

November 13, 2024

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

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

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on November 13, 2024

We wish to inform that the Board of Directors of the Company at its meeting held today i.e., November 13, 2024, transacted inter alia the following businesses:

1. Financial results:

Approved the unaudited financial statements of the Company (both standalone and consolidated) prepared in accordance with Indian Accounting Standards (IndAS) for the quarter and half year ended as on September 30, 2024.

2. Interim Dividend for FY 25:

Declared an interim dividend of Rs.2.50/- per equity share of face value Rs.2/- for the financial year 2024-25. Record date for the purpose of interim dividend has been fixed on November 26, 2024, and the dividend will be paid on and after December 06, 2024, to the equity shareholders of the Company whose names appear in the Register of Members of the Company or in the records of Depositories as beneficial owners of shares as on the aforesaid record date.

Attached are copies of the financial results together with Auditor's review reports (with UDIN), presentation to Investors and press release covering the results for the quarter and half year ended September 30, 2024 and disclosure of security cover of NCD for the said quarter are enclosed below.

The Board Meeting commenced at 10.45 P.M. and concluded at 11.15 P.M.

This is for your information and records.

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

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



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

TO THE BOARD OF DIRECTORS OF Happiest Minds Technologies Limited

1. We have reviewed the accompanying Statement of 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 half year ended September 30, 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 the 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 consolidated financial results, whose interim financial results reflect total assets of Rs. 22,839 lakhs as at September 2024 and total revenues Rs. Nil and Rs. Nil for the quarter and half year ended September, 2024, total net profit after taxes of Rs. 114 lakhs and Rs. 172 lakhs for the quarter and half year ended September 30, 2024 and total comprehensive loss of Rs. 1,809 lakhs and Rs. 1,212 lakhs for the quarter and half year ended September 30, 2024 respectively and net cash outflow of Rs 321 lakhs for the half year ended September 30, 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.

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 assets of Rs. 22,232 lakhs as at September 2024 and total revenues of Rs. 13,587 lakhs and Rs. 21,301 lakhs for the quarter and half year ended September 30, 2024, total net profit after tax of Rs. 1,777 lakhs and Rs. 3,164 lakhs for the quarter and half year ended September 30, 2024 and total comprehensive income of Rs. 1,800 lakhs and Rs. 3,313 lakhs for the quarter and half year ended September 30, 2024 respectively and net cash inflow of Rs 4,676 Lakhs for the half year ended September 30, 2024, 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 and Sells
Chartered Accountants
(Firm's Registration No. 008072S)

VIKAS
BAGARIA

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VIKAS BAGARIA
Date: 2024.11.13
22:51:29 +05'30'

Vikas Bagaria
(Partner)
(Membership No. 060408)
(UDIN: 24060408BKFSNK3527)

Place: Bengaluru
Date: November 13, 2024

Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

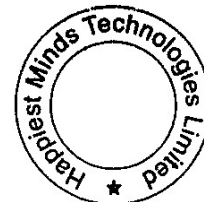
Regd. Office:#53/1-4, Hosur Main Road, Madivala (next to Madivala Police Station) Bangalore 560 068, Karnataka, India

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

Unaudited Consolidated Statement of Assets and Liabilities as at September 30, 2024

(Rs. in lakhs)

SI No	Particulars	As at September 30, 2024 (Unaudited)	As at March 31, 2024 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,978	13,778
	Capital work-in-progress	101	9
	Goodwill	75,329	14,032
	Other intangible assets	25,654	7,786
	Right-of-use assets	6,922	5,698
	Intangible assets under development	27	22
	Financial assets:		
	i. Other financial assets	2,683	2,480
	Deferred tax assets (net)	1,971	1,636
	Income tax assets (net)	2,394	1,529
	Other non-current assets	24	32
	Total non-current assets	1,29,083	47,002
B	Current assets		
	Financial assets		
	i. Investments	10,797	-
	ii. Trade receivables	25,441	25,444
	iii. Cash and cash equivalents	16,368	11,470
	iv. Bank balance other than cash and cash equivalents	1,18,667	1,22,183
	v. Loans	47	37
	vi. Other financial assets	22,626	13,850
	Other-current assets	7,017	4,793
	Total current assets	2,00,963	1,77,777
	Total assets (A+B)	3,30,046	2,24,779
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,995	2,987
	Other equity	1,49,450	1,45,037
	Total Equity	1,52,445	1,48,024
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	9,983	10,445
	ii. Lease liabilities	5,453	4,570
	iii. Other financial liabilities	6,766	401
	Provisions	4,991	3,338
	Deferred tax liabilities (net)	3,998	1,303
	Non-current liabilities	31,191	20,057
E	Current liabilities		
	Contract liabilities	2,458	1,825
	Financial liabilities		
	i. Borrowings	1,07,345	33,792
	ii. Lease liabilities	2,859	2,412
	iii. Trade payables		
	(A) Total outstanding dues of micro and small enterprises	96	165
	(B) Total outstanding dues of creditors other than micro and small enterprises	10,912	7,750
	iv. Other financial liabilities	15,751	5,810
	Other current liabilities	2,974	2,796
	Provisions	3,480	2,136
	Income tax liabilities (net)	535	12
	Total current liabilities	1,46,410	56,698
F	Total liabilities (D+E)	1,77,601	76,755
	Total equity and liabilities (C+F)	3,30,046	2,24,779

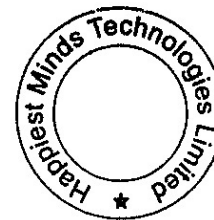


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(Rs. in lakhs)

Statement of Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2024

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
I. Revenue						
(a) Revenue from operations	52,164	46,382	40,662	98,546	79,749	1,62,466
(b) Other income	2,703	2,544	2,221	5,247	3,587	8,537
Total revenue	54,867	48,926	42,883	1,03,793	83,336	1,71,003
II. Expenses						
(a) Employee benefits expense	35,055	29,986	25,510	65,041	49,053	1,01,469
(b) Finance costs	2,799	1,983	1,115	4,782	2,122	4,227
(c) Depreciation and amortisation expense	2,312	2,204	1,455	4,516	2,879	5,829
(d) Other expenses	7,929	7,912	6,891	15,841	13,502	27,412
Total expenses	48,095	42,085	34,971	90,180	67,556	1,38,937
III. Profit before exceptional items and tax (I-II)	6,772	6,841	7,912	13,613	15,780	32,066
IV. Exceptional items (refer note 12 and 13)	-	-	-	-	-	1,402
V. Profit before tax (III-IV)	6,772	6,841	7,912	13,613	15,780	33,468
VI. Tax expense						
Current tax	2,179	2,114	2,237	4,293	4,517	9,518
Deferred tax (credit)	(359)	(376)	(171)	(735)	(416)	(889)
Total Tax expense	1,820	1,738	2,066	3,558	4,101	8,629
VII. Profit for the period / year (V-VI)	4,952	5,103	5,846	10,055	11,679	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	206	(36)	92	170	80	124
b) Net change in fair value of derivatives designated as cash flow hedges	(515)	144	(464)	(371)	372	403
c) Income tax effect on above	129	(36)	116	93	(94)	(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)	-	(260)	(503)	(260)	(1,319)
b) Income tax effect on above	106	-	55	106	55	277
a) Re-measurement of defined benefit plans	(323)	(39)	(165)	(362)	(185)	(346)
b) Income tax effect on above	81	10	42	91	47	87
IX. Total comprehensive income for the period / year (VII+VIII)	4,133	5,146	5,262	9,279	11,832	23,964
X. Paid-up equity share capital (Rs. 2/- each)	2,995	2,991	2,980	2,995	2,980	2,987
XI. Other equity						1,45,037
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):						
Basic EPS (Rs.)	3.29	3.39	3.92	6.68	7.96	16.73
Diluted EPS (Rs.)	3.29	3.39	3.90	6.68	7.92	16.73

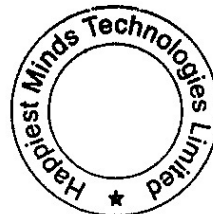


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Consolidated Unaudited Statement of Cash Flows for the half year ended September 30, 2024

(Rs. in lakhs)

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	13,613	15,780
Adjustments to reconcile profits before tax to net cash flows:		
Depreciation and amortization expense	4,516	2,879
Share-based payment expense	-	23
Fairvalue gain on investments measured at fair value through profit and loss	(47)	-
Gain on sale of investments carried at fair value through profit and loss	-	(1)
Interest income	(4,900)	(3,331)
Net unrealised foreign exchange loss / (gain)	9	109
Impairment loss on financial assets	253	307
Finance costs	4,782	2,122
Operating profit before working capital changes	18,226	17,888
Movements in working capital		
Decrease/(Increase) in trade receivables	9,087	(2,211)
(Increase) in loans	(11)	(36)
(Increase) in other assets	(1,264)	(1,582)
(Increase) in financial assets	(8,867)	(686)
Increase in trade payables	1,624	739
Increase/(Decrease) in financial liabilities	384	(189)
(Decrease)/Increase in provisions	(44)	696
Increase in contract liabilities	633	527
(Decrease) in other non-financial liabilities	(1,416)	(72)
Cash generated from operating activities	18,352	15,074
Income tax paid	(4,678)	(5,364)
Net cash generated from operating activities (A)	13,674	9,710
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(304)	(423)
Purchase of intangible assets	-	(230)
Maturities of / Investment in bank deposits, net	3,509	(49,439)
Acquisition of subsidiaries	(69,483)	-
Investment in common stock of Solvio Inc.	(503)	-
Investments in mutual funds	(10,750)	(350)
Proceeds from sale of mutual funds	-	351
Interest received	4,278	(1,455)
Net cash used in investing activities (B)	(73,253)	(51,546)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(462)	(1,471)
Net proceeds/ (repayment) of short-term borrowings	73,461	(1,164)
Proceeds from issue of redeemable non-convertible debentures	-	7,992
Payment of principal portion of lease liabilities	(1,445)	(1,002)
Payment of interest portion of lease liabilities	(350)	(298)
Proceeds from issue of equity shares	-	48,593
Dividend paid	(4,949)	(4,879)
Proceeds from exercise of share options	92	92
Interest paid	(3,913)	(1,633)
Net cash generated from financing activities (C)	62,434	46,230
Net increase in cash and cash equivalents (A+B+C)	2,855	4,394
Net foreign exchange difference	(152)	(1)
Cash and cash equivalents at the beginning of the period	11,470	6,999
Less : Bank overdraft at the beginning of the year	(573)	(7,119)
Cash acquired on acquisition of subsidiaries (net)	2,768	-
Cash and cash equivalents at the end of the period	16,368	4,273
Components of cash and cash equivalents		
Balance with banks		
- on current account	10,005	3,489
- in EEFC accounts	4,063	803
Less : Bank overdraft	-	(19)
Deposits with original maturity of less than three months	2,300	-
Total cash and cash equivalents	16,368	4,273



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Happiest Minds Technologies Limited

CIN : L72900KA2011PLC057931

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

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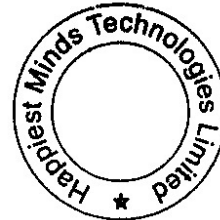
Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
1	Debt-Equity ratio	0.82	0.90	0.38	0.82	0.38	0.35
2	Debt Service Coverage ratio (DSCR)	6.68	7.39	5.00	7.00	5.08	5.25
3	Interest Service Coverage ratio (ISCR)	3.65	4.93	8.50	4.17	8.87	8.97
4	Current ratio	1.37	1.24	2.69	1.37	2.69	3.14
5	Long-term Debt to Working Capital ratio	0.20	0.27	0.12	0.20	0.12	0.09
6	Bad debts to Trade receivable ratio	-	0.01	-	0.01	-	0.02
7	Current liability ratio	0.82	0.80	0.72	0.82	0.72	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	8.20	6.09	7.29	7.75	7.15	6.95
10	Operating margin (%)	0.18	0.18	0.20	0.18	0.22	0.21
11	Net profit margin (%)	0.09	0.11	0.14	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)	1,53,331	1,48,547	1,38,934	1,53,331	1,38,934	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



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Notes to Statement of Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 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 half year ended September 30, 2024 ("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 November 13, 2024.

2. The unaudited financials results for quarter and half year ended September 30, 2023 and in respect of comparative financial results for the quarter ended June 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/CMD1/44/2019 dated March 29, 2019.

4. The Board of Directors of the Group at their meeting held on November 13, 2024 has declared an interim dividend of Rs.2.50/- per equity share of face value Rs.2/- for the financial year 2024-25. Record date for the purpose of interim dividend has been fixed on November 26, 2024 and the dividend will be paid on and after December 06, 2024.

5. 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".

6. 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".

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 Group 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 Group signed a share purchase agreement to acquire 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. During the previous quarter, the Group had invested \$0.6 million (INR 500 Lakhs) in the common stock of Solvio Inc. a Texas USA based company towards an equity stake of 4.4% with an option to invest further amounts of upto \$3 million (INR 2,501 lakhs) taking the total holding to 19.95%.

Solvio was established to provide Salesforce consulting services in the US. The investment was classified at Fair Value through OCI ("FVOCI").

During the current quarter due to unfavorable business circumstances, Solvio Inc decided to wind up its business and consequently, the Company recognised an impairment loss of \$0.6 million (INR 500 Lakhs) in OCI.

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

Particulars	(Rs. in lakhs)					
	Quarter ended			Half year ended		Year ended
	September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
Total revenue (including other income)	40,106	39,855	39,228	79,961	76,326	1,58,414
Profit before tax	5,224	5,982	7,417	11,206	15,175	32,496
Profit for the period / year	3,826	4,384	5,453	8,210	11,197	24,573
Total comprehensive income for the period / year ended	3,252	4,458	4,959	7,710	11,307	24,594

10. 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.

11. 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			Half year ended		Year ended
	September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
1. Segment revenue						
IMSS	7,876	7,992	7,381	15,868	14,897	29,746
PDES	43,442	37,677	33,281	81,119	64,852	1,32,720
GBS	846	713	-	1,559	-	-
Total	52,164	46,382	40,662	98,546	79,749	1,62,466
2. Segment results						
IMSS	2,201	2,576	1,826	4,777	3,814	7,751
PDES	11,133	10,404	10,669	21,537	21,243	45,070
GBS	(314)	(288)	-	(602)	-	-
Total	13,021	12,691	12,495	25,712	25,057	52,821
Unallocable other income	2,702	2,544	2,221	5,246	3,587	8,537
Unallocable finance cost	(2,527)	(1,741)	(1,054)	(4,268)	(2,003)	(4,022)
Unallocable depreciation and amortisation expenses	(1,100)	(958)	(870)	(2,058)	(1,624)	(3,672)
Other unallocable expenses	(5,324)	(5,695)	(4,880)	(11,019)	(9,237)	(20,196)
Tax expense	(1,820)	(1,738)	(2,066)	(3,558)	(4,101)	(8,629)
Profit after tax	4,952	5,103	5,846	10,054	11,679	24,839

Segment wise assets and liabilities are as follows:

Particulars	(Rs. in lakhs)	
	As at	
	September 30, 2024	March 31, 2024
	(Unaudited)	(Audited)
1. Segment assets		
IMSS	6,217	7,291
PDES	1,44,828	55,362
GBS	240	-
Other unallocable assets	1,78,761	1,62,126
Total assets	3,30,046	2,24,779
2. Segment liabilities		
IMSS	774	2,131
PDES	1,08,255	8,979
GBS	4	-
Other unallocable liabilities	68,568	65,645
Total liabilities	1,77,601	76,755



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Happiest Minds Technologies Limited
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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 half year ended September 30, 2024

12. 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 36 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 and year ended March 31, 2024 respectively.

13. 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.

14. 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.

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

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

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



Venkatraman Narayanan
Managing Director & Chief Financial Officer
DIN : 01856347

Place: Bengaluru, India
Date: November 13, 2024

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 half year ended September 30, 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.

5. We did not review the interim financial results of the ESOP Trust included in the unaudited standalone financial results, whose interim financial results reflect total assets of Rs. 22,839 lakhs and total revenues Rs. Nil and Rs. Nil for the quarter and half year ended September, 2024, total net profit after taxes of Rs. 114 lakhs and Rs. 172 lakhs for the quarter and half year ended September 30, 2024 and total comprehensive loss of Rs. 1,809 lakhs and Rs. 1,212 lakhs for the quarter and half year ended September 30, 2024 respectively and net cash outflow of Rs 321 Lakhs for the half year ended September 30, 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 and Sells
Chartered Accountants
(Firm's Registration No. 008072S)

VIKAS
BAGARIA

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VIKAS BAGARIA
Date: 2024.11.13
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Vikas Bagaria
(Partner)
(Membership No. 060408)
(UDIN: 24060408BKFSNL4680)

Place: Bengaluru
Date: November 13, 2024

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

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Unaudited Standalone Statement of Assets and Liabilities as at September 30, 2024

(Rs. in lakhs)

SI No	Particulars	As at September 30, 2024 (Unaudited)	As at March 31, 2024 (Audited)
	ASSETS		
A	Non-current assets		
	Property, plant and equipment	13,536	13,687
	Capital work-in-progress	101	9
	Goodwill	611	611
	Other intangible assets	484	312
	Right-of-use assets	6,297	5,698
	Intangible assets under development	27	22
	Financial assets:		
	i. Investments	90,184	19,719
	ii. Loans	-	-
	iii. Other financial assets	2,458	2,450
	Deferred tax assets, (net)	24	1,636
	Income tax assets (net)	1,777	1,330
	Other non current assets	1,912	32
	Total non-current assets	1,17,411	45,506
B	Current assets		
	Financial assets		
	i. Investments	10,797	-
	ii. Trade receivables	23,077	23,196
	iii. Cash and cash equivalents	7,814	10,682
	iv. Bank balance other than cash and cash equivalents	1,18,148	1,21,673
	v. Loans	35	1,684
	vi. Other financial assets	15,648	13,611
	Other current assets	6,395	4,435
	Total current assets	1,81,914	1,75,281
	Total assets (A+B)	2,99,325	2,20,787
	EQUITY AND LIABILITIES		
C	Equity		
	Equity share capital	2,995	2,987
	Other equity	1,47,227	1,44,383
	Total Equity	1,50,222	1,47,370
D	Non-current liabilities		
	Financial liabilities		
	i. Borrowings	9,982	10,445
	ii. Lease liabilities	5,004	4,570
	iii. Other financial liabilities	1,234	401
	Provisions	3,646	2,988
	Total non-current liabilities	19,866	18,404
E	Current liabilities		
	Contract liabilities	1,706	1,417
	Financial liabilities		
	i. Borrowings	99,927	33,792
	ii. Lease liabilities	2,640	2,412
	iii. Trade payables		
	(A) Total outstanding dues of micro and small enterprises	96	165
	(B) Total outstanding dues of creditors other than micro and small enterprises	8,101	6,715
	iv. Other financial liabilities	11,955	5,751
	Other current liabilities	2,164	2,671
	Provisions	2,648	2,090
	Total current liabilities	1,29,237	55,013
F	Total liabilities (D+E)	1,49,103	73,417
	Total equity and liabilities (C+F)	2,99,325	2,20,787

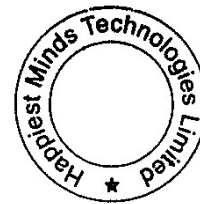


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(Rs. in lakhs)

Statement of Unaudited Standalone Financial Results for the quarter and half year ended September 30, 2024

Particulars	Quarter ended			Half year ended		Year ended
	September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
	(Unaudited)	Refer note 2	Refer note 2	(Unaudited)	Refer note 2	(Audited)
I. Revenue						
(a) Revenue from operations	37,465	37,240	37,001	74,705	72,706	1,47,288
(b) Other income	2,641	2,615	2,227	5,256	3,620	11,126
Total revenue	40,106	39,855	39,228	79,961	76,326	1,58,414
II. Expenses						
(a) Employee benefits expense	25,390	24,880	23,876	50,270	45,775	94,772
(b) Finance costs	2,493	1,773	1,119	4,266	2,130	4,227
(c) Depreciation and amortisation expense	937	906	868	1,843	1,623	3,430
(d) Other expenses	6,062	6,314	5,948	12,376	11,623	23,632
Total expenses	34,882	33,873	31,811	68,755	61,151	1,26,061
III. Profit before exceptional items and tax (I-II)	5,224	5,982	7,417	11,206	15,175	32,353
IV. Exceptional items	-	-	-	-	-	143
V. Profit before tax (III-IV)	5,224	5,982	7,417	11,206	15,175	32,496
VI. Tax expense						
Current tax	1,533	1,635	1,981	3,168	4,077	8,320
Deferred tax credit	(135)	(37)	(17)	(172)	(99)	(397)
Total tax expense	1,398	1,598	1,964	2,996	3,978	7,923
VII. Profit for the period / year (V-VI)	3,826	4,384	5,453	8,210	11,197	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)]	(515)	144	(464)	(371)	372	403
Income tax effect	129	(36)	116	93	(94)	(101)
(ii) Item not to be reclassified to profit or loss in subsequent periods / year						
Re-measurement gains/ (losses) on defined	(251)	(45)	(194)	(296)	(224)	(376)
Income tax effect	63	11	48	74	56	95
IX. Total comprehensive income for the period / year (VII-VIII)	3,252	4,458	4,959	7,710	11,307	24,594
X. Paid-up equity share capital (Rs. 2/- each)	2,995	2,991	2,980	2,995	2,980	2,987
XI. Other equity						1,44,383
XII. Earnings per share ("EPS") (of Rs. 2/- each) (not annualised for quarters):						
Basic EPS (Rs.)	2.54	2.91	3.66	5.45	7.63	16.55
Diluted EPS (Rs.)	2.54	2.91	3.64	5.45	7.60	16.55



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Standalone Unaudited Statement of Cash Flows for the half year ended September 30, 2024

(Rs. in lakhs)

	September 30, 2024 (Unaudited)	September 30, 2023 (Unaudited)
A. Cash flow from operating activities		
Profit before tax	11,206	15,175
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	1,843	1,623
Share-based payment expense	-	23
Gain on sale of investments carried at fair value through profit and loss	-	(1)
Interest income	(4,912)	(3,361)
Net unrealised foreign exchange loss / (gain)	(12)	107
Impairment loss on financial assets	171	243
Fairvalue gain on investments measured at fair value through profit and loss	(47)	-
Finance costs	4,266	2,130
Operating profit before working capital changes	12,515	15,939
Movements in working capital		
Decrease/(Increase) in trade receivables	21	(1,625)
Decrease/ (Increase) in loans	-	24
(Increase) in non-financial assets	(2,155)	(1,672)
(Increase) in financial assets	(1,416)	(788)
Increase in trade payables	1,257	502
Increase/ (Decrease) in financial liabilities	(839)	(84)
Increase in provisions	921	633
Increase in contract liabilities	289	263
(Decrease) in other non-financial liabilities	(509)	(36)
Cash generated from operating activities	10,083	13,156
Income tax paid	(3,616)	(4,482)
Net cash generated from operating activities (A)	6,467	8,674
B. Cash flow from investing activities		
Purchase of property, plant and equipment	-	(423)
Purchase of intangible assets	(322)	(230)
Maturities of / (Investment in) bank deposit, net	3,012	-
Proceeds from loan to subsidiary	1,649	-
Proceeds from redemption of bank deposit	-	(48,940)
Acquisition of subsidiaries	(62,795)	-
Investment in mutual funds	(10,797)	(350)
Proceeds from sale of mutual funds	-	351
Interest received	4,264	(1,458)
Net cash used in investing activities (B)	(64,988)	(51,050)
C. Cash flow from financing activities		
Repayment of long-term borrowings	(463)	(1,471)
Proceeds from short-term borrowings	66,085	(18)
Net proceeds/ (repayment) of short-term borrowings	-	(1,164)
Proceeds from issue of redeemable non-convertible debentures	-	7,992
Payment of principal portion of lease liabilities	(1,310)	(1,002)
Payment of interest portion of lease liabilities	(331)	(298)
Proceeds from issue of equity shares (Net of share issue expenses)	8	48,593
Dividend paid	(4,949)	(4,879)
Proceeds from exercise of share options	84	92
Interest paid	(3,453)	(1,650)
Net cash generated from financing activities (C)	55,671	46,195
Net increase in cash and cash equivalents (A+B+C)	(2,851)	3,819
Net foreign exchange difference	(18)	(8)
Cash and cash equivalents at the beginning of the period	10,682	5,966
Less : Bank overdraft at the beginning of the year	-	(7,119)
Cash and cash equivalents at the end of the period	7,814	2,658
Components of cash and cash equivalents		
Balance with banks		
- on current account	6,973	2,533
- in EEFC accounts	841	161
Less : Bank overdraft	-	-
Total cash and cash equivalents	7,814	2,694



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

Sr. No	Particulars	Quarter ended			Half year ended		Year ended
		September 30, 2024	June 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023	March 31, 2024
1	Debt-Equity ratio	0.78	0.86	0.39	0.78	0.39	0.35
2	Debt Service Coverage ratio (DSCR)	5.58	5.88	4.42	5.72	4.55	5.03
3	Interest Service Coverage ratio (ISCR)	3.18	4.56	7.92	3.75	8.45	8.97
4	Current ratio	1.41	1.29	2.77	1.41	2.77	3.19
5	Long-term Debt to Working Capital ratio	0.20	0.26	0.13	0.20	0.13	0.09
6	Bad debts to Trade receivable ratio	-	-	-	-	-	0.02
7	Current liability ratio	0.87	0.88	0.73	0.87	0.73	0.75
8	Total Debt to total Assets ratio	0.39	0.40	0.25	0.39	0.25	0.23
9	Trade Receivable Turnover Ratio	6.48	6.19	7.18	6.46	7.06	6.84
10	Operating margin (%)	0.16	0.16	0.19	0.16	0.21	0.20
11	Net profit margin (%)	0.10	0.12	0.15	0.11	0.15	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)	1,50,423	1,46,724	1,37,599	1,50,423	1,37,599	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 half year ended September 30, 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 half year ended September 30, 2024 ("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 November 13, 2024.

2. The unaudited financials results for the quarter and half year ended September 30, 2023 and in respect of comparative financial results for the quarter ended June 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 Board of Directors of the Company at their meeting held on November 13, 2024 has declared an interim dividend of Rs.2.50/- per equity share of face value Rs.2/- for the financial year 2024-25. Record date for the purpose of interim dividend has been fixed on November 26, 2024 and the dividend will be paid on and after December 06, 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, signed a share purchase agreement to acquire 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. During the previous quarter, the Company had invested \$0.6 Mn (INR 500 Lakhs) in the common stock of Solvio Inc. a Texas USA based company towards an equity stake of 4.4% with an option to invest further amounts of upto \$3 million (INR 2,501 lakhs) taking the total holding to 19.95%.

Solvio was established to provide Salesforce consulting services in the US. The investment was classified at Fair Value through OCI ('FVOCI').

During the current quarter due to unfavorable business circumstances, Solvio Inc decided to wind up its business and consequently, the Company recognised an impairment loss of \$0.6 million (INR 500 Lakhs) in OCI.

9. 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 36 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 and year ended March 31, 2024 respectively.

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

November 13, 2024

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

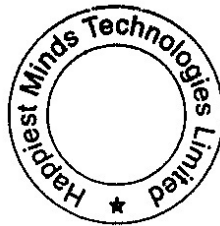
Pursuant to Regulation 54(2) & 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform that the Non-Convertible Debentures issued by the Company up to September 30, 2024, are unsecured, therefore this regulation relating to disclosure of security cover is not applicable to the Company.

We enclose herewith a 'NIL/NA report with respect to security cover for the quarter ended September 30, 2024, in the format prescribed under Chapter V of SEBI Circular No. SEBI/HO/DDHS/P/CIR/2023/50 dated March 31, 2023.

This is for your information and records.

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

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



Investor Presentation

Q2 FY 25



About Happiest Minds

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

<p>97% Digital Born Digital</p>	<p>95% Agile Born Agile</p>	<p>281 Active Clients 82 Fortune2000 / Forbes200 Billion \$ Corporations 95% Repeat Business</p>	<p>23.1% RoCE¹ 13.5% RoE</p>
<p>Mission Statement Happiest People Happiest Customers</p> <p>SMILES Values Sharing, Mindful, Integrity, Learning, Excellence, Social Responsibility</p>	<p>6,580 Happiest Minds across 12 Countries</p> <p>27.6% Gender Diversity 3.9 rating on Glassdoor</p>	<p>Great Place To Work[®]</p> <ul style="list-style-type: none"> • Top 100 India's Best Workplaces™ in IT & IT-BPM for 2023 • Top 50 India's Best Workplaces™ for Building a Culture of Innovation 2023 • Top 100 India's Best Workplaces™ for Women 2024 • Top 50 India's Best Workplaces™ in Health & Wellness 2024 	<p>Constant Currency growth of 28.2% y-o-y EBITDA margin 21.7% In Q2 FY25</p>




Promoter

Ashok Soota





IPO - In September 2020

- Completed 13 years in August 2024
- 770,000 shareholders
- Experienced and diverse board of eight
- Professional management led by the Executive Board



Golden Peacock
Corporate Governance Award 2022
Business Excellence Award 2021





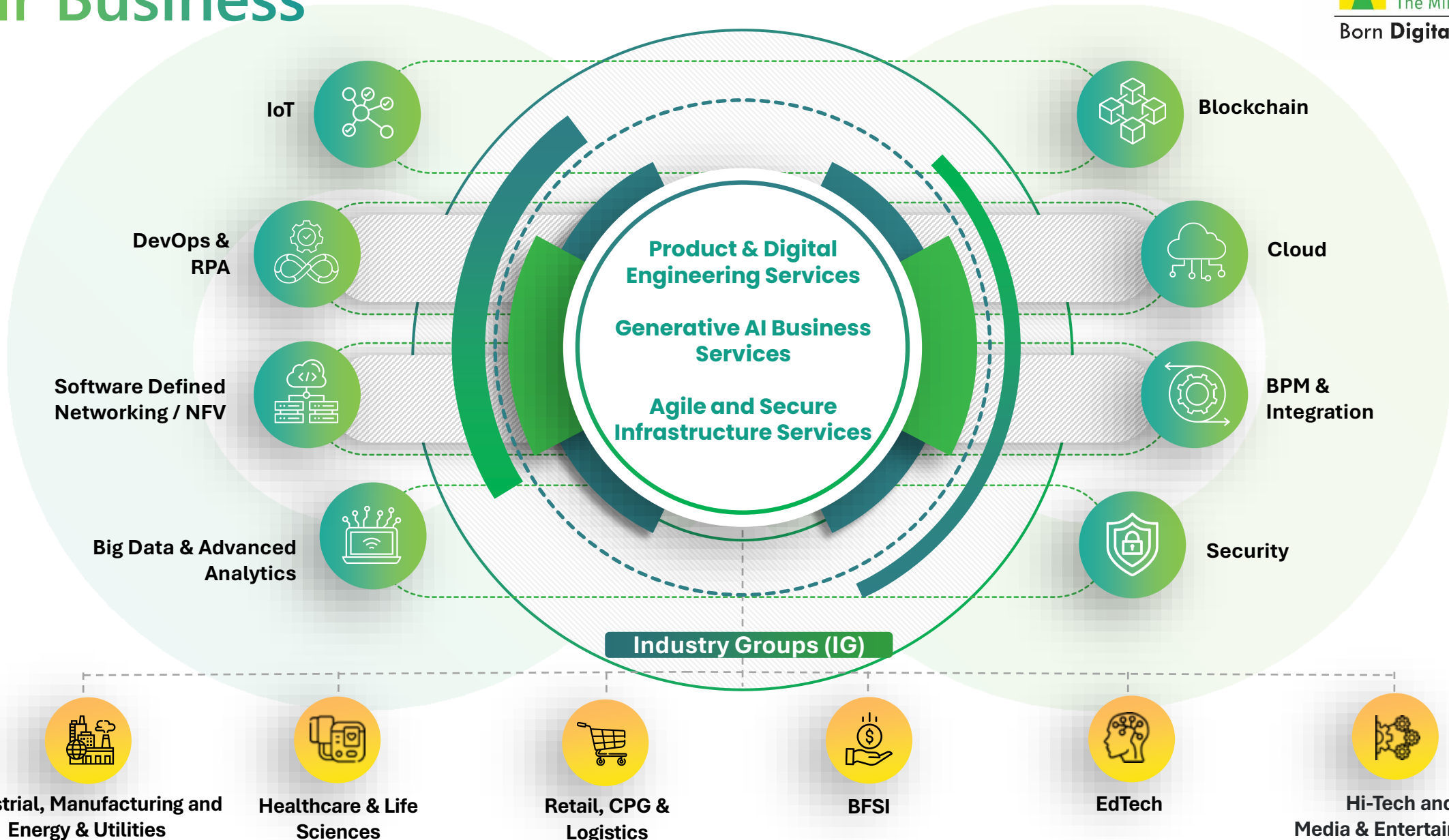
Mission, Vision and Values

Our 2021-31 Vision - DELiGHT

Our SMILES Values



Our Business



Born Digital . Born Agile The Mindful IT Company

CREATING DIGITAL CAPITAL

Business Transformation



Business Insights



Platformize & Modernize



Reimagining Customer Experience



being mindful

In The Moment

doing mindful

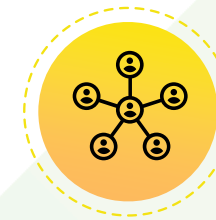
Perceive Immersively

Process Non-judgementally

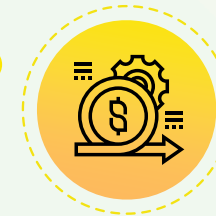
Perform Empathetically

MINDFULLY AGILE

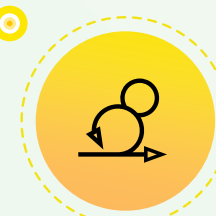
Agile Organization



Agile Business



Agile Delivery



Engineering & Operational Excellence



Key Project Wins

For a **USA-based energy tech company**, this new win entails Happiest Minds providing consulting-led solution to develop their unified IoT platform for the combined heat and power solution.



For a **European Health Research Institute**, Happiest Minds is building their AI/ML data platform.



For a **US semiconductor company**, Happiest Minds was chosen to design and develop their reference hardware platforms.



For a **leading ANZ retailer**, Happiest Minds is providing Data Engineering and BI services (Snowflake & Power BI) for their Product Lifecycle Management project.



For a **global leader in Electronic Design Automation**, Happiest Minds is building its prototype SoC designs on FPGA platforms.



For an **Australia based healthcare training provider**, Happiest Minds has been chosen to design and build their learning platform.



For a **North America-based health-tech company** offering practice management solutions for professionals, Aureus business of Happiest Minds has been chosen to transform their entire reporting system to a Microsoft stack.



For a **leading FinTech trading platform in the Middle East**, Happiest Minds was chosen as a partner to secure its critical IT infrastructure and business applications.



For the **world's leading digital twin platform** for the energy sector, Happiest Minds was chosen to drive their Gen AI Innovation aimed at field data collection and retrieval.



For an **Africa-based market leader in logistics and supply chain**, Happiest Minds has been chosen to implement core banking and Buy Now Pay Later (BNPL) modules from its award-winning Arttha® Platform.



For **one of the largest brewers in the world**, Happiest Minds has been chosen as a strategic partner to drive their Analytics and AI initiatives for demand forecasting.



For a **large public sector bank based out of India**, Happiest Minds has been chosen as their strategic cybersecurity partner to oversee the end-to-end design and implementation of their cyber security program.



Awards



‘Top 100 India’s Best Workplaces™ for Women 2024’ by Great Place To Work®



‘Best Organizational Development & Transformation Initiative’ at the Future of L&D Summit and Awards 2024



‘WAW – Wellbeing at Workplaces Award 2024’ at the HR Anexi Conclave



‘Gold for Talent Acquisition and Silver for Future of Work’ at the Brandon Hall Group HCM Excellence Awards 2024

Analyst Mentions



Operational and Financial Metrics

Q2 FY 25



Results Q2 FY 25

All amounts in ₹ Lakhs unless stated otherwise

Particulars	Q2 FY25	Q1 FY25	QoQ	Q2 FY24	YoY	HY25	HY24	YoY
Revenues	52,164	46,382	12.5%	40,662	28.3%	98,546	79,749	23.6%
<i>Other Income</i>	2,702	2,544		2,221		5,246	3,587	
Total Income	54,867	48,926	12.1%	42,883	27.9%	103,793	83,336	24.5%
EBITDA	11,882	11,671	1.8%	10,482	13.4%	23,553	20,781	13.3%
%	21.7%	23.9%		24.4%		22.7%	24.9%	
Operating Margin¹	9,352	9,196	1.7%	8,443	10.8%	18,548	17,422	6.5%
%	17.9%	19.8%		20.8%		18.8%	21.8%	
<i>Finance Cost</i>	2,551	1,741		1,055		4,291	2,002	
<i>Depreciation</i>	1,154	1,029		846		2,183	1,887	
Profit before Non Cash/Exceptional	8,178	8,902	(8.1)%	8,581	(4.7)%	17,080	16,892	1.1%
%	14.9%	18.2%		20.0%		16.5%	20.3%	
<i>Amortization/Unwinding Interest²</i>	1,406	1,419		668		2,825	1,110	
<i>Exceptional Item</i>	-	643		-		643	-	
PBT	6,771	6,841	(1.0)%	7,912	(14.4)%	13,612	15,780	(13.7)%
%	12.3%	14.0%		18.5%		13.1%	18.9%	
Tax	1,820	1,738		2,066		3,558	4,101	
%	3.3%	3.6%		4.8%		3.4%	4.9%	
PAT	4,951	5,103	(3.0)%	5,846	(15.3)%	10,054	11,679	(13.9)%
%	9.0%	10.4%		13.6%		9.7%	14.0%	
Revenues (\$'000)	62,385	55,547	12.3%	49,121	27.0%	117,932	96,687	22.0%
Growth in CC			12.7%		28.2%			23.1%

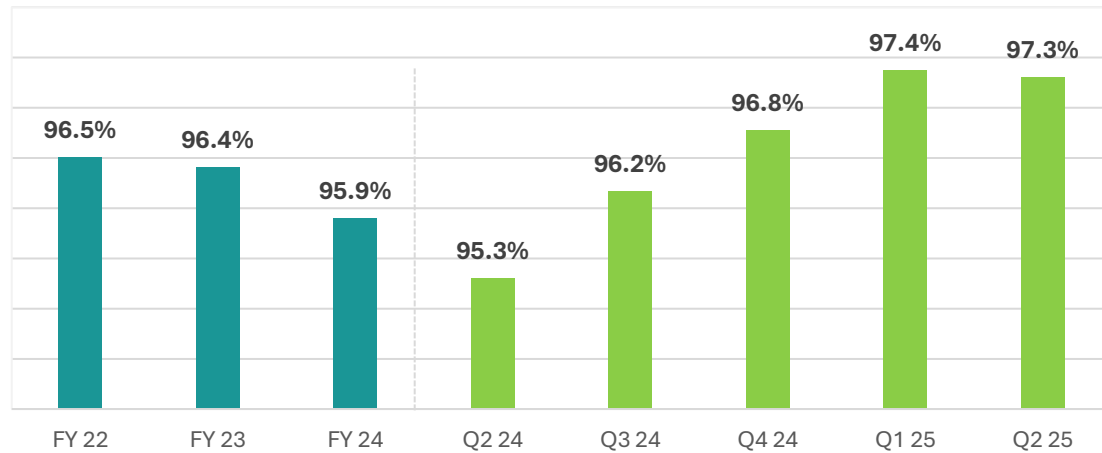
Note 1 - Operating Margin - EBITDA excluding other income

Note 2 - Amortization and unwinding interest are non cash items from the acquisition

Born Digital . Born Agile

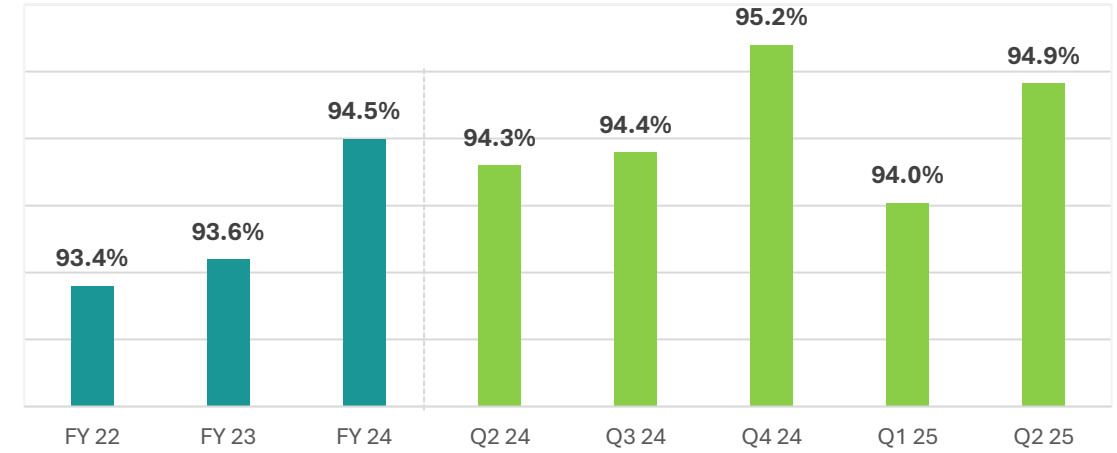
Digital

% of Revenue

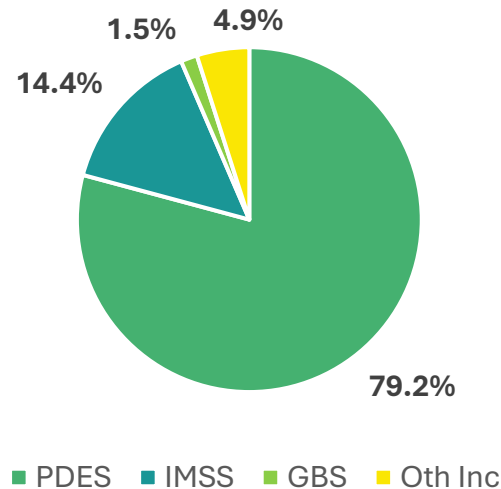


Agile

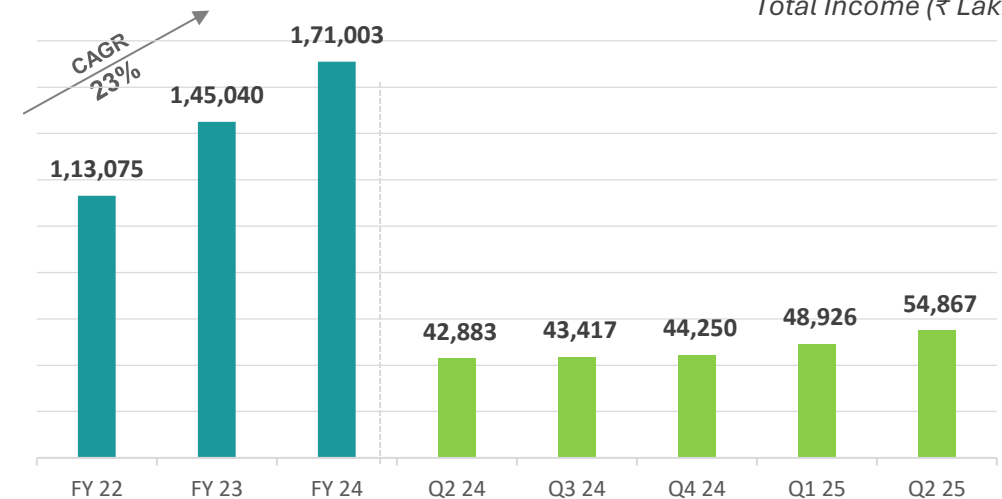
% of Revenue



Revenue by Business Unit



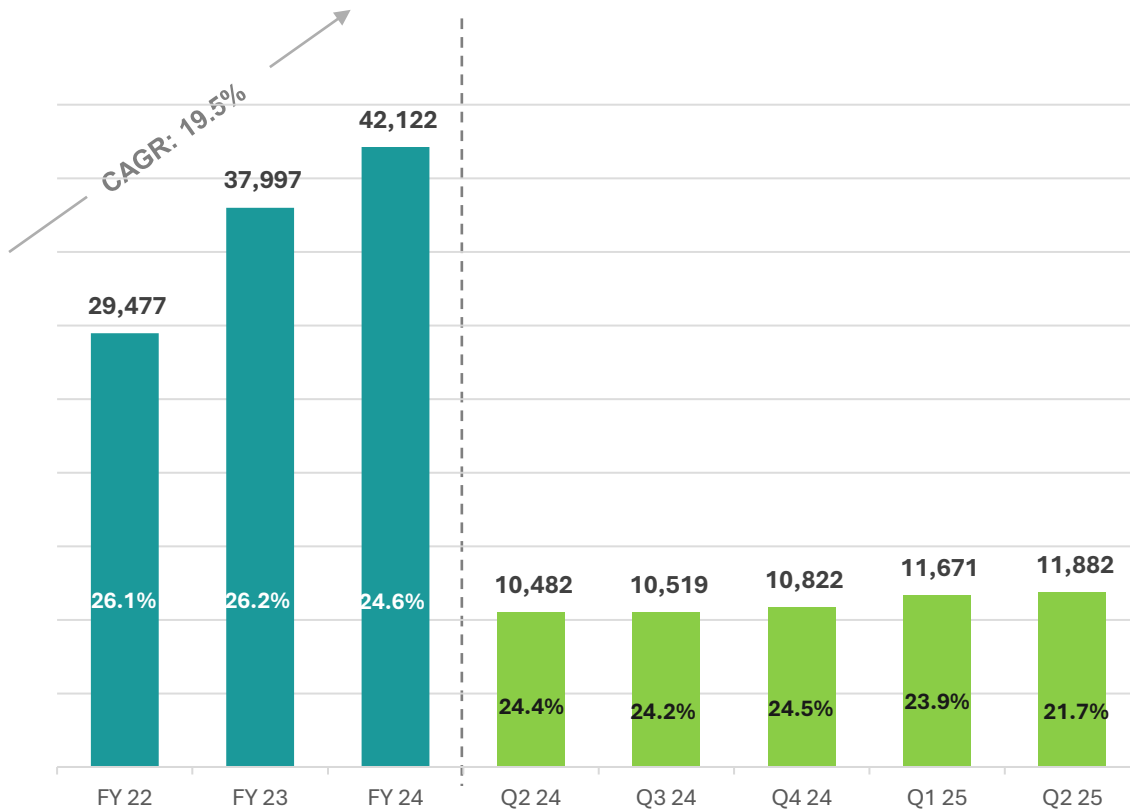
Total Income (₹ Lakhs)



Operational & Financial Metrics

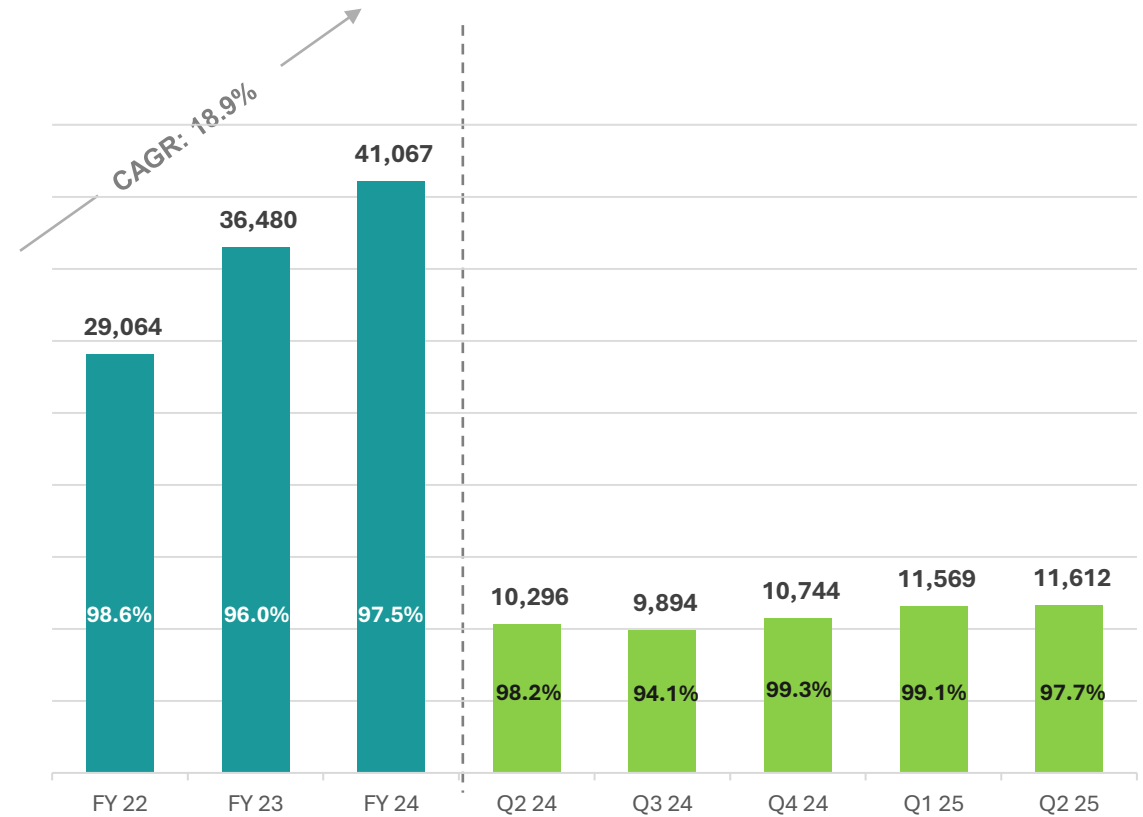
EBITDA

(₹ Lakhs) Margin



High FCF Conversion

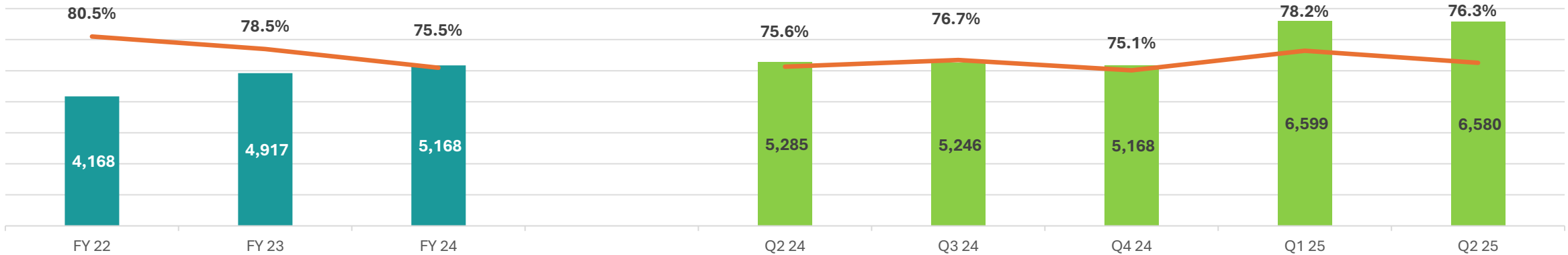
(₹ Lakhs)



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

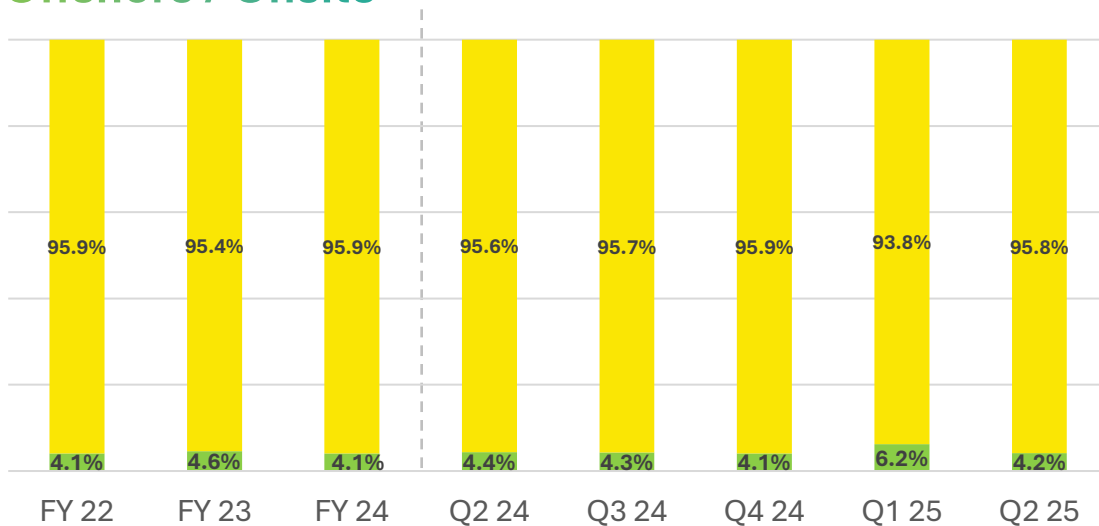
Operational & Financial Metrics

Happiest Minds & Utilization

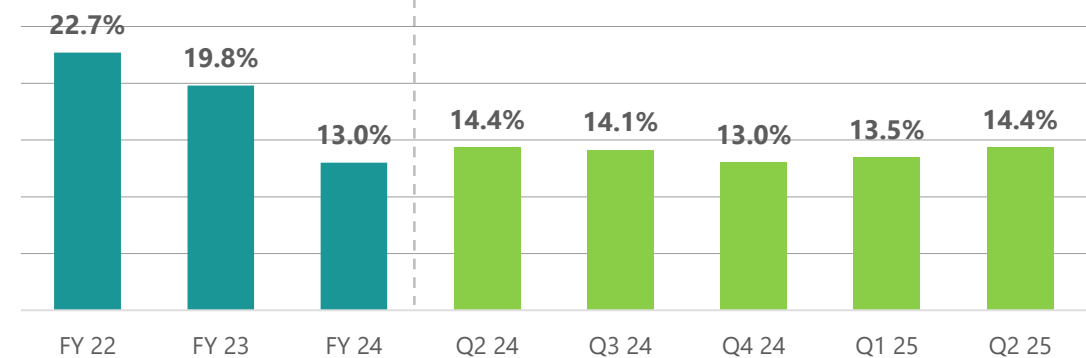


Offshore / Onsite

By Number of Employees



Voluntary Attrition % ¹



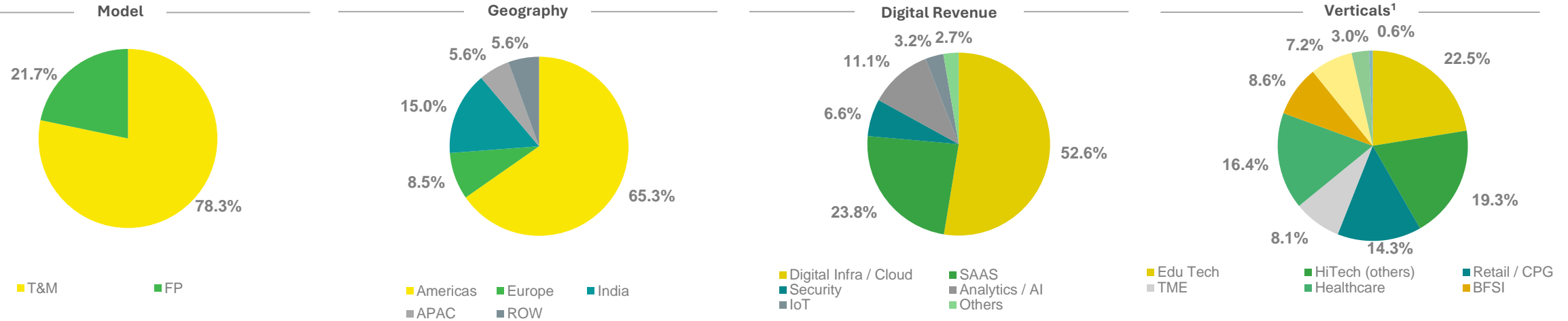
Note 1: Trailing 12 Months

■ Onsite ■ Offshore

Operational & Financial Metrics

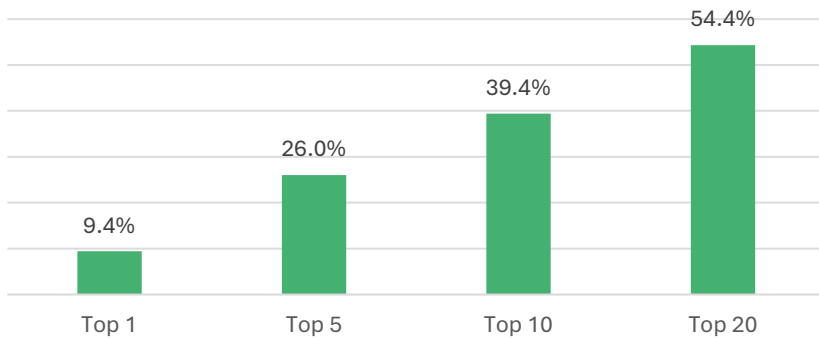
Revenue Model

Q2 25

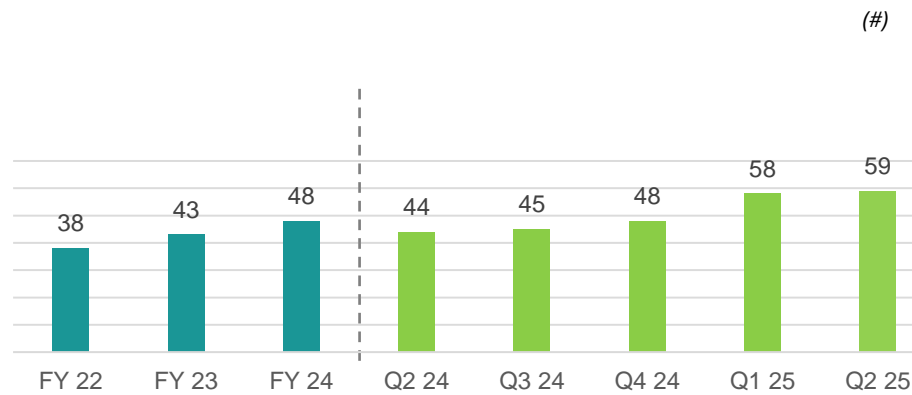


Revenue Concentration³

Q2 25 (% Revenue)

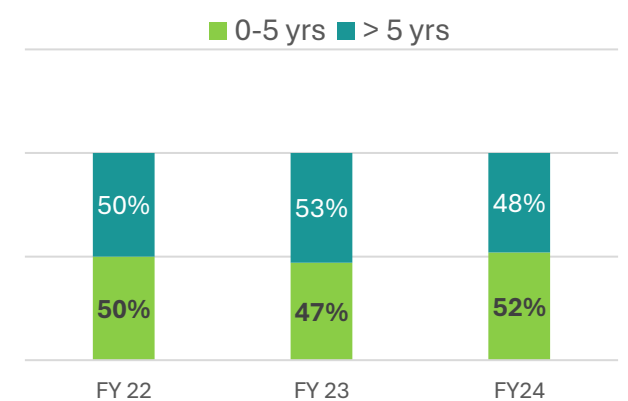


Million \$ Customers²



Tenure of Customer

% revenue from Clients

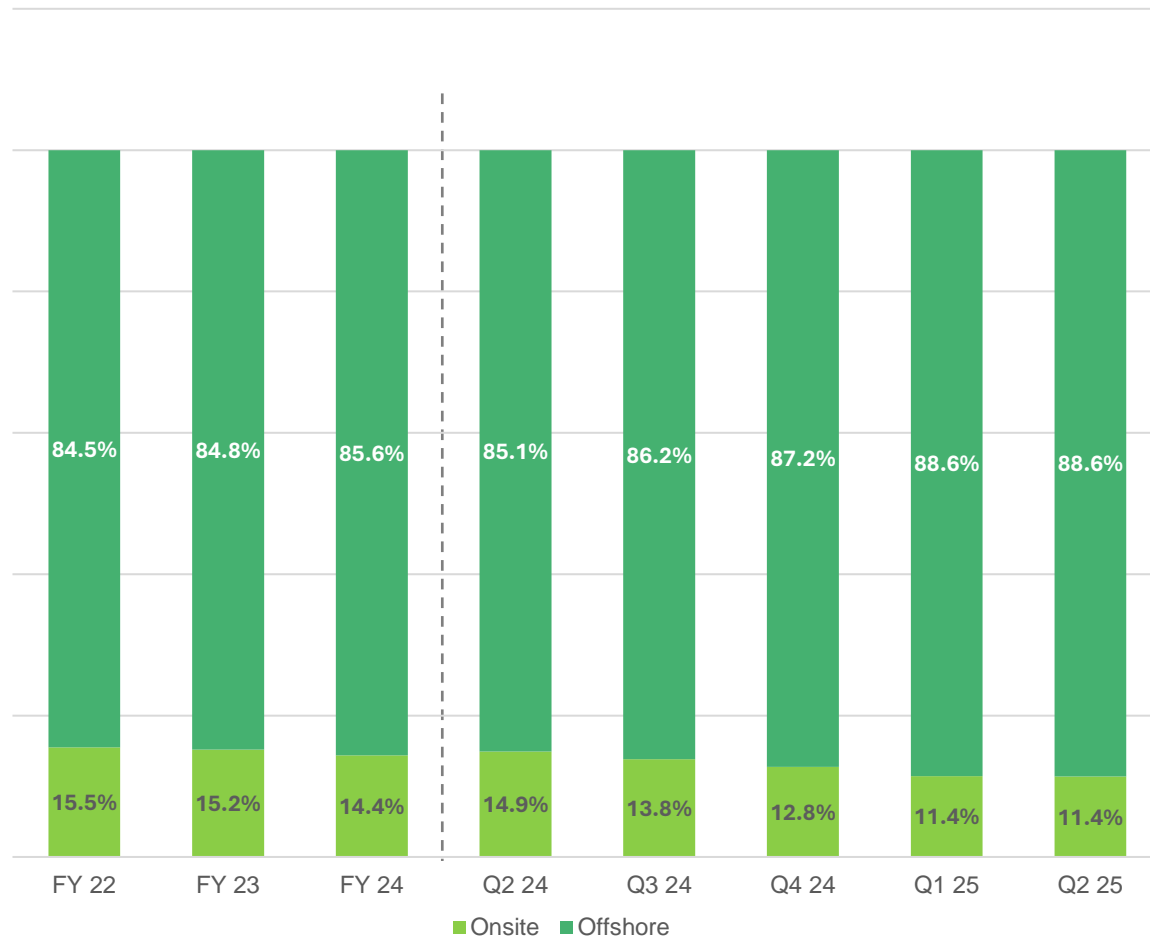


Notes: 1. TME: Travel, Media & Entertainment, 2. Based on quarterly revenues annualized. 3. Top 20 includes Top 1, 5 & 10

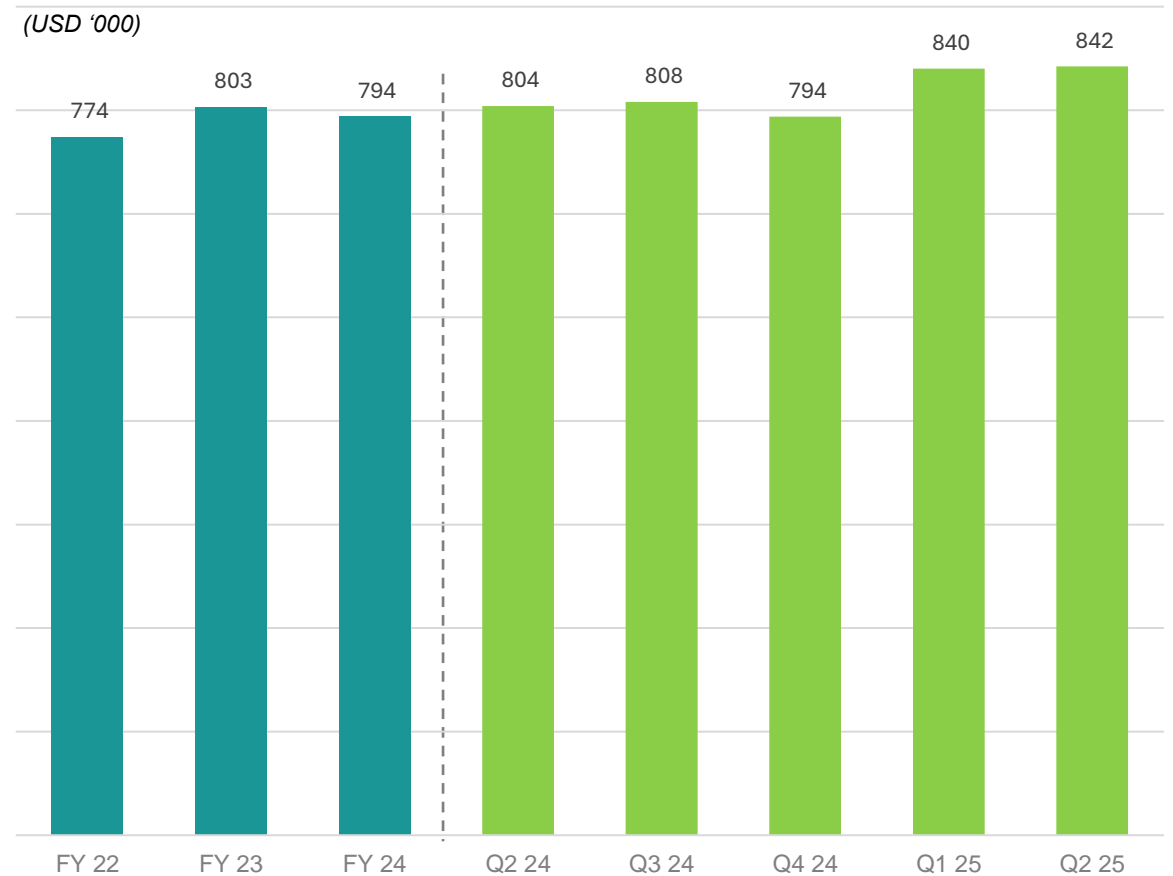
ROW* Includes - ANZ, ME, APAC, Africa & Others

Operational & Financial Metrics

Onsite/Offshore



Average Revenue / Active Customer



Operational & Financial Metrics

	FY 22	FY 23	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Verticals								
BFSI	13.2%	12.2%	10.3%	10.9%	11.4%	10.9%	16.8%	22.5%
Edutech	23.2%	23.2%	25.0%	24.0%	22.3%	23.9%	21.5%	19.3%
Healthcare*	-	-	13.8%	14.8%	16.1%	14.4%	16.4%	16.4%
Hitech	15.8%	16.9%	14.2%	14.3%	14.7%	14.5%	14.8%	14.3%
Travel, Media and Entertainment (TME)	13.2%	12.9%	11.6%	11.7%	12.2%	11.9%	10.7%	8.6%
Retail / CPG	10.3%	9.2%	7.2%	7.6%	7.8%	7.4%	7.8%	8.1%
Industrial	6.9%	8.4%	7.6%	6.8%	7.4%	7.5%	7.3%	7.2%
Manufacturing	8.6%	10.3%	6.3%	7.4%	6.3%	6.3%	4.0%	3.0%
Others	8.8%	6.9%	4.0%	2.5%	1.6%	3.1%	0.9%	0.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Digital Service Offerings								
Digital infrastructure / cloud	43.6%	45.8%	42.3%	43.3%	41.8%	42.9%	47.5%	52.6%
SaaS	20.3%	20.7%	27.1%	26.8%	26.5%	25.7%	25.1%	23.8%
Security Solutions	11.9%	12.3%	9.3%	9.3%	9.6%	9.6%	8.5%	6.6%
Analytics / AI	12.1%	12.2%	12.9%	12.4%	13.8%	13.3%	12.1%	11.1%
IoT	8.6%	5.4%	3.7%	4.3%	5.0%	4.4%	4.2%	3.2%
Total	96.5%	96.4%	95.3%	96.2%	96.8%	95.9%	97.4%	97.3%
IP Led	10.3%	10.1%	10.2%	10.0%	11.4%	10.2%	10.7%	9.8%
Automation	25.4%	26.6%	29.6%	29.1%	26.9%	28.1%	23.9%	24.1%

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

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

Operational & Financial Metrics

	FY 22	FY 23	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Revenue by Geo								
USA	66.4%	68.1%	71.5%	70.3%	69.0%	70.7%	66.5%	65.3%
India	14.1%	15.6%	15.7%	16.4%	17.7%	16.3%	16.9%	15.0%
Europe	10.4%	9.7%	9.0%	9.0%	9.0%	8.9%	8.7%	8.5%
APAC ³	-	-	-	-	-	-	2.4%	5.6%
ROW	9.0%	6.6%	3.8%	4.4%	4.4%	4.1%	5.5%	5.6%
Million \$ Customers¹								
\$ 20 M +	-	1	1	1	1	1	1	1
\$ 10 M +	1	-	1	1	2	2	2	2
\$ 5M to \$ 10M	4	6	7	7	6	6	9	8
\$ 3M to \$ 5M	8	6	4	4	2	2	2	6
\$ 1M to \$ 3M	25	30	31	32	37	37	44	42
Total	38	43	44	45	48	48	58	59
Tenure of customers								
0 - 5 Years	50.0%	47.0%	-	-	-	52.0%	-	-
> 5 Years	50.0%	53.0%	-	-	-	48.0%	-	-
Revenue Mix								
Onsite	15.5%	15.2%	14.9%	13.8%	12.8%	14.4%	11.4%	11.4%
Offshore ²	84.5%	84.8%	85.1%	86.2%	87.2%	85.6%	88.6%	88.6%
Revenue by contracting Model								
Fixed Price	25.1%	25.3%	25.1%	27.1%	27.7%	26.1%	26.1%	21.7%
Time and Material	74.9%	74.7%	74.9%	72.9%	72.3%	73.9%	73.9%	78.3%
# Active Customers	206	237	244	245	250	250	279	281
# Billion \$ Corporation	54	55	57	59	61	61	80	82

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

Operational & Financial Metrics

	FY 22	FY 23	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Happiest Minds								
Onsite	172	227	231	224	211	211	412	274
Offshore	3,996	4,690	5,054	5,022	4,957	4,957	6,187	6,306
Onsite %	4.1%	4.6%	4.4%	4.3%	4.1%	4.1%	6.2%	4.2%
Offshore %	95.9%	95.4%	95.6%	95.7%	95.9%	95.9%	93.8%	95.8%
Utilization	80.5%	78.5%	75.6%	76.7%	75.1%	75.5%	78.2%	76.3%
Diversity	26.4%	27.4%	28.1%	27.9%	27.7%	27.7%	27.7%	27.6%
DSO								
Billed	55	54	53	57	57	57	58	46
Unbilled	35	31	30	28	29	29	26	37
Total	90	86	83	85	87	87	84	83
Earnings Per Share (EPS) ₹								
EPS	12.55	16.01	3.90	3.96	4.79	16.73	3.39	3.29
Annualized ²	12.55	16.01				16.73		13.36
Cash EPS³	17.87	24.88	5.64	5.47	5.58	22.93	6.11	6.18
Annualized ²	17.87	24.88				22.93		24.58
Capital Ratios ¹								
RoCE	34.8%	32.8%	22.9%	22.9%	22.3%	22.3%	22.4%	23.1%
RoE	27.3%	27.8%	16.9%	16.7%	16.9%	16.9%	13.9%	13.5%

Note: 1: Capital Return Ratios are YTD Annualized, Note:2 Cash EPS & EPS has been annualized

Note:3 Cash EPS – Cash Flow from Operating Activities divided by number of Outstanding Shares

Operational & Financial Metrics

All figures in ₹ Lakhs

	FY 22		FY 23		FY24 Q2		FY 24 Q3		FY24 Q4		FY 24		FY25 Q1		FY25 Q2	
Revenue by BU																
IMSS	24,168	21.4%	30,694	21.2%	7,381	17.2%	7,299	16.8%	7,551	17.1%	29,746	17.4%	7,992	16.3%	7,876	14.4%
PDES	85,199	75.4%	1,12,236	77.4%	33,281	77.6%	33,689	77.6%	34,178	77.2%	1,32,719	77.6%	37,677	77.0%	43,442	79.2%
GBS	-	-	-	-	-	-	-	-	-	-	-	-	713	1.5%	846	1.5%
Total Revenue	1,09,367	96.8%	1,42,930	98.6%	40,662	94.8%	40,988	94.4%	41,729	94.3%	1,62,466	95.0%	46,382	94.8%	52,164	95.1%
Other Income	3,708	3.2%	2,110	1.4%	2,221	5.2%	2,429	5.6%	2,521	5.7%	8,537	5.0%	2,544	5.2%	2,702	4.9%
Total Income	1,13,075	100.0%	1,45,040	100.0%	42,883	100.0%	43,417	100.0%	44,250	100.0%	1,71,003	100.0%	48,926	100.0%	54,867	100.0%

IMSS: Infrastructure Management & Security Services. |. PDES : Product & Digital Engineering Services. |. GBS: Generative AI Business Services

*GBS started its operations from Q1FY25 onwards.

Profit & Loss Statement

All figures in ₹ Lakhs

	FY 22	FY 23	FY24 Q2	FY24 Q3	FY24 Q4	FY 24	FY25 Q1	FY25 Q2
Income								
Operating revenue	109,365	142,929	40,662	40,988	41,729	162,466	46,382	52,164
Other Income	3,710	2,111	2,221	2,429	2,521	8,537	2,544	2,702
Total income	113,075	145,040	42,883	43,417	44,250	171,003	48,926	54,867
Cost of revenue	64,404	82,827	24,980	25,213	25,607	99,204	28,614	33,567
Gross Margin	44,961	60,101	15,682	15,775	16,122	63,262	17,768	18,597
%	41.1%	42.0%	38.6%	38.5%	38.6%	38.9%	38.3%	35.7%
SG&A	19,193	24,215	7,421	7,685	7,821	29,677	8,642	9,417
%	17.5%	16.9%	18.3%	18.7%	18.7%	18.3%	18.6%	18.1%
EBITDA	29,477	37,997	10,482	10,519	10,822	42,122	11,671	11,882
%	26.1%	26.2%	24.4%	24.2%	24.5%	24.6%	23.9%	21.7%
Operating Margin	26,553	34,453	8,442	8,233	8,390	34,044	9,196	9,352
%	24.3%	24.1%	20.8%	20.1%	20.1%	21.0%	19.8%	17.9%
Finance cost	830	2,102	1,057	1,010	1,008	4,024	1,741	2,551
Depreciation	2,423	3,057	916	942	973	3,716	1,027	1,154
Profit before acquisition related non-cash items	26,224	32,838	8,509	8,567	8,841	34,382	8,903	8,177
%	23.2%	22.6%	19.8%	19.7%	20.0%	20.1%	18.2%	14.9%
Amortization/Unwinding Interest	1,030	1,218	597	601	521	2,316	1,419	1,406
PBT before exceptional item*	25,194	31,620	7,912	7,966	8,320	32,066	7,484	6,771
%	22.3%	21.8%	18.5%	18.3%	18.8%	18.8%	15.3%	12.3%
Exceptional items*	609	634	-	-107	-1,295	-1,402	643	-
PBT *	24,585	30,986	7,912	8,073	9,615	33,468	6,841	6,771
%	21.7%	21.4%	18.5%	18.6%	21.7%	19.6%	14.0%	12.3%
Current tax	6,310	8,508	2,237	2,192	2,809	9,518	2,114	2,179
Deferred tax	155	-621	-171	-81	-392	-889	-376	-359
Total Tax	6,465	7,887	2,066	2,111	2,417	8,629	1,738	1,820
%	5.7%	5.4%	4.8%	4.9%	5.5%	5.0%	3.6%	3.3%
PAT *	18,120	23,099	5,846	5,962	7,198	24,839	5,103	4,951
%	16.0%	15.9%	13.6%	13.7%	16.3%	14.5%	10.4%	9.0%

*+Exceptional items for FY22 & FY23 refers to Loss on Fair Valuation of Warrant Liability. For Q3FY24 & Q4FY24 is Gain on fair valuation of contingent consideration, For Q1 FY25 is Expense on acquisitions.

Condensed Balance Sheet

All figures in ₹ Lakhs

	FY 2022	FY 2023	Q2 FY24	Q3 FY24	FY 2024	Q1 FY25	Q2 FY25
Assets							
Non-current assets							
Property, plant and equipment	78	13,278	13,386	13,856	13,778	14,062	13,978
Goodwill	7,896	13,913	13,997	14,013	14,032	70,773	75,329
Financial & Other assets	11,788	29,594	35,841	36,903	19,192	65,379	42,125
Total non-current assets (A)	19,762	56,785	63,224	64,772	47,002	150,214	131,431
Current Assets							
Financial & Other assets							
i. Trade receivable	16,738	21,319	23,308	25,336	25,444	35,516	25,441
ii. Cash & Cash equivalents, Investments & Other financial assets	72,609	81,484	127,619	126,953	147,540	166,203	166,196
iii. Other assets	3,392	4,495	6,184	5,242	4,793	4,430	6,980
Total current assets (B)	92,739	107,298	157,111	157,531	177,777	206,149	198,616
Total assets (A + B)	112,501	164,083	220,335	222,303	224,779	356,363	330,047
Equity and Liabilities							
Total equity (A)	66,580	83,882	139,403	141,465	148,024	148,268	152,444
Non-current liabilities							
Financial liabilities	7,134	18,035	17,957	16,174	15,416	28,015	22,202
Provisions & Deferred tax liability	2,086	4,526	4,631	4,975	4,641	14,031	8,989
Total non-current liabilities (B)	9,220	22,561	22,588	21,149	20,057	42,046	31,191
Current liabilities							
Financial & Contract liabilities							
i. Trade payable	6,072	7,052	7,804	7,558	7,915	9,844	11,008
ii. Others	26,266	45,921	45,710	47,474	43,839	150,036	128,412
Provisions & Other current liabilities	4,363	4,667	4,830	4,656	4,944	6,169	6,991
Total current liabilities (C)	36,701	57,640	58,344	59,688	56,698	166,049	146,412
Total liabilities (D = B + C)	45,921	80,201	80,932	80,837	76,755	208,095	177,603
Total equity and liabilities (A + D)	112,501	164,083	220,335	222,303	224,779	356,363	330,047

Key Ratios

	Q2 FY24	FY24	Q1 FY25	Q2 FY25
Additional Balance Sheet Ratios				
Debt-Equity ratio	0.38	0.35	0.90	0.82
Debt Service Coverage ratio (DSCR)	5.00	5.25	7.39	6.68
Interest Service Coverage ratio (ISCR)	8.50	8.97	4.93	3.65
Current ratio	2.69	3.14	1.24	1.36
Long-term Debt to Working Capital ratio	0.12	0.09	0.27	0.20
Bad debts to Trade receivable ratio	0.00	0.02	0.01	0.01
Current liability ratio	0.72	0.74	0.80	0.82
Total Debt to total Assets ratio	0.24	0.23	0.38	0.38
Trade Receivable Turnover Ratio	7.29	6.95	6.09	8.20
Operating margin (%)	20%	21%	18%	18%
Net profit margin (%)	14%	15%	11%	9%

*As per the guidance note from ICAI

Global Presence



Headquarters – Bengaluru

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



PRESS RELEASE

Happiest Minds reports Q2 revenues of US \$ 62.4 Million, propels ahead with growth of 12.7% q-o-q ; 28.2% y-o-y in constant currency

EBITDA grows 13.4% to ₹ 119 Crores

Bengaluru, Seattle and London, November 13, 2024: Happiest Minds Technologies Limited (NSE:HAPPSTMNDS), a 'Born Digital. Born Agile', a digital transformation and IT solutions company, today announced its consolidated results for the second quarter ended September 30, 2024, as approved by its Board of Directors.

Ashok Soota, Executive Chairman, said, "Happiest Minds has delivered our best growth results since the last two years with 12.7% QoQ growth and 28.2% YoY growth. The transformational changes we initiated this year are all gathering momentum. These changes include the acquisition of PureSoftware and Aureus, the creation of our GenAI Business Unit (GBS), hiring a senior leader to expand net new (NN Sales), and creating six Industry Groups, each headed by an Industry Manager. The full impact of all these changes on revenue and growth will become visible in the quarters ahead."

Key Financial highlights

Quarter ended September 30, 2024

- Revenue in constant currency grew 12.7% q-o-q and 28.2% y-o-y
- Operating Revenues in US \$ stood at \$62.4 million growing 12.3% q-o-q and 27.0% y-o-y
- Total Income of ₹ 54,867 lakhs growing 12.1% q-o-q and 27.9% y-o-y
- EBITDA of ₹ 11,882 lakhs, 21.7% of Total Income (growth of 1.8% q-o-q and 13.4% y-o-y)
- PAT of ₹ 4,951 lakhs 9.0% of Total Income (decline of 3.0% q-o-q and 15.3% y-o-y)*
- Free cash flows of ₹ 11,612 Lakhs and EPS (diluted) at ₹ 3.29

Half year ended September 30, 2024

- Revenue in constant currency grew 23.1% y-o-y
- Operating Revenues in US \$ stood at \$117.9 million growing 22.0% y-o-y
- Total Income of ₹ 103,793 lakhs growing 24.5% y-o-y
- EBITDA of ₹ 23,553 lakhs, 22.7% of Total Income (growth of 13.3% y-o-y)
- PAT of ₹ 10,054 lakhs 9.7% of Total Income (Decline of 13.9% y-o-y)*
- Free cash flows of ₹ 23,181 Lakhs and EPS (diluted) at ₹ 6.68

**Decline primarily due to acquisition related non-cash charge and financing costs.*

All amounts in ₹ Lakhs unless stated otherwise.

Particulars	Q2 FY25	Q1 FY25	QoQ	Q2 FY24	YoY	HY25	HY24	YoY
Revenues	52,164	46,382	12.5%	40,662	28.3%	98,546	79,749	23.6%
Other Income	2,702	2,544		2,221		5,246	3,587	
Total Income	54,867	48,926	12.1%	42,883	27.9%	103,793	83,336	24.5%
EBITDA	11,882	11,671	1.8%	10,482	13.4%	23,553	20,781	13.3%
%	21.7%	23.9%		24.4%		22.7%	24.9%	
Operating Margin¹	9,352	9,196	1.7%	8,443	10.8%	18,548	17,422	6.5%
%	17.9%	19.8%		20.8%		18.8%	21.8%	
Finance Cost	2,551	1,741		1,055		4,291	2,002	
Depreciation	1,154	1,029		846		2,183	1,887	
Profit before Non Cash/Exceptional	8,178	8,902	(8.1)%	8,581	(4.7)%	17,080	16,892	1.1%
%	14.9%	18.2%		20.0%		16.5%	20.3%	
Amortization/Unwinding Interest ²	1,406	1,419		668		2,825	1,110	
Exceptional Item	-	643		-		643	-	
PBT	6,771	6,841	(1.0)%	7,912	(14.4)%	13,612	15,780	(13.7)%
%	12.3%	14.0%		18.5%		13.1%	18.9%	
Tax	1,820	1,738		2,066		3,558	4,101	
%	3.3%	3.6%		4.8%		3.4%	4.9%	
PAT	4,951	5,103	(3.0)%	5,846	(15.3)%	10,054	11,679	(13.9)%
%	9.0%	10.4%		13.6%		9.7%	14.0%	
Revenues (\$'000)	62,385	55,547	12.3%	49,121	27.0%	117,932	96,687	22.0%
Growth in CC			12.7%		28.2%			23.1%

Note 1 – Operating Margin – EBITDA excluding other income

Note 2 - Amortization and unwinding interest are non cash items from the acquisition

Venkatraman Narayanan, MD & CFO, said, "We are pleased about our growth in revenues and profits in the first half of FY25. Total income has grown by ₹205 crores, EBITDA by ₹28 crores and Operating Margins by ₹12 crores. Revenue growth of 28.2% in constant currency and EBITDA margin of 22.7% compare well with our guidance range of 30% to 35% and 20% to 22%, respectively. Our growth in margins is after counting for significant investments in our Gen AI business unit and higher than comparable company compensation increases for our people."

Joseph Anantharaju, Executive Vice Chairman, said, "The results demonstrate Happiest Minds' commitment to its customers and be the partner of choice in their strategic imperatives. Backed by our strong capabilities in Data, AI, GenAI, Automation, IoT and Cyber Security, the quarter was marked by solid new wins and expanding our base into existing client relationships through our strong account mining practices."

Clients:

- 281 as of September 30, 2024
- 11 additions in the quarter

Our People - Happiest Minds:

- 6,580 Happiest Minds as of September 30, 2024
- Trailing 12-month attrition of 14.4% (13.5% in the previous quarter)
- Utilization of 76.3%, from 78.2% in last quarter

Q2 FY25 Key wins

- For a **USA-based energy tech company**, this new win entails Happiest Minds providing consulting-led solution to develop their unified IoT platform for the combined heat and power solution.
- For a **US semiconductor company**, Happiest Minds was chosen to design and develop their reference hardware platforms.
- For a **global leader in Electronic Design Automation**, Happiest Minds is building its prototype SoC designs on FPGA platforms.
- For a **North America-based health-tech company** offering practice management solutions for professionals, Happiest Minds has been chosen to transform their entire reporting system to a Microsoft stack.
- For the **world's leading digital twin platform** for the energy sector, Happiest Minds was chosen to drive their Gen AI Innovation aimed at field data collection and retrieval.
- For **one of the largest brewers in the world**, Happiest Minds has been chosen as a strategic partner to drive their Analytics and AI initiatives for demand forecasting.
- For a **European Health Research Institute**, Happiest Minds is building their AI/ML data platform.
- For a **leading ANZ retailer**, Happiest Minds is providing Data Engineering and BI services (Snowflake & Power BI) for their Product Lifecycle Management project.
- For an **Australia based healthcare training provider**, Happiest Minds has been chosen to design and build their learning platform.
- For a **leading FinTech trading platform in the Middle East**, Happiest Minds was chosen as a partner to secure its critical IT infrastructure and business applications.
- For an **Africa-based market leader in logistics and supply chain**, Happiest Minds has been chosen to implement core banking and Buy Now Pay Later (BNPL) modules from its award-winning Arttha® Platform.
- For a **large public sector bank based out of India**, Happiest Minds has been chosen as their strategic cybersecurity partner to oversee the end-to-end design and implementation of their cyber security program.

Awards

- Happiest Minds is recognized among **Top 100 India's Best Workplaces™ for Women 2024** by Great Place To Work®
- Happiest Minds was awarded for Best Organizational Development & Transformation Initiative at **Future of L&D Summit and Awards 2024**
- Happiest Minds was awarded **WAW – Wellbeing at Workplaces Award 2024** at the HR Anexi Conclave
- Happiest Minds was awarded Gold and Silver at the **Brandon Hall Group HCM Excellence Awards 2024**

Analyst Mentions

- Happiest Minds is **“Established & Expansive”** in Digital Engineering and ER&D Services – Zinnov Zones
- Happiest Minds is in **“Leadership Zone & Recognized as a Noteworthy Player”** in the Consumer Software – Zinnov Zones
- Happiest Minds is in **“Leadership Zone”** in Enterprise Software – Zinnov Zones
- Happiest Minds is in **“Leadership Zone”** in Software Platform Engineering – Zinnov Zones
- Happiest Minds is in **“Noteworthy Player”** in the Overall Data & AI Engineering Services – Zinnov Zones
- Happiest Minds is in **“Leadership Zone”** in Experience Engineering – Zinnov Zones
- Happiest Minds is **“Major Contender”** – Everest PEAK Matrix for Software Product Engineering Services
- Happiest Minds is **“Major Contender”** in BFSI, Retail, Healthcare, ISV & Internet, Media & Entertainment - Everest PEAK Matrix for Software Product Engineering Services
- Happiest Minds is **Major Contender** in Everest Group's Cybersecurity Services PEAK Matrix® Assessment 2024 - North America

Announcements

- The Board of Directors of the Company, at their meeting held on November 13, 2024, has recommended an interim dividend of ₹ 2.5 per equity share of face value ₹ 2/- for the financial year 2024-25, subject to shareholder approval.

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

About Happiest Minds Technologies:

[Happiest Minds Technologies Limited](#) (NSE: HAPSTMNDS), a Mindful IT Company, enables [digital transformation](#) for enterprises and technology providers by delivering seamless customer experiences, business efficiency and actionable insights. We do this by leveraging a spectrum of disruptive technologies such as: [artificial intelligence](#), [blockchain](#), [cloud](#), [digital process automation](#), [internet of things](#), robotics/drones, [security](#), [virtual/ augmented reality](#), etc. Positioned as 'Born Digital . Born Agile', our capabilities span Product & Digital Engineering Services (PDES), Generative AI Business Services (GBS) and Infrastructure Management & Security Services (IMSS). We deliver these services across industry groups: Banking, Financial Services & Insurance (BFSI), EdTech, Healthcare & Life Sciences, Hi-Tech and Media & Entertainment, Industrial, Manufacturing, Energy & Utilities, and Retail, CPG & Logistics. The company has been recognized for its excellence in Corporate Governance practices by Golden Peacock and ICSI. A Great Place to Work Certified™ company, Happiest Minds is headquartered in Bengaluru, India with operations in the U.S., UK, Canada, Australia, and the Middle East.

Safe harbor

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

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