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happiest minds

The Mindful IT Company

Born Digital . Born Agile

HAPPIEST MINDS TECHNOLOGIES LIMITED

Our Company was incorporated as 'Happiestminds Technologies Private Limited', a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 30, 2011 issued by the Registrar of Companies, Karnataka at Bangalore ("RoC") and commenced its business on March 30, 2011. The name of our Company was subsequently changed to 'Happiest Minds Technologies Private Limited' and a fresh certificate of incorporation was issued by the Registrar of Companies, Karnataka at Bangalore on July 21, 2011. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders of our Company held on May 13, 2020 and the name of our Company was changed to its present name 'Happiest Minds Technologies Limited', and a fresh certificate of incorporation was issued by the RoC on May 20, 2020. For more information regarding changes in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 173 of the Prospectus dated September 11, 2020 ("Prospectus").
Corporate Identity Number: U72900KA2011PLC057931, **Registered Office and Corporate Office:** #53/1-4, Hosur Main Road, Madivala (Next to Madivala Police Station) Bengaluru – 560 068, Karnataka, India. **Contact Person:** Praveen Kumar Darshankar, Company Secretary and Compliance Officer; **Telephone:** +91 80 6196 0300 / +91 6196 0400; **E-mail:** investors@happiestminds.com; **Website:** www.happiestminds.com

OUR PROMOTER: ASHOK SOOTA

Our Company has filed the Prospectus dated September 11, 2020 with the Registrar of Companies, (the "Prospectus") and the Equity Shares are proposed to be listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") and the trading will commence on or about September 17, 2020.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFERING OF 42,290,091 EQUITY SHARES OF FACE VALUE OF RS.2 EACH ("EQUITY SHARES") OF HAPPIEST MINDS TECHNOLOGIES LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF RS.166 PER EQUITY SHARE, INCLUDING A PREMIUM OF RS.164 PER EQUITY SHARE, (THE "OFFER PRICE") AGGREGATING TO RS.7,020.2 MILLION, COMPRISING OF A FRESH ISSUE OF 6,626,506 EQUITY SHARES AGGREGATING TO RS.1,100.0 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF 8,414,223 EQUITY SHARES BY ASHOK SOOTA (THE "PROMOTER SELLING SHAREHOLDER"), AND 27,249,362 EQUITY SHARES BY CMDDB II (THE "INVESTOR SELLING SHAREHOLDER", TOGETHER WITH THE PROMOTER SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS"), AGGREGATING TO 35,663,585 EQUITY SHARES ("OFFERED SHARES") AND AGGREGATING TO RS.5,920.2 MILLION (THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER SHALL CONSTITUTE 28.8% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OFFER PRICE: ₹ 166 PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH
ANCHOR INVESTOR OFFER PRICE: ₹ 166 PER EQUITY SHARE
THE OFFER PRICE IS 83 TIMES THE FACE VALUE

Risks to Investors:

- The two book running lead managers ("BRLMs") associated with the Offer have handled 11 public issues in the past three years out of which 5 closed below the issue price on listing date
- Average cost of acquisition for the Promoter Selling Shareholder is ₹ 34.68 and for the Investor Selling Shareholder is ₹ 24.91, and the offer price at the upper end of the price band is ₹ 166.
- The Price/Earnings ratio based on diluted EPS for Fiscal 2020 for the Issuer at the upper end of the Price Band is as high as 31.0 as compared to the average industry peer group PE ratio of 26.9

BID/ OFFER PERIOD:

OPENED ON: MONDAY, SEPTEMBER 7, 2020

CLOSED ON : WEDNESDAY, SEPTEMBER 9, 2020

ANCHOR INVESTOR BIDDING DATE WAS : FRIDAY, SEPTEMBER 4, 2020

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein not less than 75% of the Offer was allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"), and our Company and Selling Shareholders, in consultation with the BRLMs, have allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) was available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not more than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Offer was available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (except Anchor Investors) were mandatorily required to participate in the Offer only through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts (including UPI ID in case of RILs, if applicable) which were blocked by the SCSBs, or the bank accounts linked with the UPI ID, as applicable, to participate in the Offer. Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Offer Procedure" on page 373 of the Prospectus.

The bidding for Anchor Investor opened and closed on September 4, 2020. The company received 39 applications from 25 anchor investors for 20,476,890 equity shares. The Anchor investor price was finalized at Rs. 166 per Equity Share. A total of 19,030,541 shares were allocated under the Anchor Investor Portion aggregating to Rs. 3,159,069,806.

The Offer received 1,956,846 applications for 3,474,292,590 Equity Shares (prior to technical rejections) resulting in 149.37 times subscription. The details of the applications received in the Offer from various categories are as under (before technical rejections):

Sr. No.	Category	No. of Applications Applied	No. of Equity Shares Applied	Shares Reserved as per Prospectus	No. of times Subscribed	Amount (Rs.)
A.	Qualified Institutional Bidders (excluding Anchor Investors)	168	994,624,560	12,687,028	78.40	165,107,676,960
B.	Non Institutional Investors	7,263	2,212,392,240	6,343,513	348.76	367,256,475,540
C.	Retail Individual Investors	1,949,415	267,275,790	4,229,009	63.20	44,363,264,910
	Total	1,956,846	3,474,292,590	23,259,550	149.37	576,727,417,410

Final Demand

A summary of the final demand as at different Bid prices is as under:

Sr. No.	Rate	Shares	% to Total	Cumulative Total	% Cumulative Total
1	165	59,76,720	0.17	59,76,720	0.17
2	166	3,28,79,57,040	93.26	3,29,39,33,760	93.43
3	CUTOFF	23,16,36,870	6.57	3,52,55,70,630	100.00
	TOTAL	3,52,55,70,630	100.00		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being the NSE on September 14, 2020.

A. Allotment to Retail Individual Bidders (after technical rejections) (including ASBA Applications)

The Basis of Allotment to the Retail Individual Bidders, who have bid at the Cut-Off Price or at the Offer Price of ₹ 166 per Equity Share, was finalized in consultation with the NSE. This category has been subscribed to the extent of 60.29753 times. The total number of Equity Shares Allotted in Retail Portion is 4,229,009 Equity Shares to 46,988 successful Retail Individual Bidder. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
90	15,98,815	85.85	14,38,93,350	56.43	90	52 : 2061	36,30,510
180	1,20,526	6.47	2,16,94,680	8.51	90	11 : 436	2,73,690
270	40,359	2.17	1,08,96,930	4.27	90	11 : 436	91,620
360	17,426	0.94	62,73,360	2.46	90	11 : 436	39,600
450	16,824	0.90	75,70,800	2.97	90	11 : 436	38,160
540	10,520	0.56	56,80,800	2.23	90	11 : 436	23,850
630	7,755	0.42	48,85,650	1.92	90	11 : 436	17,640
720	2,504	0.13	18,02,880	0.71	90	11 : 436	5,670
810	1,539	0.08	12,46,590	0.49	90	11 : 436	3,510
900	8,151	0.44	73,35,900	2.88	90	11 : 436	18,450
990	2,384	0.13	23,60,160	0.93	90	11 : 436	5,400
1080	2,841	0.15	30,68,280	1.20	90	11 : 436	6,480
1170	32,726	1.76	3,82,89,420	15.02	90	11 : 436	74,340
					1	89 : 6649	89
TOTAL	18,62,370	100.00	25,49,98,800	100.00			42,29,009

Please Note : 1 additional Share shall be allotted to 89 Allottees from amongst 6649 Successful Applicants from the categories 180-1170 (i.e. excluding successful applicants from Category 90) in the ratio of 89 : 6649

B. Allotment to Non-Institutional Bidders (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Bidders, who have bid at the Offer Price of ₹166 per Equity Share or above, was finalized in consultation with the NSE. The Non-Institutional Portion has been subscribed to the extent of 348.43167 times. The total number of Equity Shares Allotted in this category is 6,343,513 Equity Shares to 1,825 successful Non- Institutional Bidder. The category-wise details of the Basis of Allotment are as under: (SAMPLE)

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
1260	2049	29.32	25,81,740	0.12	90	82 : 2049	7,380
1350	436	6.24	5,88,600	0.03	90	19 : 436	1,710
1440	139	1.99	2,00,160	0.01	90	6 : 139	540
8132490	2	0.03	1,62,64,980	0.74	23340	1 : 1	46,680
8192700	1	0.01	81,92,700	0.37	23513	1 : 1	23,513
8433720	1	0.01	84,33,720	0.38	24205	1 : 1	24,205
8734860	1	0.01	87,34,860	0.40	25069	1 : 1	25,069
9036000	2	0.03	1,80,72,000	0.82	25933	1 : 1	51,866
9036090	15	0.21	13,55,41,350	6.13	25934	1 : 1	3,89,010
9100080	2	0.03	1,82,00,160	0.82	26117	1 : 1	52,234
9186660	1	0.01	91,86,660	0.42	26366	1 : 1	26,366
9939690	1	0.01	99,39,690	0.45	28527	1 : 1	28,527
10240920	64	0.92	65,54,18,880	29.65	29391	1 : 1	18,81,024
10292400	5	0.07	5,14,62,000	2.33	29539	1 : 1	1,47,695
10476000	1	0.01	1,04,76,000	0.47	30067	1 : 1	30,067
10481760	1	0.01	1,04,81,760	0.47	30084	1 : 1	30,084
10481850	10	0.14	10,48,18,500	4.74	30083	1 : 1	3,00,830
10482660	3	0.04	3,14,47,980	1.42	30085	1 : 1	90,255
10542150	3	0.04	3,16,26,450	1.43	30257	1 : 1	90,771
10572480	9	0.13	9,51,52,320	4.30	30344	1 : 1	2,73,096
Total	6989	100.00	2,21,02,80,840	100.00			63,43,513

C. Allotment to QIBs (Excluding Anchor Investors)

Allotment to QIBs, who have Bid at the Offer Price of ₹166 per Equity Share or above, has been done on a proportionate basis in consultation with the NSE. This category has been subscribed to the extent of 78.39697 times of QIB Portion. As per the SEBI ICDR Regulations, Mutual Funds were Allotted 5% of the Equity Shares of QIB Portion available i.e. 634,352 Equity Shares and other QIBs and unsatisfied demand of Mutual Funds were Allotted the remaining available Equity Shares i.e. 12,052,676 Equity Shares on a proportionate basis. The total number of Equity Shares Allotted in the QIB Portion is 12,687,028 Equity Shares, which were allotted to 168 successful QIB Bidders. The category-wise details of the Basis of Allotment are as under:

Category	FIs/Banks	FII	MFs	ICs	NBFC	Others	Total
QIB	32,93,348	32,45,433	18,13,417	5,36,644	1,64,720	36,33,466	1,26,87,028

D. Allotment to Anchor Investors

Our Company and the Selling Shareholders, in consultation with the BRLMs, have allocated 19,030,541 Equity Shares to 39 Anchor Investors (through 25 Applications) at the Anchor Investor Offer Price of ₹166 per Equity Share in accordance with the SEBI ICDR Regulations. This represents 60% of the QIB Portion.

Category	FIs/Banks	MFs	ICs	AIF	FPI	OTH	Total
Anchor	-	76,62,339	23,37,312	9,15,668	81,15,222	-	1,90,30,541

The Board of Directors of our Company on September 15, 2020 has taken on record the Basis of Allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and has allotted the Equity Shares to various successful Bidders. The Allotment Advice-cum-Intimations and/ or notices will be dispatched to the address of the investors as registered with the depositories. Further, the instructions to the Self Certified Syndicate Banks for unblocking of funds, transfer to Public Offer Account have been issued on September 15, 2020 and payment to non-Syndicate brokers have been issued on September 15, 2020. In case the same is not received within ten days, investors may contact the Registrar to the Offer at the address given below. The Equity Shares Allotted to the successful Allottees have been uploaded on September 15, 2020 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. Our Company has filed the Listing application with NSE and BSE on September 15, 2020. The Company has received listing and trading approval from NSE and BSE and the trading will commence on or about September 17, 2020.

All capitalised terms used and not specifically defined herein shall have the same meaning as ascribed to them in the Prospectus.

INVESTORS PLEASE NOTE

The details of the allotment made will be hosted on the website of the Registrar to the Offer, KFin Technologies Private Limited at www.kfintech.com

All future correspondence in this regard may kindly be addressed to the Registrar to the Offer quoting full name of the first/ sole Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. and a copy of the Acknowledgment Slip received from the Designated Intermediary at the address given below:



KFin Technologies Private Limited

Karvy Selenium Tower B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, India
Telephone: +91 40 6716 2222; **Fax:** +91 40 2343 1551, **E-mail:** happiestminds ipo@kfintech.com
Website: www.kfintech.com; **Investor grievance e-mail:** einward.ris@kfintech.com, **Contact Person:** M Murali Krishna;
SEBI Registration No.: INR000000221

Place: Bengaluru

Date: September 16, 2020

For HAPPIEST MINDS TECHNOLOGIES LIMITED
On behalf of the Board of Directors

Sd/-

Company Secretary and Compliance Officer

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF HAPPIEST MINDS TECHNOLOGIES LIMITED.

HAPPIEST MINDS TECHNOLOGIES LIMITED has filed the Prospectus ("Prospectus") dated September 11, 2020 with RoC. The Prospectus shall be available on the websites of SEBI, BSE and NSE at www.sebi.gov.in, www.bseindia.com and www.nseindia.com, respectively, and is available on the websites of the BRLMs, i.e., www.icicisecurities.com and www.nomuraholdings.com/company/group/asia/india/index.html, respectively. Potential investors should note that investment in Equity Shares involves a high degree of risk and for details relating to the same, please see "Risk Factors" beginning on page 28 of the Prospectus. Potential investors should not rely on the Prospectus for making any investment decision.

The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and applicable U.S. state securities laws. The Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. There will be no offering of the Equity Shares in the United States.