.3%
Others	7.1%	8.8%	5.8%	8.2%	7.5%	6.9%	4.4%	4.0%
Total	100.0%							
Digital Service Offerings								
Digital infrastructure/Cloud	41.6%	43.6%	45.4%	45.4%	46.9%	45.8%	44.2%	42.3%
SaaS	22.7%	20.3%	21.3%	20.1%	20.1%	20.7%	22.2%	27.1%
Security Solutions	8.7%	11.9%	12.3%	13.4%	12.0%	12.3%	10.1%	9.3%
Analytics/AI	13.3%	12.1%	12.8%	12.5%	11.9%	12.2%	13.9%	12.9%
IoT	10.5%	8.6%	5.1%	5.2%	5.4%	5.4%	4.6%	3.7%
Total	96.8%	96.5%	96.8%	96.5%	96.3%	96.4%	95.1%	95.3%
Automation	25.2%	25.4%	25.4%	27.7%	27.3%	26.6%	28.3%	29.6%

Note : All metrics are reported as % of operating revenues:

*Healthcare carved out as a separate vertical from Q1FY24 onwards. Some customers which were earlier part of HiTech / MFG / Others have been regrouped

Operational & Financial Metrics

	FY 21	FY 22	FY23 Q2	FY23 Q3	FY23 Q4	FY 23	FY24 Q1	FY24 Q2
Revenue by Geo								
USA	73.4%	66.4%	67.9%	67.5%	70.5%	68.1%	71.9%	71.5%
India	11.8%	14.1%	16.1%	15.4%	15.0%	15.6%	15.5%	15.7%
Europe	10.4%	10.4%	9.3%	9.4%	9.4%	9.7%	8.7%	9.0%
ROW	4.4%	9.0%	6.7%	7.7%	5.1%	6.6%	3.9%	3.8%
Million \$ Customers¹								
\$ 20 M +			1	1	1	1	1	1
\$ 10 M +	1	1	1	1	-	-	-	1
\$ 5M to \$ 10M	3	4	4	4	6	6	6	7
\$ 3M to \$ 5M	6	8	7	7	6	6	5	4
\$ 1M to \$ 3M	16	25	27	27	30	30	31	31
Total	26	38	40	40	43	43	43	44
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%	15.5%	15.3%	15.2%	15.9%	15.2%	16.1%	14.9%
Offshore ²	81.0%	84.5%	84.7%	84.8%	84.1%	84.8%	83.9%	85.1%
Revenue by contracting Model								
Fixed Price	21.7%	25.1%	24.4%	26.4%	25.5%	25.3%	24.5%	25.1%
Time and Material	78.3%	74.9%	75.6%	73.6%	74.5%	74.7%	75.5%	74.9%
# Active Customers	173	206	226	230	237	237	243	244
# Billion \$ Corporation	46	54	54	55	55	55	57	57

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

Operational & Financial Metrics

	FY21	FY22	FY23 Q2	FY23 Q3	FY23 Q4	FY23	FY24 Q1	FY24 Q2
Happiest Minds								
Onsite	166	172	210	228	227	227	244	231
Offshore	3,062	3,996	4,371	4,383	4,690	4,690	4,804	5,054
Onsite %	5.1%	4.1%	4.6%	4.9%	4.6%	4.6%	4.8%	4.4%
Offshore %	94.9%	95.9%	95.4%	95.1%	95.4%	95.4%	95.2%	95.6%
Utilization	79.5%	80.5%	80.6%	80.1%	74.6%	78.5%	74.6%	75.6%
Diversity	24.5%	26.4%	27.6%	27.7%	27.4%	27.4%	27.6%	28.1%
DSO								
Billed	57	55	60	60	54	54	58	53
Unbilled	28	35	31	29	31	31	31	30
Total	85	90	91	90	86	86	88	83
EPS ₹ : Diluted	11.45	12.55	4.09	3.98	3.98	16.01	4.02	3.90
Capital Ratios¹								
RoCE	31.2%	34.8%	35.2%	34.9%	32.8%	32.8%	33.1%	22.9%
RoE	29.8%	27.3%	31.3%	29.4%	27.8%	27.8%	26.0%	16.9%

Note: 1: Capital Return Ratios are YTD Annualized, Sequential drop in FY24 Q2 due to capital raise(QIP)

Operational & Financial Metrics

All figures in ₹ Lakhs

	FY21		FY22		FY23 Q2		FY23 Q3		FY23 Q4		FY23		FY24 Q1		FY24 Q2	
Revenue by BU																
IMSS	16,421	20.6%	24,168	21.4%	7,902	22.0%	7,912	21.1%	7,525	19.5%	30,694	21.2%	7,516	18.6%	7,381	17.2%
DBS	21,288	26.7%	32,891	29.1%	10,722	29.8%	11,266	30.1%	11,180	28.9%	43,070	29.7%	11,175	27.6%	11,672	27.2%
PES	39,632	49.7%	52,308	46.3%	16,927	47.1%	17,511	46.7%	19,093	49.4%	69,165	47.7%	20,396	50.4%	21,609	50.4%
Total Revenue	77,341	97.0%	109,367	96.7%	35,551	98.9%	36,688	97.9%	37,798	97.8%	142,929	98.5%	39,087	96.6%	40,662	94.8%
Other income	2,424	3.0%	3,708	3.3%	382	1.1%	780	2.1%	845	2.2%	2,111	1.5%	1,366	3.4%	2,221	5.2%
Total income	79,765	100%	113,075	100%	35,933	100%	37,468	100%	38,643	100%	145,040	100%	40,453	100%	42,883	100%

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

Summary Profit & Loss Statement

	FY 21	FY 22	FY 23 Q2	FY 23 Q3	FY 23 Q4	FY 23	FY 24 Q1	FY 24 Q2
Income								
Operating revenue	77,341	1,09,365	35,551	36,688	37,798	1,42,929	39,087	40,662
Other income	2,424	3,710	382	780	845	2,111	1,366	2,221
Total income	79,765	1,13,075	35,933	37,468	38,643	1,45,040	40,453	42,883
Cost of revenue	44,382	64,404	20,592	21,394	22,342	82,827	23,404	24,980
Gross margin	32,959	44,961	14,959	15,294	15,456	60,101	15,683	15,682
%	42.6%	41.1%	42.1%	41.7%	40.9%	42.0%	40.1%	38.6%
SG&A	13,810	19,193	5,907	6,348	6,239	24,215	6,750	7,421
%	17.9%	17.5%	16.6%	17.3%	16.5%	16.9%	17.3%	18.3%
EBITDA	21,573	29,477	9,434	9,726	10,062	37,997	10,299	10,482
%	27.0%	26.1%	26.3%	26.0%	26.0%	26.2%	25.5%	24.4%
Depreciation	2,274	3,288	971	992	1,294	4,191	1,424	1,455
%	2.9%	3.0%	2.7%	2.7%	3.4%	2.9%	3.6%	3.6%
EBIT	19,299	26,189	8,463	8,734	8,768	33,806	8,875	9,027
%	24.2%	23.2%	23.6%	23.3%	22.7%	23.3%	21.9%	21.1%
Finance cost	697	995	452	576	875	2,186	1,007	1,115
PBT before exceptional item*	18,602	25,194	8,011	8,158	7,893	31,620	7,868	7,912
%	23.3%	22.2%	22.3%	21.8%	20.4%	21.7%	19.4%	18.5%
Exceptional Items⁺	-	609	-	634	-	634	-	-
PBT *	18,602	24,585	8,011	7,524	7,893	30,986	7,868	7,912
%	23.3%	21.7%	22.3%	20.1%	20.4%	21.4%	19.4%	18.5%
Current tax	3,527	6,310	1,638	2,335	2,210	8,508	2,280	2,237
Deferred tax	(1,171)	155	432	(569)	(83)	(621)	(245)	(171)
Total Tax	2,356	6,465	2,070	1,766	2,127	7,887	2,035	2,066
%	3.0%	5.7%	5.8%	4.7%	5.5%	5.4%	5.0%	4.8%
PAT *	16,246	18,120	5,941	5,758	5,766	23,099	5,833	5,846
%	20.4%	16.0%	16.5%	15.4%	14.9%	15.9%	14.4%	13.6%

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

Condensed Balance Sheet

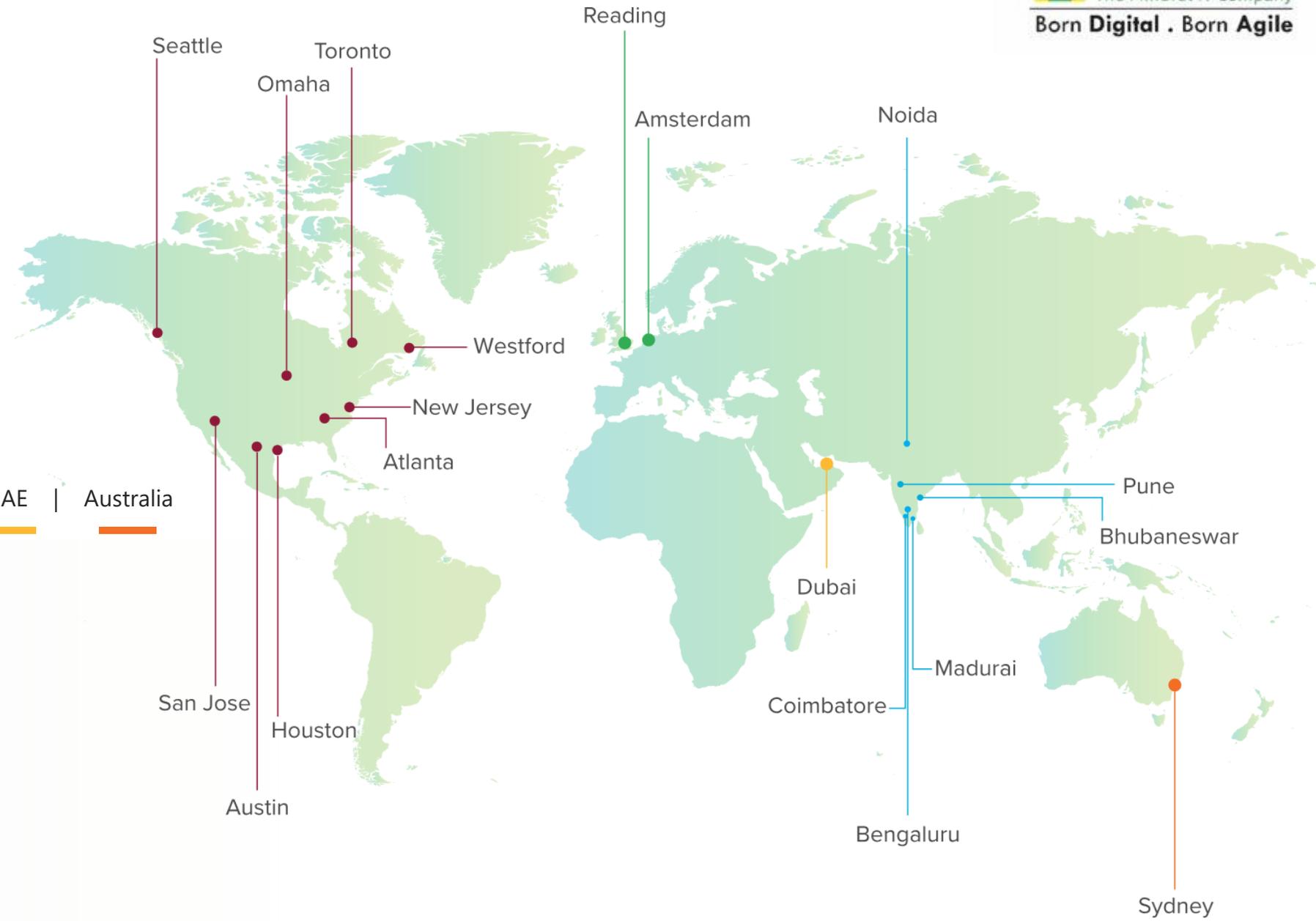
	31.03.2021	31.03.2022	30.09.2022	31.12.2022	31.03.2023	30.06.2023	30.09.2023
Assets							
Non-current Assets							
Property, plant and equipment	69	78	12,894	12,899	13,278	13,202	13,386
Goodwill	7,644	7,896	8,430	8,562	13,913	13,901	13,997
Financial & Other assets	10,029	11,788	34,347	77,536	29,594	27,642	35,841
Total non-current assets (A)	17,742	19,762	55,671	98,997	56,785	54,745	63,224
Current assets							
Financial & Other assets							
i. Trade receivable	12,192	16,738	22,408	23,250	21,319	24,534	23,308
ii. Cash & Cash equivalents, Investments & Other financial assets	60,928	72,609	55,746	17,061	81,484	85,516	1,27,619
iii. Other assets	1,333	3,392	3,420	2,811	4,495	5,260	6,184
Total current assets (B)	74,453	92,739	81,574	43,122	1,07,298	1,15,310	1,57,111
Total assets (A + B)	92,195	1,12,501	1,37,245	1,42,119	1,64,083	1,70,055	2,20,335
Equity and Liabilities							
Total equity (A)	54,599	66,580	74,591	77,791	83,882	90,395	1,39,403
Non-current liabilities							
Financial liabilities	7,339	7,134	18,759	18,678	18,035	17,483	17,957
Provisions & Deferred tax liability	2,378	2,086	2,205	2,344	4,526	4,577	4,631
Total non-current liabilities (B)	9,717	9,220	20,964	21,022	22,561	22,060	22,588
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	4,101	6,072	6,907	5,779	7,052	8,007	7,804
ii. Others	20,340	26,266	30,697	33,767	45,921	44,595	45,710
Provisions & Other current liabilities	3,438	4,363	4,086	3,760	4,667	4,998	4,830
Total current liabilities (C)	27,879	36,701	41,690	43,306	57,640	57,600	58,344
Total liabilities (D = B + C)	37,596	45,921	62,654	64,328	80,201	79,660	80,932
Total equity and liabilities (A + D)	92,195	1,12,501	1,37,245	1,42,119	1,64,083	1,70,055	2,20,335

Global Presence



Headquarters – Bengaluru

- India | USA & Canada | Europe & UK | UAE | Australia



PRESS RELEASE

Happiest Minds reports Industry leading growth of 11.6% y-o-y in constant currency backed by a strong EBITDA margin of 24.4%

EBITDA grew by 11.1% y-o-y to ₹ 105 Crores.

Bengaluru, India, San Jose, California and London, October 17, 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 second quarter ended September 30, 2023 as approved by its Board of Directors.

Ashok Soota, Executive Chairman, said *"Happiest Minds continues to lead the industry on growth and profitability metrics. We have yet again delivered a quarter of superior performance on all fronts. Separately, I would like to express my gratitude to all Happiest Minds and stakeholders on completing our 12th anniversary.*

We had given revenue growth guidance for the year of 25% without making a distinction between organic and inorganic growth. Based on an assessment of market trends we are revising our revenue growth guidance for the year to 12% on an organic basis. Additional growth, if any, due to acquisition will be over and above this guidance. We retain our EBITDA guidance of 22% to 24% and remain committed to our long-term growth aspiration of becoming a billion-dollar enterprise by 2031.

I am happy to announce a major new organizational and strategic initiative for Happiest Minds. We are starting with immediate effect a Generative AI business unit (GBS) to capitalize on the transformative impact of Generative AI. The existing PES and DBS businesses will get combined into the PDES business unit. There will be no change in IMSS. We will therefore retain 3 BUs: PDES, IMSS and GBS."

Financial highlights

Quarter ended September 30, 2023

- Revenue in constant currency grew by 3.6% q-o-q and 11.6% y-o-y
- Operating Revenues in US\$ stood at \$49.1 million (growth of 3.3% q-o-q; 10.8% y-o-y)
- Total Income of ₹ 42,883 lakhs (growth of 6.0% q-o-q; 19.3% y-o-y)
- EBITDA of ₹ 10,482 lakhs, 24.4% of Total Income (growth of 1.8% q-o-q; 11.1% y-o-y)
- PAT of ₹ 5,846 lakhs (growth of 0.2% q-o-q; de-growth of 1.6% y-o-y)
- Free cash flows of ₹ 10,296 Lakhs
- EPS (diluted) for the quarter of ₹ 3.90

Half year ended September 30, 2023

- Revenue in constant currency grew by 12.7% y-o-y
- Operating Revenues in US\$ stood at \$96.7 million (growth of 11.7% y-o-y)
- Total Income of ₹ 83,336 lakhs (growth of 20.9% y-o-y)
- EBITDA of ₹ 20,781 lakhs, 24.9% of Total Income (growth of 14.1% y-o-y)
- PAT of ₹ 11,679 lakhs (growth of 0.9% y-o-y)
- Free cash flows of ₹ 20,429 Lakhs
- EPS (diluted) for half year of ₹ 7.92

All amounts in ₹ Lakhs unless stated otherwise

Particulars						All amounts in ₹ Lakhs unless stated otherwise		
	Q2 FY 24	Q1 FY 24	QoQ	Q2 FY 23	YoY	HY 24	HY 23	YoY
Revenues	40,662	39,087	4.0%	35,551	14.4%	79,749	68,443	16.5%
Other Income	2,221	1,366	-	382	-	3,587	486	-
Total Income	42,883	40,453	6.0%	35,933	19.3%	83,336	68,929	20.9%
EBITDA	10,482	10,299	1.8%	9,434	11.1%	20,781	18,209	14.1%
%	24.4%	25.5%		26.3%		24.9%	26.4%	
PBT	7,912	7,868	0.6%	8,011	(1.2)%	15,780	15,569	1.4%
%	18.5%	19.4%		22.3%		18.9%	22.6%	
Tax	2,066	2,035	-	2,070	-	4,101	3,994	-
%	4.8%	5.0%		5.8%		4.9%	5.8%	
PAT	5,846	5,833	0.2%	5,941	(1.6)%	11,679	11,575	0.9%
%	13.6%	14.4%		16.5%		14.0%	16.8%	
Revenues (\$'000)	49,121	47,566	3.3%	44,347	10.8%	96,687	86,571	11.7%
Growth in Constant Currency		-	3.6%	-	11.6%	-	-	12.7%

Venkatraman N, MD & CFO, said "Our results reflect our ability to deliver industry leading performance. Our total Income for the quarter and half year have crossed \$50M and \$100M respectively, while delivering higher than EBITDA guidance for the fourteenth quarter in a row. Pertinent to note is that our results incorporate above industry-average pay increases, payment of variable pay, and strong net people additions, all areas where we have seen divergence in approach taken by other industry participants. In line with our progressive dividend policy the Board has approved an Interim dividend of ₹2.50 per equity share."

Joseph Anantharaju, Executive Vice Chairman, said "I am extremely pleased to share another period of sustained growth with quality execution and delivery. The quarter saw significant operational improvements with utilization increasing while attrition continued to drop to 14.4% on a trailing twelve months basis. Our customers continue to trust us with their digital transformation initiatives based on our expertise in core and disruptive technologies like cloud, data, analytics, AI, DevOps, and Computer vision. We continued to make progress on our GenAI strategy engaging with multiple customers in formulating and implementing their GenAI roadmap with a dedicated trained team of GenAI experts."

Clients:

- 244 as of September 30, 2023
- 7 additions in the quarter

Our People - Happiest Minds:

- 5,285 Happiest Minds as of September 30, 2023 (net addition for the quarter 237)
- Trailing 12 months attrition of 14.4% (16.6% in the previous quarter)
- Utilization of 75.6%, from 74.6% in last quarter

Q2 FY24 Key Project Wins:

- For a **large and global online retailer and hyperscaler**, Happiest Minds was chosen to design interactive user interfaces and to provide automation services for their IoT division
- For a **global fabless semiconductor company** specializing in 5G and cellular networks, Happiest Minds was chosen to provide ASIC Design & Verification services
- For a **large utilities company** in the United States, this new win entails Happiest Minds to be a key partner for providing data engineering and governance services
- For a **multibillion-dollar enterprise in the energy distribution sector**, Happiest Minds was chosen to transform their document management systems for automated retention, intelligent search and faster retrieval next generation digital platforms
- For an **industrial internet platforms provider** specializing in AI, IoT, and big data technologies, this new win entails Happiest Minds to build their data platform for their farm-to-table process
- For a **US based networking services company**, Happiest Minds was chosen to transform their service delivery platform to drive user experience and end user outcomes
- For a **leading warehouse club operator** in the United States, Happiest Minds is engaged in providing security assessment services which includes threat modelling and application Security
- For a **large Australian consumer durables retailer**, Happiest Minds is engaged in providing business intelligence and data visualization services
- For a **large ANZ based retail property group**, Happiest Minds is engaged in delivering performance testing & vulnerability assessment
- For a **Southeast Asian Bottling company**, Happiest Minds is engaged in setting up their automation Center of Excellence leveraging Microsoft Power Platform

Award Wins:

- Happiest Minds' work for **DoubleVerify** has been recognized by ISG as **Standout** in the **2022 Digital Case Study Awards**
- Happiest Minds is recognized among '**Top 50 India's Best Workplaces for Women™ 2023**' by Great Place To Work® Institute
- Happiest Minds was awarded as '**Cybersecurity Champion of the Year**' at 100 CISO Forum – Summit & Awards 2023, Dubai
- Happiest Minds won '**IBM THINK Partner Excellence Award (Top Partner)**' Trailblazers of 2023

Analyst Mentions

- Happiest Minds is '**Top 5 Challenger**' in Engineering Services 2023 - Everest
- Happiest Minds is '**Challenger**' in EUCS Services 2023 - Avasant
- Happiest Minds is '**Aspirant**' in IAM Services 2023 - Everest
- Happiest Minds is among '**Inspiring Firms in AI & Analytics**' at the 3AI Generative AI Conclave

Announcements :

- The Board of Directors of the Company at their meeting held on October 17, 2023 has recommended an interim dividend of ₹ 2.50 per equity share of face value ₹ 2/- for the financial year 2023-24. Record date for the purpose of interim dividend has been fixed on October 30, 2023, and the dividend will be paid on and after November 13, 2023.

For further details please refer to the Investors presentation hosted on the company website

-- Investors section

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. The company has been recognized for its excellence in Corporate Governance practices by Golden Peacock and ICSI. 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.

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