

February 04, 2025

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

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

Dear Sir/Madam,

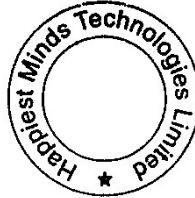
Sub: Integrated Filing (Financials) for the quarter and nine months ended December 31, 2024.

Pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024, read with BSE Circular No. 20250102-4 and NSE Circular No. NSE/CML/2025/02 dated January 2, 2025, we are submitting herewith the Integrated Filing (Financials) for the quarter and nine months ended December 31, 2024. The above documents are also uploaded on the Company's website (<https://www.happiestminds.com/investors>)

This is for your information and records.

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

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



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

**TO THE BOARD OF DIRECTORS OF
Happiest Minds Technologies Limited**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Happiest Minds Technologies Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 2024 ("the Statement") which includes the financial statements of Happiest Minds Technologies Share Ownership Trust ("the ESOP trust"), being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the following entities:
 - i. Happiest Minds Inc. wholly owned subsidiary of Happiest Minds Technologies Limited.
 - ii. Sri Mookambika Infosolutions Private Limited wholly owned subsidiary of Happiest Minds Technologies Limited
 - iii. PureSoftware Technologies Private Limited wholly owned subsidiary of Happiest Minds Technologies Limited
 - iv. PureSoftware Pte Limited (Singapore) wholly owned subsidiary of PureSoftware Technologies Private Limited
 - v. PureSoftware Private Limited (UK) wholly owned subsidiary of PureSoftware Technologies Private Limited

- vi. PurSoftware Corp (USA) wholly owned subsidiary of PureSoftware Technologies Private Limited
- vii. PureSoftware Sdn. Bhd. (Malaysia) wholly owned subsidiary of PureSoftware Technologies Private Limited
- viii. PureSoftware Technology S. De. R. L. De. C.V., (Mexico) wholly owned subsidiary of PureSoftware Technologies Private Limited
- ix. PureSoftware HK Limited (Hongkong) wholly owned subsidiary of PureSoftware Technologies Private Limited
- x. PureSoftware Africa Limited (Kenya) wholly owned subsidiary of PureSoftware Technologies Private Limited
- xi. PureSoftware Technologies Romania SRL (Romania) wholly owned subsidiary of PureSoftware Technologies Private Limited
- xii. Pure Conference Private Limited wholly owned subsidiary of PureSoftware Technologies Private Limited
- xiii. PureSoftware Private Limited (Nepal) wholly owned subsidiary of PureSoftware Technologies Private Limited
- xiv. PureSoftware Pty (Australia) wholly owned subsidiary of PureSoftware Technologies Private Limited
- xv. Aureus Tech Systems LLC wholly owned subsidiary of Happiest Minds Inc.
- xvi. Aureus Tech Systems Private Limited wholly owned subsidiary of Aureus Tech Systems LLC
- xvii. Aureus Tech Systems Canada Ltd wholly owned subsidiary of Aureus Tech Systems LLC
- xviii. Happiest Minds Edutech Private Limited (formerly known as Macmillan Learning India Private Limited) wholly owned subsidiary of Happiest Minds Technologies Limited
- xix. Happiest Minds Technologies Share Ownership Plan Trust

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial results of the ESOP Trust included in the unaudited standalone financial results, whose interim financial results reflect total revenues Rs. Nil and Rs. Nil for the quarter and nine months ended December 31, 2024, total net profit after taxes of Rs. 90 lakhs and Rs. 261 lakhs for the quarter and nine months ended December 31, 2024 and total comprehensive loss of Rs. 3,123 lakhs and Rs. 4,335 lakhs for the quarter and nine months ended December 31, 2024, as considered in this Statement. The interim financial results of the ESOP trust have been reviewed by other auditor whose reports have been furnished to us by the management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the ESOP Trust, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

**Deloitte
Haskins & Sells**

7. We did not review the interim financial results of 17 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflects total revenues of Rs. 14,219 lakhs and Rs. 35,518 lakhs for the quarter and nine months ended December 31, 2024, total net profit after tax of Rs. 2,396 lakhs and Rs. 5,563 lakhs for the quarter and nine months ended December 31, 2024 and total comprehensive income of Rs. 2,448 lakhs and Rs. 5,834 lakhs for the quarter and nine months ended December 31, 2024 respectively, as considered in the Statement. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

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

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

VIKAS
BAGARIA

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VIKAS BAGARIA
Date: 2025.02.04
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Vikas Bagaria
(Partner)
(Membership No. 060408)
(UDIN: 25060408BMOCII5372)

Place: Bengaluru
Date: February 4, 2025

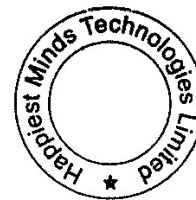
Happiest Minds Technologies Limited
CIN : L72900KA2011PLC057931

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

(Rs. in lakhs)

Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2024

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
I. Revenue						
(a) Revenue from operations	53,081	52,164	40,988	1,51,627	1,20,737	1,62,466
(b) Other income	2,296	2,703	2,429	7,543	6,016	8,537
Total revenue	55,377	54,867	43,417	1,59,170	1,26,753	1,71,003
II. Expenses						
(a) Employee benefits expense	35,577	35,055	26,139	1,00,619	75,192	1,01,469
(b) Finance costs	2,693	2,799	1,072	7,475	3,194	4,227
(c) Depreciation and amortisation expense	2,099	2,312	1,481	6,615	4,360	5,829
(d) Other expenses	8,114	7,929	6,759	23,954	20,261	27,412
Total expenses	48,483	48,095	35,451	1,38,663	1,03,007	1,38,937
III. Profit before exceptional items and tax (I-II)	6,894	6,772	7,966	20,507	23,746	32,066
IV. Exceptional items (refer note 10 and 11)	-	-	(107)	-	(107)	(1,402)
V. Profit before tax (III-IV)	6,894	6,772	8,073	20,507	23,853	33,468
VI. Tax expense						
Current tax	2,210	2,179	2,192	6,503	6,709	9,518
Deferred tax (credit)	(326)	(359)	(81)	(1,061)	(497)	(889)
Total Tax expense	1,884	1,820	2,111	5,442	6,212	8,629
VII. Profit for the period / year (V-VI)	5,010	4,952	5,962	15,065	17,641	24,839
VIII. Other comprehensive income, net of tax [(loss)/profit]						
(i) Items to be reclassified to profit or loss in subsequent periods / year						
a) Exchange difference on translation of foreign operation	336	206	16	506	96	124
b) Net change in fair value of derivatives designated as cash flow hedges	(817)	(515)	(166)	(1,188)	206	403
c) Income tax effect on above	206	129	41	299	(52)	(101)
(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)	-	(503)	(260)	(1,319)
b) Income tax effect on above	-	106	-	106	55	277
a) Re-measurement of defined benefit plans	(15)	(323)	(125)	(377)	(310)	(346)
b) Income tax effect on above	4	81	32	95	78	87
IX. Total comprehensive income for the period / year (VII+VIII)	4,724	4,133	5,760	14,003	17,454	23,964
X. Paid-up equity share capital (Rs. 2/- each)	2,999	2,995	2,981	2,999	2,981	2,987
XI. Other equity						1,45,037
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):						
Basic EPS (Rs.)	3.33	3.29	3.98	10.01	11.93	16.73
Diluted EPS (Rs.)	3.33	3.29	3.96	10.01	11.89	16.73



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

Sr. No	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	Decemebr 31, 2023	March 31, 2024
1	Debt-Equity ratio	0.83	0.82	0.37	0.83	0.37	0.35
2	Debt Service Coverage ratio (DSCR)	7.03	6.68	4.96	7.33	5.04	5.25
3	Interest Service Coverage ratio (ISCR)	3.82	3.65	8.89	4.05	8.88	8.97
4	Current ratio	1.39	1.37	2.64	1.39	2.64	3.14
5	Long-term Debt to Working Capital ratio	0.18	0.20	0.12	0.18	0.12	0.09
6	Bad debts to Trade receivable ratio	0.01	-	-	0.01	-	0.02
7	Current liability ratio	0.81	0.82	0.74	0.81	0.74	0.74
8	Total Debt to total Assets ratio	0.38	0.38	0.24	0.38	0.24	0.23
9	Trade Receivable Turnover Ratio	8.18	8.20	7.03	7.79	6.90	6.95
10	Operating margin (%)	0.18	0.18	0.20	0.18	0.21	0.21
11	Net profit margin (%)	0.09	0.09	0.15	0.10	0.15	0.15
12	Inventory turnover ratio	NA	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	1,54,756	1,53,331	1,41,103	1,54,756	1,41,103	1,48,347

Note:

Formulae for computation of ratios are as follows:

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



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

Notes to Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2024

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 nine months ended December 31, 2024 ("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 February 04, 2025 and subjected to a limited review by the Statutory Auditors of the Company.

2. The unaudited financials results for quarter and nine months ended December 31, 2023 and in respect of comparative financial results for the quarter ended September 30, 2024 was subjected to a limited review by the Statutory Auditors of the Company.

3. The Unaudited Consolidated Financial Results of the Group have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013, and as amended, read with relevant rules thereunder and in terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended and SEBI Circular No.CIR/CFD/CMD/1/44/2019 dated March 29, 2019.

4. On May 22, 2024, the Group acquired 100% equity interest of PureSoftware Technologies Private Limited ("PSTPL"). The Company paid the cash consideration of INR 63,947 lakhs and INR 118 lakhs on May 22, 2024 and August 19, 2024 respectively, and the shares were transferred on May 28, 2024. As a result of this acquisition, the Group has recorded goodwill of INR 56,373 lakhs and other intangible assets of INR 15,553 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".

5. On May 24, 2024, the Group acquired 100% membership interest in Aureus Tech Systems LLC ("Aureus"). The Company paid cash consideration of INR 6,608 lakhs and INR 525 lakhs on May 24, 2024 and September 4, 2024 respectively, and the membership interest in Aureus were transferred on May 27, 2024. 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".

6. On April 18, 2024, the Group acquired 100% equity in Macmillan Learning India Private Limited, a Bangalore based company for a total purchase consideration of INR 445 Lakhs. The Company paid the purchase consideration on April 30, 2024.

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

Particulars	(Rs. in lakhs)					
	Quarter ended			Nine months ended		Year ended
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
Total revenue (including other income)	39,525	40,106	42,017	1,19,486	1,18,343	1,58,414
Profit before tax	3,928	5,224	9,930	15,134	25,105	32,496
Profit for the period / year	2,870	3,826	7,983	11,080	19,180	24,573
Total comprehensive income for the period / year ended	2,254	3,252	7,787	9,964	19,094	24,594

8. The Group has established new business unit, Generative AI Business Services (GBS). Further it merged its existing business units of Digital Business Services ("DBS") and Product Engineering Services ("PES") to form Product and Digital Engineering service ("PDES"). The Business unit of Infrastructure Management & Security Services (IMSS) continues to operate with no change. The GBS Business unit offers IT services around Generative AI and allied services. The new structure was effective April 1, 2024.

The information for the earlier periods basis the new segment has not been restated as the information is not readily available and the cost to identify the information would be excessive. The information for the current period on both the old basis and the new basis of segmentation has not been disclosed for similar reason.

9. 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 based on its three Business units of GBS, PDES and IMSS.

Segment wise revenue and results are as follows:

Particulars	(Rs. in lakhs)					
	Quarter ended			Nine months year ended		Year ended
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
1. Segment revenue						
IMSS	8,045	7,876	7,299	23,913	22,195	29,746
PDES	44,215	43,442	33,689	1,25,334	98,542	1,32,720
GBS	821	846	-	2,380	-	-
Total	53,081	52,164	40,988	1,51,627	1,20,737	1,62,466
2. Segment results						
IMSS	2,395	2,201	1,983	7,172	5,797	7,751
PDES	10,530	10,348	11,141	30,911	32,384	45,070
GBS	(484)	(314)	-	(1,086)	-	-
Total	12,440	12,236	13,124	36,997	38,181	52,821
Unallocable other income	2,296	2,702	2,429	7,543	6,016	8,537
Unallocable finance cost	(1,363)	(1,742)	(1,012)	(4,475)	(3,015)	(4,022)
Unallocable depreciation and amortisation expenses	(1,117)	(1,100)	(895)	(3,175)	(2,519)	(3,672)
Other unallocable expenses	(5,362)	(5,324)	(5,573)	(16,381)	(14,810)	(20,196)
Tax expense	(1,884)	(1,820)	(2,111)	(5,443)	(6,212)	(8,629)
Profit after tax	5,010	4,952	5,962	15,065	17,641	24,839

Segment wise assets and liabilities are as follows:

Particulars	(Rs. in lakhs)	
	As at	
	December 31, 2024	March 31, 2024
	(Unaudited)	(Audited)
1. Segment assets		
IMSS	8,262	7,291
PDES	1,40,790	55,362
GBS	254	-
Other unallocable assets	1,84,880	1,62,126
Total assets	3,34,186	2,24,779
2. Segment liabilities		
IMSS	1,223	2,131
PDES	94,867	8,979
GBS	2	-
Other unallocable liabilities	84,514	65,645
Total liabilities	1,80,606	76,755



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Notes to Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2024

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

The contingent consideration was classified as a financial liability as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The total consideration for acquisition of SMI includes a contingent consideration payable over a period of 2 years ending December 31, 2024. The Group has re-measured the fair value of the liability and the change in fair value amounting to INR 107 lakhs and INR 143 lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter ended December 31, 2023 and year ended March 31,2024 respectively. There is no further revision in the estimate.

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

The contingent consideration was classified as a financial liability as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The Group has re-measured the fair value of the liability and the change in fair value amounting to INR 1,259 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, 2024.

12. On February 02, 2025, the Group signed share purchase agreement with Gavs Technologies Limited to acquire 100% of business interest of their Middle East business by acquiring namely InnovazIT Technologies LLC, Dubai; Gavs Technologies LLC, Oman and Gavs Technologies Saudi Arabia, for a total purchase consideration of US \$ 1.70 million (INR 1,470 lakhs). The acquisition is expected to be completed by March 15, 2025.

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

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

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

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



Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

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

TO THE BOARD OF DIRECTORS OF Happiest Minds Technologies Limited

1. We have reviewed the accompanying Statement of interim Standalone Unaudited Financial Results of Happiest Minds Technologies Limited ("the Company"), for the quarter and nine months ended December 31, 2024 ("the Statement"), which includes financial statements of Happiest Minds Technologies Share Ownership Plans Trust (the "ESOP Trust"), being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations")
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. Based on our review conducted as stated in paragraph 3 above and based on the consideration of the review reports of the other auditor as referred in paragraph 5 below nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the SEBI Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Deloitte
Haskins & Sells**

5. We did not review the interim financial results of the ESOP Trust included in the unaudited standalone financial results, whose interim financial results reflect total revenues Rs. Nil and Rs. Nil for the quarter and nine months ended December 31, 2024, total net profit after taxes of Rs. 90 lakhs and Rs. 261 lakhs for the quarter and nine months ended December 31, 2024 and total comprehensive loss of Rs. 3,123 lakhs and Rs. 4,335 lakhs for the quarter and nine months ended December 31, 2024, as considered in this Statement. The interim financial results of the ESOP trust have been reviewed by other auditor whose reports have been furnished to us by the management, and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the ESOP Trust, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

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

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

VIKAS
BAGARIA

Digitally signed
by VIKAS
BAGARIA
Date: 2025.02.04
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Vikas Bagaria
(Partner)
(Membership No. 060408)
(UDIN: 25060408BMOCIJ2087)

Place: Bengaluru
Date: February 4, 2025

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

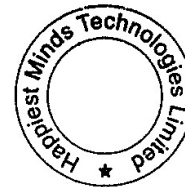
Regd. Office:#53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

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

(Rs. in lakhs)

Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
I. Revenue						
(a) Revenue from operations	37,323	37,465	37,058	1,12,028	1,09,764	1,47,288
(b) Other income	2,202	2,641	4,959	7,458	8,579	11,126
Total revenue	39,525	40,106	42,017	1,19,486	1,18,343	1,58,414
II. Expenses						
(a) Employee benefits expense	26,041	25,390	24,424	76,311	70,199	94,772
(b) Finance costs	2,447	2,493	1,064	6,713	3,194	4,227
(c) Depreciation and amortisation expense	952	937	894	2,795	2,517	3,430
(d) Other expenses	6,157	6,062	5,812	18,533	17,435	23,632
Total expenses	35,597	34,882	32,194	1,04,352	93,345	1,26,061
III. Profit before exceptional items and tax (I-II)	3,928	5,224	9,823	15,134	24,998	32,353
IV. Exceptional items (refer note 8)	-	-	(107)	-	(107)	(143)
V. Profit before tax (III-IV)	3,928	5,224	9,930	15,134	25,105	32,496
VI. Tax expense						
Current tax	1,130	1,533	1,967	4,298	6,044	8,320
Deferred tax credit	(72)	(135)	(20)	(244)	(119)	(397)
Total tax expense	1,058	1,398	1,947	4,054	5,925	7,923
VII. Profit for the period / year (V-VI)	2,870	3,826	7,983	11,080	19,180	24,573
VIII. Other comprehensive income, net of tax [(loss)/profit]						
(i) Item to be reclassified to profit or loss in subsequent periods / year						
Net movement on effective portion of cash flow hedges [gains/ (losses)]	(780)	(515)	(166)	(1,151)	206	403
Income tax effect	198	129	42	291	(52)	(101)
(ii) Item not to be reclassified to profit or loss in subsequent periods / year						
Re-measurement gains/ (losses) on defined benefit plans	(46)	(251)	(97)	(342)	(321)	(376)
Income tax effect	12	63	25	86	81	95
IX. Total comprehensive income for the period / year (VII-VIII)	2,254	3,252	7,787	9,964	19,094	24,594
X. Paid-up equity share capital (Rs. 2/- each)	2,999	2,995	2,981	2,999	2,981	2,987
XI. Other equity						1,44,383
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):						
Basic EPS (Rs.)	1.91	2.54	5.32	7.36	12.97	16.55
Diluted EPS (Rs.)	1.91	2.54	5.30	7.36	12.92	16.55



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

Sr. No	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023	March 31, 2024
1	Debt-Equity ratio	0.80	0.78	0.37	0.80	0.37	0.35
2	Debt Service Coverage ratio (DSCR)	4.72	5.58	5.79	5.37	4.98	5.03
3	Interest Service Coverage ratio (ISCR)	2.70	3.18	10.69	3.37	9.19	8.97
4	Current ratio	1.37	1.41	2.75	1.37	2.75	3.19
5	Long-term Debt to Working Capital ratio	0.21	0.20	0.12	0.21	0.12	0.09
6	Bad debts to Trade receivable ratio	0.01	-	-	0.01	-	0.02
7	Current liability ratio	0.88	0.87	0.75	0.88	0.75	0.75
8	Total Debt to total Assets ratio	0.40	0.39	0.24	0.40	0.24	0.23
9	Trade Receivable Turnover Ratio	6.24	6.48	6.84	6.24	6.75	6.84
10	Operating margin (%)	0.14	0.16	0.18	0.15	0.20	0.20
11	Net profit margin (%)	0.08	0.10	0.22	0.10	0.17	0.17
12	Inventory turnover ratio	NA	NA	NA	NA	NA	NA
13	Debenture Redemption Reserve	NA	NA	NA	NA	NA	NA
14	Net worth as per Section 2(57) (in INR Lakhs)	1,49,692	1,50,423	1,41,809	1,49,692	1,41,809	1,47,235

Note:

Formulae for computation of ratios are as follows:

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



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Notes to Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024

1. In terms of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, this Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024 ("Unaudited Standalone Financial Results") of Happiest Minds Technologies Limited (the "Company") has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 04, 2025 and subjected to a limited review by the Statutory Auditors of the Company.

2. The unaudited financials results for the quarter and nine months ended December 31, 2023 and in respect of comparative financial results for the quarter ended September 30, 2024 was subjected to a limited review by the Statutory Auditors of the Company.

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

4. The Company publishes unaudited standalone financial results along with the unaudited consolidated financial results. In accordance with Ind AS 108, Operating segments, the Company has disclosed the segment information in the unaudited interim consolidated financial results. Accordingly, the segment information is given in the unaudited consolidated financial results of Happiest Minds Technologies Limited and its subsidiary for the quarter and nine months ended December 31, 2024.

5. On May 22, 2024, the Company acquired 100% equity interest of PureSoftware Technologies Private Limited ("PSTPL"). The Company paid the cash consideration of INR 63,947 lakhs and INR 118 lakhs on May 22, 2024 and August 19, 2024 respectively, and the shares were transferred on May 28, 2024. As a result of this acquisition, the Company has recorded goodwill of INR 56,373 lakhs and other intangible assets of INR 15,553 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".

6. On May 24, 2024, the Company acquired 100% membership interest in Aureus Tech Systems LLC ('Aureus'). The Company paid cash consideration of INR 6,608 lakhs and INR 525 lakhs on May 24, 2024 and September 4, 2024 respectively, and the membership interest in Aureus were transferred on May 27, 2024. As a result of this acquisition, the Company 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 Company incurred acquisition cost of INR 38 Lakhs and it is grouped under "Other expenses".

The initial accounting of the acquisition stated in paragraph 5 and 6 above, were incomplete for the quarter ended June 30, 2024. Accordingly the fair value measured in June 30, 2024 quarter were on a provisional basis. During current quarter, the Company retrospectively adjusted the provisional amounts to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Consequently, the fair value of identified assets and liabilities, and contingent considerations have been revised accordingly.

7. On April 18, 2024, the company acquired 100% equity in Macmillan Learning India Private Limited, a Bangalore based company for a total purchase consideration of INR 445 Lakhs. The Company paid the purchase consideration on April 30, 2024.

8. On January 1, 2023, the Company obtained operational and management control of Sri Mookambika Infosolutions Private Limited ('SMI'), a Madurai based Company which provides IT services, through a Control Agreement. The Company acquired 100% equity in SMI for total consideration of INR 13,694 lakhs, comprising cash consideration of INR 11,132 lakhs and fair-value of contingent consideration of INR 2,562 lakhs payable over the next 2 years subject to achievement of set targets. The Company paid the cash consideration of INR 11,132 lakhs on February 6, 2023 and the shares were transferred on the same day.

The contingent consideration was classified as a financial liability as per Ind AS 109 'Financial Instruments' and was measured at fair value. The Accounting Standard mandates that any subsequent changes in such fair value will have to be recognized in the statement of profit and loss. The total consideration for acquisition of SMI includes a contingent consideration payable over a period of 2 years ending December 31, 2024. The Company has re-measured the fair value of the liability and the change in fair value amounting to INR 107 lakhs and INR 143 Lakhs has been recognised in the statement of profit and loss and disclosed as an 'Exceptional Item' for the quarter December 31, 2023 ended and year ended March 31, 2024 respectively. There is no further revision in the estimate.

9. On February 02, 2025, the Company signed share purchase agreement with Gavs Technologies Limited to acquire 100% of business interest of their Middle East business by acquiring namely InnovazIT Technologies LLC, Dubai; Gavs Technologies LLC, Oman and Gavs Technologies Saudi Arabia, for a total purchase consideration of US \$ 1.70 million (INR 1,470 lakhs). The acquisition is expected to be completed by March 15, 2025.

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

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

12. The above Unaudited Standalone Financial Results of the Company are available on the Company's website www.happiestminds.com and also that of BSE (www.bseindia.com) and NSE (www.nseindia.com).

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



Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

Statement of Deviation / Variation in utilization of funds raised in QIP

Annexure (B)

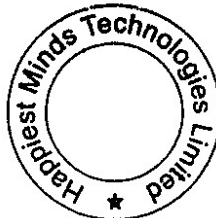
Name of the listed Entity				Happiest Minds Technologies Limited		
Mode of Fund raising				Public Issues / Rights Issues / Preferential Issues / QIP / Others		
Date of Raising funds				July 14, 2023		
Amount Raised				INR 500 crores (through Fresh Issue)		
Report filed for the Quarter ended				December 31, 2024		
Monitoring Agency				Applicable / Not Applicable		
Monitoring Agency Name, if applicable				CARE Ratings Limited		
Is there a Deviation / Variation in use of funds raised				Yes / No		
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders				Not Applicable		
If yes, Date of shareholders' Approval				Not Applicable		
Explanation for the Deviation / Variation				Not Applicable		
Comments of the Audit Committee after review				Nil		
Comments of the Auditors, if any				No		
Objects for which funds have been raised and where there has been a deviation, in the following table				Investment in our Subsidiaries, Funding working capital requirements, Funding inorganic growth and for general corporate purposes. No deviation from the objects.		
Original Object	Modified Object, if any	Original Allocation	Modified Allocation, if any	Funds Utilised	Amount of Deviation / Variation for the quarter according to applicable object	Remarks, if any
Not applicable as no deviation from the objects						

Deviation or variation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised; or
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed; or
- (c) Change in terms of a contract referred to in the fund-raising documents i.e, prospectus, letter of offer, etc

This is for your information and records.

Thanking you,
Yours faithfully,
For Happiest Minds Technologies Limited



Venkatraman N
Managing Director & CFO
DIN: 01856347

C. Format for Disclosing Outstanding Default on Loans and Debt Securities –

Not Applicable as we do not have any default on Loans and Debt Securities outstanding as on December 31, 2024.

D. Format for Disclosure of Related Party Transactions (applicable only for half yearly filings i.e., 2nd and 4th quarter) –

Not Applicable.

E. Statement on Impact of Audit Qualifications (For Audit Report with Modified Opinion) submitted along-with Annual Audited Financial Results (Standalone and Consolidated separately) (applicable only for Annual Filing i.e., 4th quarter) –

Not Applicable.