

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

**TO THE BOARD OF DIRECTORS OF  
HAPPIEST MINDS TECHNOLOGIES LIMITED**

**Opinion and Conclusion**

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2026 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2026 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2026" of **HAPPIEST MINDS TECHNOLOGIES LIMITED** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), and the financial statement of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP trust") (the "Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "LODR Regulations").

**(a) Opinion on Annual Consolidated Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the ESOP trust auditors and other auditors on the separate financial statements of subsidiaries referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2026:

(i) includes the financial results of the following entities:

1. Happiest Minds Inc. wholly owned subsidiary of Happiest Minds Technologies Limited.
2. PureSoftware Technologies Private Limited wholly owned subsidiary of Happiest Minds Technologies Limited
3. PureSoftware Pte Limited (Singapore) wholly owned subsidiary of PureSoftware Technologies Private Limited
4. PureSoftware Private Limited (UK) wholly owned subsidiary of PureSoftware Technologies Private Limited
5. PureSoftware Corp (USA) wholly owned subsidiary of PureSoftware Technologies Private Limited
6. PureSoftware Sdn. Bhd. (Malaysia) wholly owned subsidiary of PureSoftware Technologies Private Limited
7. PureSoftware Technology S. De. R. L. De. C.V., (Mexico) wholly owned subsidiary of PureSoftware Technologies Private Limited
8. PureSoftware HK Limited (Hongkong) wholly owned subsidiary of PureSoftware Technologies Private Limited
9. PureSoftware Africa Limited (Kenya) wholly owned subsidiary of PureSoftware Technologies Private Limited
10. PureSoftware Technologies Romania SRL (Romania) wholly owned subsidiary of PureSoftware Technologies Private Limited

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11. PureSoftware Private Limited (Nepal) wholly owned subsidiary of PureSoftware Technologies Private Limited
12. Aureus Tech Systems Private Limited wholly owned subsidiary of Happiest Minds Technologies Limited
13. Aureus Tech Systems Canada Ltd wholly owned subsidiary of Happiest Minds Inc
14. Happiest Minds Technologies Share Ownership Plan Trust
15. InnovazIT Technologies LLC, Dubai wholly owned subsidiary of Happiest Minds Technologies Limited
16. Gavs Technologies LLC, Oman wholly owned subsidiary of Happiest Minds Technologies Limited
17. Gavs Technologies Saudi Arabia for Telecommunications and Information Technology, Saudi Arabia wholly owned subsidiary of Happiest Minds Technologies Limited

- (ii) are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group for the year ended March 31, 2026.

**(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2026**

With respect to the Consolidated Financial Results for the quarter ended March 31, 2026, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the ESOP trust auditors and other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2026, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2026**

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2026 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements

and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the ESOP trust auditors and other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

**Management's and Board of Directors' Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Holding Company's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2026, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2026 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the LODR Regulations.

The respective Board of Directors of the companies included in the Group and of the ESOP trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of the ESOP trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Holding Company, as aforesaid.

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

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

**Auditor's Responsibilities**

**(a) Audit of the Consolidated Financial Results for the year ended March 31, 2026**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2026 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a

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guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

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

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

we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by ESOP trust auditors or other auditors, such ESOP trust auditors or other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

**(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2026**

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2026 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

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

**Other Matters**

- The Statement includes the results for the quarter ended March 31, 2026 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which

were subject to limited review by us. Our report is not modified in respect of this matter.

- We did not audit the financial statements of the ESOP trust included in the standalone audited financial statements of the Holding Company whose financial statements reflect total assets of Rs. 9,568 lakhs as at March 31, 2026 and total revenues of Rs Nil and Rs. Nil for the quarter and year ended March 31, 2026 respectively, total net profit after tax of Rs. 15 lakhs and Rs. 160 lakhs for the quarter and year ended March 31, 2026 respectively and other comprehensive loss of Rs. 2,158 lakhs and Rs. 6,005 lakhs for the quarter and year ended March 31, 2026 respectively and net cash flows of Rs. 157 lakhs for the year ended March 31, 2026, as considered in the respective standalone audited financial statements of the Holding Company . The financial statements of the ESOP trust have been audited/ reviewed, as applicable, by the ESOP trust auditors whose reports have been furnished to us and our opinion and conclusion in so far as it relates to the amounts and disclosures included in respect of the ESOP trust, is based solely on the reports of such ESOP trust auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.
- We did not audit the financial statements of 15 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 23,506 lakhs as at March 31, 2026 and total revenues of Rs 13,915 lakhs and Rs. 53,569 lakhs for the quarter and year ended March 31, 2026 respectively, total net profit after tax of Rs 1,251 lakhs and Rs. 6,727 lakhs for the quarter and year ended March 31, 2026 respectively and other comprehensive loss of Rs 218 lakhs and Rs. 155 lakhs for the quarter and year ended March 31, 2026 respectively and net cash inflows of Rs. 395 lakhs for the year ended March 31, 2026, as considered in the Statement. These financial statements have been audited/ reviewed, as applicable, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.
- The consolidated financial results includes the unaudited financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs. 63 lakhs as at March 31, 2026 and total revenues of Rs nil and Rs. nil for the quarter and year ended March 31, 2026 respectively, total net loss after tax of Rs 19 lakhs and Rs. 54 lakhs for the quarter and year ended March 31, 2026 respectively and other comprehensive income / loss of Rs nil and Rs. nil for the quarter and year ended March 31, 2026 respectively and net cash out flows of Rs. 26 lakhs for the year ended March 31, 2026, as considered in the Statement. These financial statements are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

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

**for DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 008072S)



**Vikas Bagaria**  
Partner

(Membership No. 060408)  
UDIN:26060408YRNIGJ3313

Place: Bengaluru  
Date: May 28, 2026

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

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

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

Consolidated Statement of Assets and Liabilities as at March 31, 2026

(Rs. in lakhs)

SI No	Particulars	As at March 31, 2026 (Audited)	As at March 31, 2025 (Audited)
	<b>ASSETS</b>		
<b>A</b>	<b>Non-current assets</b>		
	Property, plant and equipment	13,476	14,096
	Goodwill	77,728	76,230
	Other intangible assets	19,939	23,831
	Right-of-use assets	6,056	6,958
	Intangible assets under development	165	18
	Financial assets:		
	i. Other financial assets	27,501	7,358
	Income tax assets (net)	5,389	3,537
	Deferred tax assets, net	4,408	3,613
	Other assets	294	170
	<b>Total non-current assets</b>	<b>1,54,956</b>	<b>1,35,811</b>
<b>B</b>	<b>Current assets</b>		
	Financial assets		
	i. Investments	50,352	35,039
	ii. Trade receivables	39,027	35,813
	iii. Cash and cash equivalents	11,966	11,912
	iv. Bank balance other than cash and cash equivalents	79,305	93,911
	v. Loans	33	12
	vi. Other financial assets	16,684	17,726
	Other assets	10,188	5,682
	<b>Total current assets</b>	<b>2,07,555</b>	<b>2,00,095</b>
	<b>Total assets (A+B)</b>	<b>3,62,511</b>	<b>3,35,906</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>C</b>	<b>Equity</b>		
	Equity share capital	3,005	3,001
	Other equity	1,65,944	1,54,457
	<b>Total Equity</b>	<b>1,68,949</b>	<b>1,57,458</b>
<b>D</b>	<b>Non-current liabilities</b>		
	Financial liabilities		
	i. Borrowings	34,292	33,537
	ii. Lease liabilities	4,106	5,010
	iii. Other financial liabilities	2,131	8,330
	Provisions	8,914	5,940
	Deferred tax liabilities (net)	3,940	4,841
	<b>Non-current liabilities</b>	<b>53,383</b>	<b>57,658</b>
<b>E</b>	<b>Current liabilities</b>		
	Contract liability	3,401	2,194
	Financial liabilities		
	i. Borrowings	1,06,974	82,554
	ii. Lease liabilities	3,293	3,258
	iii. Trade payables		
	(A) Total outstanding dues of micro and small enterprises	547	225
	(B) Total outstanding dues of creditors other than micro and small enterprises	9,104	10,256
	iv. Other financial liabilities	8,676	14,526
	Income tax liabilities (net)	315	422
	Other current liabilities	4,058	3,836
	Provisions	3,811	3,519
	<b>Total current liabilities</b>	<b>1,40,179</b>	<b>1,20,790</b>
<b>F</b>	<b>Total liabilities (D+E)</b>	<b>1,93,562</b>	<b>1,78,448</b>
	<b>Total equity and liabilities (C+F)</b>	<b>3,62,511</b>	<b>3,35,906</b>

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Statement of Consolidated Financial Results for the quarter and year ended March 31, 2026

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	Refer note 2	(Unaudited)	(Unaudited)	Audited	Audited
<b>I. Revenue</b>					
(a) Revenue from operations	60,408	58,756	54,457	2,31,511	2,06,084
(b) Other income	1,761	1,572	2,595	8,497	10,138
<b>Total revenue</b>	<b>62,169</b>	<b>60,328</b>	<b>57,052</b>	<b>2,40,008</b>	<b>2,16,222</b>
<b>II. Expenses</b>					
(a) Employee benefits expense	40,444	39,205	35,916	1,56,095	1,36,534
(b) Finance costs	2,261	2,452	2,474	9,736	9,948
(c) Depreciation and amortisation expense	2,156	2,207	2,255	8,819	8,870
(d) Other expenses	9,604	8,841	10,153	35,078	34,108
<b>Total expenses</b>	<b>54,465</b>	<b>52,705</b>	<b>50,798</b>	<b>2,09,728</b>	<b>1,89,460</b>
<b>III. Profit before exceptional items and tax (I-II)</b>	<b>7,704</b>	<b>7,623</b>	<b>6,254</b>	<b>30,280</b>	<b>26,762</b>
<b>IV. Exceptional items: charge / (credit) (refer note 5, 6 &amp; 7)</b>	(344)	2,203	1,216	1,859	1,216
<b>V. Profit before tax (III+IV)</b>	<b>8,048</b>	<b>5,420</b>	<b>5,038</b>	<b>28,421</b>	<b>25,546</b>
<b>VI. Tax expense</b>					
Current tax	1,644	1,932	1,940	7,952	8,443
Deferred tax	287	(542)	(302)	(793)	(1,363)
<b>Total Tax expense</b>	<b>1,931</b>	<b>1,390</b>	<b>1,638</b>	<b>7,159</b>	<b>7,080</b>
<b>VII. Profit for the period / year (V-VI)</b>	<b>6,117</b>	<b>4,030</b>	<b>3,400</b>	<b>21,262</b>	<b>18,466</b>
<b>VIII. Other comprehensive income, net of tax [(loss)/profit]</b>					
(i) Items to be reclassified to profit or loss in subsequent periods / year					
a) Exchange difference on translation of foreign operation	756	236	(85)	1,444	421
b) Net change in fair value of derivatives designated as cash flow hedges	(2,201)	(89)	896	(3,886)	(292)
c) Income tax effect on above	554	22	(226)	978	73
(ii) Items not to be reclassified to profit or loss in subsequent periods / year					
a) Net change in equity instruments through other comprehensive income	-	-	-	-	(503)
b) Income tax effect on above	-	-	-	-	106
c) Re-measurement of defined benefit plans	105	642	(176)	563	(553)
d) Income tax effect on above	(27)	(162)	44	(142)	139
<b>IX. Total comprehensive income for the period / year (VII+VIII)</b>	<b>5,304</b>	<b>4,679</b>	<b>3,853</b>	<b>20,219</b>	<b>17,857</b>
<b>X. Paid-up equity share capital (Rs. 2/- each)</b>	3,005	3,005	3,001	3,005	3,001
<b>XI. Other equity</b>				1,65,944	1,54,457
<b>XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):</b>					
Basic EPS (Rs.)	4.06	2.68	2.26	14.12	12.26
Diluted EPS (Rs.)	4.06	2.67	2.26	14.11	12.26

**Consolidated Statement of Cash Flows for the year ended March 31, 2026**

(Rs. in lakhs)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
<b>A. Cash flow from operating activities</b>		
Profit before tax	28,421	25,546
Adjustments to reconcile profits before tax to net cash flows:		
Depreciation and amortization expense	8,819	8,870
Share-based payment expense	611	-
Gain on sale of investment carried at fair value through profit and loss	(405)	1
Fair value (gain)/loss on financial assets measured at fair value through profit or loss	(2,110)	(1,240)
(Gain)/loss on recognition/derecognition of contingent consideration	(344)	1,216
Interest income	(6,112)	(8,976)
Net unrealised foreign exchange (gain)/ loss	135	(102)
Impairment loss on financial assets	734	1,590
(Gain)/ loss on disposal of property, plant and equipment, net	(29)	(19)
Finance costs	9,736	9,948
<b>Operating profit before working capital changes</b>	<b>39,456</b>	<b>36,833</b>
<b>Movements in working capital</b>		
Increase in trade receivables	(2,602)	(2,114)
(Increase)/ Decrease in loans	(16)	33
(Increase)/ Decrease in non-financial assets	(4,519)	533
Decrease/ (Increase) in financial assets	859	(2,686)
(Decrease)/ Increase in trade payables	(1,228)	937
(Decrease)/ Increase in financial liabilities	(549)	731
Increase in provisions	3,748	23
Increase in contract liabilities	1,207	369
Decrease in other non-financial liabilities	(311)	(1,020)
<b>Cash generated from operating activities</b>	<b>36,045</b>	<b>33,639</b>
Income tax paid	(9,904)	(9,997)
<b>Net cash generated from operating activities (A)</b>	<b>26,141</b>	<b>23,642</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(291)	(766)
Purchase of intangible assets	(425)	(351)
Proceeds from sale of property, plant and equipment	41	19
Maturities of / (Investment in) bank deposit, net	(5,390)	23,647
Acquisition of subsidiary	-	(73,121)
Investment in equity shares of Solvio	-	(503)
Purchase of mutual funds	(31,302)	(37,549)
Proceeds from sale of mutual funds	18,504	3,751
Interest received	6,734	8,657
<b>Net cash used in investing activities (B)</b>	<b>(12,129)</b>	<b>(76,216)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(999)	(834)
Proceeds from long-term borrowings	7,678	24,061
Proceeds / (Repayment) of short-term borrowings (net)	17,299	53,322
Repayment of redeemable non-convertible debentures	-	(4,500)
Payment of principal portion of lease liabilities	(3,384)	(3,172)
Payment of interest portion of lease liabilities	(677)	(727)
Payment of contingent consideration	(16,489)	(1,401)
Dividend paid	(9,391)	(8,588)
Proceeds from exercise of share options	47	185
Interest paid	(8,456)	(8,401)
<b>Net cash generated from financing activities (C)</b>	<b>(14,372)</b>	<b>49,945</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(360)</b>	<b>(2,628)</b>
Net foreign exchange difference	414	19
Cash and cash equivalents at the beginning of the period	11,912	11,470
Cash acquired on acquisition of subsidiary	-	3,624
Less : Bank overdraft at the beginning of the year	-	(573)
<b>Cash and cash equivalents at the end of the period</b>	<b>11,966</b>	<b>11,912</b>
<b>Components of cash and cash equivalents</b>		
Balance with banks		
- on current account	9,424	11,481
- in EEFC accounts	2,541	430
Deposits with original maturity of less than three months	1	1
Less : Bank overdraft	-	-
<b>Total cash and cash equivalents</b>	<b>11,966</b>	<b>11,912</b>

**Happiest Minds Technologies Limited**  
**CIN : L72900KA2011PLC057931**  
**Regd. Office: #53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India**  
**Website: www.happiestminds.com , Email: IR@happiestminds.com , Tel: +91 80 6196 0300**

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

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
1	Debt-Equity ratio	0.88	0.80	0.79	0.88	0.79
2	Debt Service Coverage ratio (DSCR)	5.19	5.50	5.81	5.26	6.31
3	Interest Service Coverage ratio (ISCR)	4.61	4.26	3.63	4.26	3.94
4	Current ratio	1.48	1.73	1.66	1.48	1.66
5	Long-term Debt to Working Capital ratio	0.55	0.46	0.42	0.55	0.42
6	Bad debts to Trade receivable ratio	0.04	-	0.01	0.04	0.02
7	Current liability ratio	0.72	0.67	0.68	0.72	0.68
8	Total Debt to total Assets ratio	0.41	0.38	0.37	0.41	0.37
9	Trade Receivable Turnover Ratio	6.59	6.70	7.11	6.19	6.73
10	Operating margin (%)	0.17	0.18	0.15	0.17	0.17
11	Net profit margin (%)	0.10	0.07	0.06	0.09	0.09
12	Inventory turnover ratio	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) of the Companies Act, 2013 ( in INR Lakhs)	1,70,443	1,64,240	1,58,070	1,70,443	1,58,070

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) of the Companies Act, 2013 ( 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

**Notes to Statement of Consolidated Financial Results for the quarter and year ended March 31, 2026**

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 year ended March 31, 2026 ("Unaudited Consolidated Financial Results") of Happiest Minds Technologies Limited (the "Holding Company" or the "Company") and its subsidiaries (together referred to as "the Group") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 28, 2026.

2. The figures for the quarter ended March 31, 2026 are balancing figures between audited figures in respect of full financial year up to March 31, 2026 and the published year-to-date results up to December 31, 2025 being the date of the end of the third quarter of the financial year. The published year-to-date results up to December 31, 2025 was subjected to a limited review by the Statutory Auditors of the Company.

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

4. The Board of Directors of the Group at their meeting held on May 28, 2026 for the financial year ended March 31, 2026, recommended the payout of a final dividend of Rs.3.65/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of Shareholders at the 15th Annual General Meeting of the Company scheduled to be held on July 28, 2026.

5. On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the "Labour Codes") which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment

The Labour Codes, introduce changes including a uniform definition of wages and enhanced benefits relating to leave. The Group has assessed the financial implications of these changes, which have resulted in an increase in gratuity liability arising from past service cost and increase in leave liability by INR 2,203 lakhs.

Considering that the impact arising from the enactment of the new legislation is non-recurring in nature, the Group has presented this incremental amount of INR 2,203 lakhs as "Impact of Labour Codes" under "Exceptional Items" in the Statement of Profit and Loss for the quarter ended December 31, 2025 and year ended March 31, 2026. The Group continues to monitor developments pertaining to the Labour Codes and will evaluate any further impact on the measurement of liabilities relating to employee benefits.

6. On May 22, 2024, the Group acquired 100% equity interest of PureSoftware Technologies Private Limited ("PSTPL"). The Group paid a total cash consideration of INR 64,229 lakhs towards the acquisition. As a result of this acquisition, the Group has recorded goodwill of INR 56,740 lakhs and other intangible assets of INR 15,718 lakhs, and a contingent considerations of INR 10,814 lakhs. Costs incurred on the acquisition of about INR 605 Lakhs has been grouped under "Other expenses".

The Group has re-measured the fair value of the first-year earn-out contingent consideration and the change in fair value of INR 2,344 Lakhs has been recognised as a loss in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2025.

Further, the Group re-measured the fair value of the second-year earn-out contingent consideration, and the change in fair value of INR 1,247 Lakhs has been recognised as a loss in the Statement of Profit and Loss and disclosed as an 'Exceptional Item' for the current quarter and year ended March 31, 2026

7. On May 24, 2024, the Group acquired 100% membership interest in Aureus Tech Systems LLC ('Aureus'). The Group paid a total cash consideration of INR 7,149 lakhs towards the acquisition. As a result of this acquisition, the Group has recorded goodwill of INR 4,783 lakhs and other intangible assets of INR 4,398 lakhs, and a contingent considerations of INR 2,425 lakhs. The Group incurred acquisition cost of INR 38 Lakhs and it is grouped under "Other expenses".

The Group has re-measured the fair value of the first year earn-out contingent consideration and the change in fair value of INR 1,128 Lakhs has been recognised as a gain in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2025.

Further, the Group re-measured the second-year earn-out contingent consideration, and the change in fair value amounting to INR 1,591 Lakhs as at March 31, 2026 has been recognised as a gain in the Statement of Profit and Loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2026.

8. The Board of Directors of the Group at its meeting held on July 29, 2025 had approved the Scheme of Amalgamation of Aureustech Systems Private Limited (Wholly Owned Subsidiary of the Company) with the Company and their respective Shareholders and Creditors, pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 read with Regulation 37 of SEBI (LODR) Regulation, 2015. The Scheme of Amalgamation is filed with Hon'ble National Company Law Tribunal ("NCLT") on September 02, 2025.

9. The Board of Directors of the Group at its meeting held on February 04, 2025 had approved the Scheme of Amalgamation of PureSoftware Technologies Private Limited (Wholly Owned Subsidiary of the Company) with the Company and their respective Shareholders and Creditors, pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 read with Regulation 37 of SEBI (LODR) Regulation, 2015. The Scheme of Amalgamation is filed with Hon'ble National Company Law Tribunal ("NCLT") on May 09 2025.

10. The Scheme of Amalgamation of Happiest Minds Edutech Pvt. Ltd ("HMEPL"), a wholly-owned subsidiary, with and into the Holding Company was approved by the Hon'ble National Company Law Tribunal ("NCLT") on September 22, 2025, with an appointed date of April 18, 2024. The resultant merger has no impact on the consolidated financial results of the Group , as HMEPL was a wholly-owned subsidiary.

11. The Scheme of Amalgamation of Sri Mookambika Infosolutions Private Limited ("SMI"), a wholly-owned subsidiary, with and into the Holding Company was approved by the Hon'ble National Company Law Tribunal ("NCLT") on September 25, 2025 and a corrigendum dated October 13, 2025, with an appointed date of April 1, 2025. The resultant merger has no impact on the consolidated financial results of the Group , as SMI was a wholly-owned subsidiary.

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

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	Refer note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Total revenue (including other income)	54,895	44,841	45,006	1,90,115	1,73,097
Profit before tax	12,599	1,959	3,693	27,031	20,740
Profit for the period / year	11,337	1,403	3,049	22,412	15,543
Total comprehensive income for the period / year ended	9,861	1,755	3,558	19,935	14,938

**Notes to Statement of Consolidated Financial Results for the quarter and year ended March 31, 2026**

13. The segment reporting of the Group has been prepared in accordance with Ind AS-108 on 'Operating Segments'. The Executive Management of the Group examines performance on the basis of its business units and has identified three reportable segments: Infrastructure Management & Security Services (IMSS), Product and Digital Engineering service ("PDES") and Generative AI Business Services (GBS).

Segment wise revenue and results are as follows:

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	Refer note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>1. Segment revenue</b>					
IMSS	10,256	9,902	8,919	38,909	32,832
PDES	47,622	46,465	44,357	1,84,736	1,69,691
GBS	2,530	2,389	1,182	7,866	3,562
<b>Total</b>	<b>60,408</b>	<b>58,756</b>	<b>54,458</b>	<b>2,31,511</b>	<b>2,06,084</b>
<b>2. Segment results</b>					
IMSS	2,925	2,536	2,004	10,554	9,176
PDES	13,280	11,737	8,834	46,876	39,745
GBS	332	607	(253)	1,099	(1,339)
<b>Total</b>	<b>16,537</b>	<b>14,880</b>	<b>10,586</b>	<b>58,529</b>	<b>47,583</b>
Unallocable other income	1,562	1,572	2,595	8,298	10,138
Unallocable finance cost	(1,338)	(1,456)	(1,472)	(5,238)	(5,947)
Unallocable depreciation and amortisation expenses	(1,122)	(1,151)	(1,144)	(4,580)	(4,319)
Other unallocable expenses*	(7,591)	(8,425)	(5,525)	(28,586)	(21,908)
Tax (expense) / credit	(1,931)	(1,390)	(1,638)	(7,159)	(7,080)
<b>Profit after tax</b>	<b>6,117</b>	<b>4,030</b>	<b>3,402</b>	<b>21,262</b>	<b>18,467</b>

\*Other Unallocable expense includes INR 2,203 lakhs towards impact of Labour Codes for the quarter ended December 31, 2025 and year ended March 31, 2026. (Refer note.5 above)

Segment wise assets and liabilities are as follows:

(Rs. in lakhs)

Particulars	As at	
	March 31, 2026	March 31, 2025
	(Audited)	(Audited)
<b>1. Segment assets</b>		
IMSS	10,979	10,639
PDES	1,56,817	1,52,035
GBS	1,926	248
Other unallocable assets	1,92,789	1,72,984
<b>Total assets</b>	<b>3,62,511</b>	<b>3,35,906</b>
<b>2. Segment liabilities</b>		
IMSS	2,613	2,648
PDES	74,522	96,570
GBS	246	3
Other unallocable liabilities	1,16,181	79,227
<b>Total liabilities</b>	<b>1,93,562</b>	<b>1,78,448</b>

14. 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  
 DIN : 01856347

Place: Bengaluru, India  
 Date: May 28, 2026

## **INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF HAPPIEST MINDS TECHNOLOGIES LIMITED**

#### **Opinion and Conclusion**

We have (a) audited the Standalone Financial Results for the year ended March 31, 2026, and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2026 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended March 31, 2026" of **HAPPIEST MINDS TECHNOLOGIES LIMITED** (the "Company"), which includes financial statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP trust") (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "LODR Regulations").

#### **(a) Opinion on Annual Standalone Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit report of the ESOP trust auditors as referred to in Other Matters section below the Standalone Financial Results for the year ended March 31, 2026:

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

#### **(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2026**

With respect to the Standalone Financial Results for the quarter ended Month 31, 2026, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the ESOP trust auditors as referred in Other Matters section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2026, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Basis for Opinion on the Audited Standalone Financial Results for the year ended  
March 31, 2026**

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2026 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the ESOP trust auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

**Management's and Board of Directors' Responsibilities for the Statement**

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2026 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2026 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the LODR Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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



**Auditor's Responsibilities**

**(a) Audit of the Standalone Financial Results for the year ended March 31, 2026**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2026 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

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

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

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- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the LODR Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company and ESOP trust to express an opinion on the Annual Standalone Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities or business activities included in the Annual Standalone Financial Results of which we are the independent auditors. For the other entities or business activities included in the Annual Standalone Financial Results, which have been audited by the ESOP trust auditors, such ESOP trust auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

**(b) Review of the Standalone Financial Results for the quarter ended March 31, 2026**

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2026 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

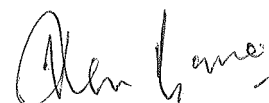
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**Other Matters**

- The Statement includes the results for the Quarter ended Month 31, 2026 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.
- We did not audit the financial statements of the ESOP trust included in the statement, whose financial statements reflect total assets of Rs. 9,568 lakhs as at March 31, 2026 and total revenues of Rs Nil and Rs. Nil for the quarter and year ended March 31, 2026 respectively, total net profit after tax of Rs. 15 lakhs and Rs. 160 lakhs for the quarter and year ended March 31, 2026 respectively and other comprehensive loss of Rs. 2,158 lakhs and Rs. 6,005 lakhs for the quarter and year ended March 31, 2026 respectively and net cash outflows of Rs. 157 lakhs for the year ended March 31, 2026, as considered in the respective standalone audited financial statements of the Company. The financial statements of the ESOP trust have been audited by the ESOP trust auditors whose reports have been furnished to us and our opinion and conclusion in so far as it relates to the amounts and disclosures included in respect of the ESOP trust, is based solely on the reports of such ESOP trust auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

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

**for DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 008072S)



**Vikas Bagaria**

Partner

(Membership No. 060408)  
(UDIN:26060408KCTBKY4356)

Place: Bengaluru  
Date: May 28, 2026

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

Standalone Statement of Assets and Liabilities as at March 31, 2026

(Rs. in lakhs)

SI No	Particulars	As at March 31, 2026 (Audited)	As at March 31, 2025 (Audited)
	<b>ASSETS</b>		
<b>A</b>	<b>Non-current assets</b>		
	Property, plant and equipment	13,138	13,671
	Goodwill	6,015	6,015
	Other intangible assets	4,577	5,822
	Right-of-use assets	5,416	6,080
	Intangible assets under development	83	18
	Financial assets:		
	i. Investments	79,958	78,307
	ii. Loans	-	1,250
	iii. Other financial assets	27,103	7,164
	Income tax assets (net)	5,027	3,479
	Deferred tax assets	2,954	2,368
	Other assets	166	86
	<b>Total non-current assets</b>	<b>1,44,437</b>	<b>1,24,260</b>
<b>B</b>	<b>Current assets</b>		
	Financial assets		
	i. Investments	50,352	35,039
	ii. Trade receivables	33,880	28,090
	iii. Cash and cash equivalents	5,764	4,596
	iv. Bank balance other than cash and cash equivalents	79,055	93,912
	v. Loans	8	10
	vi. Other financial assets	15,348	13,563
	Other assets	9,284	5,261
	<b>Total current assets</b>	<b>1,93,691</b>	<b>1,80,471</b>
	<b>Total assets (A+B)</b>	<b>3,38,128</b>	<b>3,04,731</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>C</b>	<b>Equity</b>		
	Equity share capital	3,005	3,001
	Other equity	1,60,655	1,49,442
	<b>Total Equity</b>	<b>1,63,660</b>	<b>1,52,443</b>
<b>D</b>	<b>Non-current liabilities</b>		
	Financial liabilities		
	i. Borrowings	28,128	33,537
	ii. Lease liabilities	3,819	4,531
	iii. Other financial liabilities	2,131	612
	Provisions	7,096	4,614
	Deferred tax liabilities	1,069	1,375
	<b>Total non-current liabilities</b>	<b>42,243</b>	<b>44,669</b>
<b>E</b>	<b>Current liabilities</b>		
	Contract liability	1,984	1,342
	Financial liabilities		
	i. Borrowings	1,07,252	76,750
	ii. Lease liabilities	2,878	2,821
	iii. Trade payables		
	(A) Total outstanding dues of micro and small enterprises	520	186
	(B) Total outstanding dues of creditors other than micro and small enterprises	7,289	7,854
	iv. Other financial liabilities	6,964	13,139
	Other current liabilities	2,310	2,728
	Provisions	3,028	2,799
	<b>Total current liabilities</b>	<b>1,32,225</b>	<b>1,07,619</b>
<b>F</b>	<b>Total liabilities (D+E)</b>	<b>1,74,468</b>	<b>1,52,288</b>
	<b>Total equity and liabilities (C+F)</b>	<b>3,38,128</b>	<b>3,04,731</b>

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

Statement of Standalone Financial Results for the quarter and year ended March 31, 2026

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
	Refer Note 2	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>I. Revenue</b>					
(a) Revenue from operations	45,721	43,269	38,816	1,72,602	1,59,407
(b) Other income	9,174	1,572	6,190	17,513	13,690
<b>Total revenue</b>	<b>54,895</b>	<b>44,841</b>	<b>45,006</b>	<b>1,90,115</b>	<b>1,73,097</b>
<b>II. Expenses</b>					
(a) Employee benefits expense	31,458	30,062	27,225	1,19,254	1,08,937
(b) Finance costs	2,183	2,330	2,413	9,223	9,113
(c) Depreciation and amortisation expense	1,241	1,292	1,264	5,114	5,053
(d) Other expenses	7,414	7,157	8,067	27,452	26,910
<b>Total expenses</b>	<b>42,296</b>	<b>40,841</b>	<b>38,968</b>	<b>1,61,043</b>	<b>1,50,013</b>
<b>III. Profit before exceptional items and tax (I-II)</b>	<b>12,599</b>	<b>4,000</b>	<b>6,037</b>	<b>29,072</b>	<b>23,084</b>
<b>IV. Exceptional items: charge / (credit) (refer note 6 &amp; 7)</b>	-	2,041	2,344	2,041	2,344
<b>V. Profit before tax (III+IV)</b>	<b>12,599</b>	<b>1,959</b>	<b>3,693</b>	<b>27,031</b>	<b>20,740</b>
<b>VI. Tax expense</b>					
Current tax	903	899	777	4,678	5,856
Deferred tax	359	(343)	(133)	(59)	(659)
<b>Total tax expense</b>	<b>1,262</b>	<b>556</b>	<b>644</b>	<b>4,619</b>	<b>5,197</b>
<b>VII. Profit for the period / year (V-VI)</b>	<b>11,337</b>	<b>1,403</b>	<b>3,049</b>	<b>22,412</b>	<b>15,543</b>
<b>VIII. Other comprehensive income, net of tax [(loss)/profit]</b>					
(i) Item to be reclassified to profit or loss in subsequent periods / year					
Net movement on effective portion of cash flow hedges [gains/ (losses)]	(2,051)	(115)	836	(3,726)	(315)
Income tax effect	517	29	(211)	938	79
(ii) Item not to be reclassified to profit or loss in subsequent periods / year					
Re-measurement gains/ (losses) on defined benefit	75	585	(155)	415	(493)
Income tax effect	(17)	(147)	39	(104)	124
<b>IX. Total comprehensive income for the period / year (VII-VIII)</b>	<b>9,861</b>	<b>1,755</b>	<b>3,558</b>	<b>19,935</b>	<b>14,938</b>
<b>X. Paid-up equity share capital (Rs. 2/- each)</b>	3,005	3,005	3,001	3,005	3,001
<b>XI. Other equity</b>				1,60,655	1,49,442
<b>XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):</b>					
Basic EPS (Rs.)	7.53	0.93	2.96	14.88	10.32
Diluted EPS (Rs.)	7.52	0.93	2.96	14.87	10.32

Happiest Minds Technologies Limited  
CIN : L72900KA2011PLC057931

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Standalone Statement of Cash Flows for the year ended March 31, 2026

(Rs. in lakhs)

Particulars	Year ended March 31, 2026 (Audited)	Year ended March 31, 2025 (Audited)
<b>A. Cash flow from operating activities</b>		
Profit before tax	27,031	20,740
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	5,114	5,053
Share-based payment expense	611	-
(Gain)/ loss on disposal of property, plant and equipment, net	(10)	(16)
Gain on sale of investment carried at fair value through profit and loss	(405)	1
Fair value (gain)/loss on financial assets measured at fair value through profit or loss	(2,110)	(1,241)
(Gain)/loss on recognition/derecognition of contingent consideration	-	2,344
Interest income	(6,112)	(8,796)
Net unrealised foreign exchange loss / (gain)	471	104
Impairment loss on financial assets	243	1,533
Dividend from subsidiaries	(9,751)	(3,500)
Finance costs	9,223	9,113
<b>Operating profit before working capital changes</b>	<b>24,305</b>	<b>25,335</b>
<b>Movements in working capital</b>		
Increase in trade receivables	(5,414)	(4,450)
Decrease in loans	3	26
Increase in non-financial assets	(4,103)	(867)
Increase in financial assets	(2,737)	(493)
(Decrease)/ Increase in trade payables	(231)	825
Decrease in financial liabilities	(176)	(257)
Increase in provisions	3,126	1,332
Increase/ (Decrease) in contract liabilities	642	(79)
Decrease in other non-financial liabilities	(414)	(75)
<b>Cash generated from operating activities</b>	<b>14,999</b>	<b>21,297</b>
Income tax paid	(6,226)	(8,020)
<b>Net cash generated from operating activities (A)</b>	<b>8,773</b>	<b>13,277</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(144)	(547)
Purchase of intangible assets	(344)	(351)
Proceeds from sale of property, plant and equipment	10	19
Maturities of / (Investment in) bank deposit, net	(5,123)	23,669
Acquisition of subsidiaries	(1,651)	(66,081)
Proceeds from loan to subsidiary	1,254	1,668
Loan given to subsidiary	-	(1,250)
Purchase of mutual funds	(31,302)	(37,549)
Proceeds from sale of mutual funds	18,504	3,751
Interest received	6,687	8,729
Dividend from Subsidiaries	9,751	3,500
<b>Net cash used in investing activities (B)</b>	<b>(2,358)</b>	<b>(64,442)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(999)	(969)
Proceeds from long-term borrowings (net)	830	24,061
(Repayments)/ Proceeds from short-term borrowings (net)	23,452	47,444
Repayment of redeemable non-convertible debentures	-	(4,500)
Proceeds of Loan from subsidiary	23,750	3,500
Repayment of Loan from subsidiary	(22,400)	(3,150)
Payment of principal portion of lease liabilities	(2,993)	(2,830)
Payment of interest portion of lease liabilities	(605)	(670)
Dividend paid	(9,391)	(8,588)
Proceeds from exercise of share options	56	183
Payment of contingent consideration	(8,965)	(1,400)
Interest paid	(8,064)	(8,057)
<b>Net cash generated from financing activities (C)</b>	<b>(5,329)</b>	<b>45,024</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>1,086</b>	<b>(6,142)</b>
Net foreign exchange difference	82	(3)
Cash and cash equivalents at the beginning of the period	4,596	11,314
Cash and cash equivalents acquired on account of scheme (refer note 12)		
Less : Bank overdraft at the beginning of the year	-	(573)
<b>Cash and cash equivalents at the end of the period</b>	<b>5,764</b>	<b>4,597</b>
<b>Components of cash and cash equivalents</b>		
Balance with banks		
- on current account	4,463	4,166
- in EEFC accounts	1,300	430
Deposits with original maturity of less than three months	1	1
<b>Total cash and cash equivalents</b>	<b>5,764</b>	<b>4,597</b>

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

Sr. No	Particulars	Quarter ended			Year ended	
		March 31, 2026	December 31, 2025	March 31, 2025	March 31, 2026	March 31, 2025
1	Debt-Equity ratio	0.87	0.85	0.77	0.87	0.77
2	Debt Service Coverage ratio (DSCR)	8.74	3.91	5.76	5.40	6.12
3	Interest Service Coverage ratio (ISCR)	6.78	2.72	3.62	4.15	3.66
4	Current ratio	1.46	1.68	1.68	1.46	1.68
5	Long-term Debt to Working Capital ratio	0.50	0.45	0.47	0.50	0.47
6	Bad debts to Trade receivable ratio	0.04	-	-	0.04	-
7	Current liability ratio	0.76	0.71	0.71	0.76	0.71
8	Total Debt to total Assets ratio	0.42	0.42	0.39	0.42	0.39
9	Trade Receivable Turnover Ratio	6.23	6.54	6.05	5.57	6.22
10	Operating margin (%)	0.15	0.14	0.09	0.15	0.15
11	Net profit margin (%)	0.25	0.03	0.08	0.13	0.10
12	Inventory turnover ratio	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) of the Companies Act, 2013 (in INR Lakhs)	1,66,062	1,54,654	1,52,640	1,66,062	1,52,640

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) of the Companies Act, 2013 (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

**Notes to Statement of Standalone Financial Results for the quarter and year ended March 31, 2026**

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Standalone Financial Results for the quarter and year ended March 31, 2026 ("Standalone Financial Results") of Happiest Minds Technologies Limited (the "Company") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 28, 2026.

2. The figures for the quarter ended March 31, 2026 are balancing figures between audited figures in respect of full financial year up to March 31, 2026 and the unaudited published year-to-date figure up to December 31, 2025 being the date of the end of the third quarter of the financial year. The published year-to-date results up to December 31, 2025 was subjected to a limited review by the Statutory Auditors of the Company.

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

4. The Board of Directors of the Company at their meeting held on May 28, 2026 for the financial year ended March 31, 2026, recommended the payout of a final dividend of Rs.3.65/- per equity share of face value Rs.2/- each. This recommendation is subject to approval of Shareholders at the 15th Annual General Meeting of the Company scheduled to be held on July 28, 2026.

5. The Company publishes standalone financial statements along with the consolidated financial statements. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the audited consolidated financial statements. Accordingly, the segment information is given in the audited consolidated financial results of Happiest Minds Technologies Limited and its subsidiary for the quarter and year ended March 31, 2026.

6. On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the "Labour Codes") which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment

The Labour Codes, introduce changes including a uniform definition of wages and enhanced benefits relating to leave. The Company has assessed the financial implications of these changes, which have resulted in an increase in gratuity liability arising from past service cost and increase in leave liability by INR 2,041 lakhs.

Considering that the impact arising from the enactment of the new legislation is non-recurring in nature, the Company has presented this incremental amount of INR 2,041 lakhs as "Impact of Labour Codes" under "Exceptional Items" in the Statement of Profit and Loss for the quarter ended December 31, 2025 and year ended March 31, 2026. The Company continues to monitor developments pertaining to the Labour Codes and will evaluate any further impact on the measurement of liabilities relating to employee benefits.

7. On May 22, 2024, the Group acquired 100% equity interest of PureSoftware Technologies Private Limited ("PSTPL"). The Group paid a total cash consideration of INR 64,229 lakhs towards the acquisition. As a result of this acquisition, the Group has recorded goodwill of INR 56,740 lakhs and other intangible assets of INR 15,718 lakhs, and a contingent considerations of INR 10,814 lakhs. Costs incurred on the acquisition of about INR 605 Lakhs has been grouped under "Other expenses".

The Company has re-measured the fair value of the contingent consideration and the change in fair value of INR 2,344 Lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter and year ended March 31, 2025.

8. The Scheme of Amalgamation of Happiest Minds Edutech Pvt. Ltd ("HMEPL"), a wholly-owned subsidiary, with and into the Company was approved by the Hon'ble National Company Law Tribunal ("NCLT") on September 22, 2025, with an appointed date of April 18, 2024. Accordingly, the Company has accounted for the aforesaid merger sanctioned by NCLT, using the pooling of interest method retrospectively for all periods presented in the standalone financial results as prescribed in Ind AS 103 - "Business Combinations". The previous periods figures, where applicable, in the standalone financial results are accordingly restated.

9. The Scheme of Amalgamation of Sri Mookambika Infosolutions Private Limited ("SMI"), a wholly-owned subsidiary, with and into the Company was approved by the Hon'ble National Company Law Tribunal ("NCLT") on September 25, 2025 (read with a corrigendum dated October 13, 2025), with an appointed date of April 1, 2025. Accordingly, the Company has accounted for the aforesaid merger sanctioned by NCLT, using the pooling of interest method retrospectively for all periods presented in the standalone financial results as prescribed in Ind AS 103 - "Business Combinations". The previous periods figures, where applicable, in the standalone financial results are accordingly restated.

10. The Board of Directors of the Company at its meeting held on July 29, 2025 had approved the Scheme of Amalgamation of Aureustech Systems Private Limited (Wholly Owned Subsidiary of the Company) with the Company and their respective Shareholders and Creditors, pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 read with Regulation 37 of SEBI (LODR) Regulation, 2015. The Scheme of Amalgamation is filed with Hon'ble National Company Law Tribunal ("NCLT") on September 02, 2025.

11. The Board of Directors of the Company at its meeting held on February 04, 2025 had approved the Scheme of Amalgamation of PureSoftware Technologies Private Limited (Wholly Owned Subsidiary of the Company) with the Company and their respective Shareholders and Creditors, pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 read with Regulation 37 of SEBI (LODR) Regulation, 2015. The Scheme of Amalgamation is filed with Hon'ble National Company Law Tribunal ("NCLT") on May 09 2025.

12. 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  
DIN : 01856347

Place: Bengaluru, India  
Date: May 28, 2026